

THE MOUNT SCHOOL (YORK)
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

THE MOUNT SCHOOL (YORK)
(A company limited by guarantee)

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**INTRODUCTION FROM THE CLERK TO THE COMMITTEE
FOR THE YEAR ENDED 31 AUGUST 2020**

This report outlines the work of The Mount School from September 2019 to August 2020, and, as such, offers a retrospective overview of the previous academic year.

We were optimistic at the start of the year, believing our plans for the future to be robust, sustainable and achievable. The events of 2020 have tested us in ways we could not have imagined and shown us – if any proof were needed – that The Mount has an extremely resilient, innovative, and adaptable staff who will go the extra mile in helping their pupils achieve their potential.

Our strategic decision to invest significantly in a variety of education technologies had already established The Mount as an iPad learning school and this enabled us to deliver, at speed, a fantastic programme of online learning as soon as the lockdown began. The first online programmes were delivered in the week before the Easter break; the school's leadership team used the holiday period to refine their approach to curriculum delivery and the result was a transition to an online classroom environment that was seamless and smooth throughout the School. The overall result of our approach means that the Mount's pupils have, at the time of writing (March 2021), more or less completed all curriculum topics as scheduled. This is a tremendous achievement and will support the girls as they progress to the next stages of their learning.

The School remained open to the children of key workers and vulnerable children for the whole year but everyone eagerly anticipated returning to the classroom. The situation created by Covid-19 has been fluid, dynamic and fast-moving, and our full re-opening in September 2020 came after much reorganisation of rooms and one-way systems in accordance with ever-evolving government guidance. We have maintained a safe environment throughout the year. Despite all these external factors it is nevertheless important that we do not lose sight of what has been achieved during the year, albeit in different and unexpected ways. I wish to celebrate these achievements in this document of record.

At the time of writing, schools are only just reopening to all children after the January lockdown, and the longer-term effects of daily online teaching and learning are becoming apparent. The challenges we face now are different but nonetheless real.

In 2019/20 The Mount has – as always – focussed on developing, enriching and enhancing the education it offers at the same time as maintaining the unique environment for pastoral and personal development that being a small and intimate school makes possible. Online learning has enabled senior girls to progress further in their syllabuses. This has been at the expense of much practical work, particularly in science. For all age groups our staff team has continued to enhance the ways in which we provide a distinctive and truly outstanding education for girls, and this would be even harder if we did not have the support of a committed parent body helping with their children's learning at home.

Our strategy of rationalising and streamlining the effectiveness of the school's estate continues to develop, and in October 2019 we completed the sale of a parcel of land at the end of the playing fields. Investment in new facilities has included the refurbishment of the netball courts, and we have become an All Steinway School, a development that has truly enhanced our musical provision over the year.

The considerable political and economic uncertainties and structural changes facing the independent school sector, including the long-term decline in boarding nationally that I noted last year, continue to pose a particular challenge for smaller schools such as The Mount. The School Committee and School Leadership team work together to refine our long-term sustainability strategy and we are focused on providing the investment, financial resilience and capability needed for the School to go on fulfilling its charitable purpose of providing a Quaker education to future generations of girls. We continue to be committed to enhancing the educational offer to our own pupils and building substantive collaborative relationships with our local community and other local schools for our mutual benefit.

INTRODUCTION FROM THE CLERK TO THE COMMITTEE (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

We have put in place a number of strategic interventions that we continue to believe provide a very bright future for our School and including:

- Increasing investment in marketing, particularly making use of video and digital opportunities, in order to increase pupil numbers
- Taking our online educational offer to new levels as it becomes the 'new normal'
- Achieving All Steinway School status in early March 2020. This has had a marked impact on our attractiveness to new students and is anchored by collaborative marketing with Steinway
- Partnering with external organisations to develop a focus on netball at MSY. Unfortunately planned netball summer schools could not take place, and a new netball partnership fell through due to the Covid-19 restrictions. A different programme with Elite Netball Academy will start as soon as possible after the 2020 Easter break.
- Engaging consultancy advice to assist in exploring creative ways to optimise the effective use of our site, including repurposing assets that can be used to release capital or to generate reinvestment income
- Judiciously selecting areas within the campus where investment can be made to deliver modernisation
- Enhancing our financial management and commercial development capability through the recruitment of a new Commercial Services Manager in January 2020
- Exploring additional opportunities to maximise the generation of commercial income from our campus and facilities

It is difficult to think of another year where the shock of external events has had such a profound impact on the early optimism of our plans. We have been tested as never before. The dedication, adaptability and professionalism of our teaching staff coupled with our established investment and strength in online learning stood us in very good stead, bolstering our ability to provide and deliver a full curriculum remotely. We had anticipated the need for a blend of online and in-person education to continue throughout the year and into 2020/21. The response from girls and their parents throughout the third lockdown has been heartening.

We cannot say at this point what will be the long term effect of Covid-19. Already a great deal has changed. Whatever the future holds we remain passionate believers in the power of girls' education, delivered here by an excellent teaching and support staff, and look forward eagerly to the time when the school will be able to return to normality.


Margaret Bryan (Aug 17, 2021 21:33 GMT+1)

Margaret Bryan
Clerk to The Mount School Committee

Date: 30 April 2021

THE MOUNT SCHOOL (YORK)
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**MEMBERS OF THE COMMITTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

1. INTRODUCTION

The Mount School was founded by Quakers in 1785. The School is a Company Limited by Guarantee (Number 01686186) incorporated in England and Wales, governed by its Memorandum and Articles of Association, and a Registered Charity (Number 513646). The Company has a wholly owned non-charitable subsidiary, Mount School Estates (York) Ltd.

The Committee members (governors) of the school are its directors and its trustees for the purposes of charity law. As Company Directors and charity Trustees, they present their annual report and audited accounts for the year ended 31 August 2020. They have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

2. REFERENCE AND ADMINISTRATIVE DETAILS

All those listed below served as governors during the year, or on the date of approval of the report and accounts.

Members of the committee

- Margaret Bryan, Clerk (Chair)
- Linda Clark (resigned December 2019)
- Joan Concannon
- Ursula Fuller (from January 2019)
- Era Gjurgjeala (from January 2019)
- Stephanie Hogg (from May 2020)
- Shoana Mackay
- Alice Unwin
- Julian Pattison
- Mike Porter (resigned December 2019)
- Nicola Spence
- John Sweetman (from January 2020)
- Greg Willmott (resigned March 2020, co-opted April 2021)
- Mary Young (resigned December 2019)

Company registered number	01686186
Charity registered number	513646
Registered office	Dalton Terrace, York, YO24 4DD

SENIOR LEADERSHIP TEAM

Principal: Adrienne Richmond

Deputy Principal: Bridget Perks

Head of Junior School: Rachel Capper

Director of Business Operations: (Bursar) Nicholas Higgins

Director of External Relations: Kate Linfoot

PROFESSIONAL ADVISERS

Auditors: BHP LLP, Rievaulx House, 1 St Mary's Court, Blossom Street, York, YO24 1AH

Bankers: HSBC Bank plc, 13 Parliament Street, York, YO1 8XS

Solicitors: Crombie Wilkinson, Clifford House, 19 Clifford Street, York, YO1 9RU

Insurance brokers: Arthur J Gallagher Insurance Brokers, Aspire, 2nd Floor, 2 Infirmary Street, Leeds

Investment advisers: Brewin Dolphin Limited, 34 Lisbon Street, Leeds

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MEMBERS OF THE COMMITTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

3. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Mount School's charitable objects are to advance the education of children and to carry on and conduct a school known as The Mount School York in accordance with the principles of the Religious Society of Friends (Quakers).

The School's governing body is The Mount School Committee. All members of the School Committee (governors) are appointed by Quakers in Yorkshire (QiY). A majority of members, and the Clerk, must be Quakers. Two parent members are nominated by current parents, two Old Scholars by the Mount Old Scholars Association (MOSA), and School Committee itself may co-opt up to four additional members.

All governors are appointed to serve for terms of up to four years. Terms may be set to minimise membership turnover in any one year. The Clerk and a Deputy are appointed by School Committee to serve for four years, which may be renewed once. Within the overall limit of a maximum of eight years service, all those retiring may be re-appointed. After an initial induction meeting when their service begins, Governors have regular training sessions on governance and other matters.

The Members of The Mount School Committee, as the Trustees of the Charity, are legally responsible for the overall direction and control of the School. All Trustees give their time freely and no remuneration was paid to Trustees as Trustees in the year. Expenses paid to School Committee members were limited to travel and accommodation costs where necessary, plus reimbursement of fees for attending training events and conferences.

The Mount School Committee meets at least once each school term. Its principal sub-committees, which are advisory to the main committee, also meet at least once a term. They are:

- Education, which considers educational, pastoral and Quaker matters;
- Estates, Finance and Marketing, which oversees the School's finances and considers the maintenance and further development of the School's property in all respects.
- The working group established in 2016 to handle all matters relating to the then proposed sale of surplus land was laid down in October 2019, when the sale was concluded.

Two other committees meet as required:

- The Nominations sub-Committee makes recommendations on the appointment of new members, having regard to the balance of skills required at any given time.
- A Staffing & Remuneration sub-Committee reviews remuneration and staffing for senior executive roles where School Committee has appointment responsibilities. This committee meets annually. Teaching and Senior Staff are paid on the Mount School pay scale for teachers, with reference to the national School Teachers' Pay & Conditions Document for the maintained education sector. Support Staff are paid on the Mount School pay scale for support staff, with reference to the JNC national pay spine for public sector workers.

In addition to serving on sub-committees, individual governors are appointed to serve as:

- a link with the School Health & Safety Committee.
- a link with the senior staff responsible for all aspects of Safeguarding Children.
- a link with EYFS and Junior School
- a link with SEND and the SENCO

All governors may, with notice, attend meetings of the sub-committees of which they are not members.

The day-to-day running of the School is delegated to the Principal, the Deputy Principal and the Head of the Junior School, together with the Directors of both Business Operations and External Relations, who form the Senior Leadership Team (SLT). The Principal and Director of Business Operations attend meetings of The School Committee and the sub-committees as of right. The Deputy Principal and the Head of the Junior School attend meetings of committees as appropriate. Other members of staff attend meetings of the committees by invitation as necessary.

MEMBERS OF THE COMMITTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

4. OBJECTIVES AND ACTIVITIES

4.1. Charitable Objectives

As stated above, The Mount School's charitable objectives are to advance the education of children and to carry on and conduct a school known as The Mount School York in accordance with the principles of the Religious Society of Friends (Quakers).

In pursuit of these objects the School Committee must manage and maintain the property of the School, including its buildings, land, artefacts, works of art, books, historical documents, furniture, equipment and other effects owned by or held in trust by the School. The School also provides scholarships, bursaries, prizes and other financial support for pupils. In addition, The Mount School York Foundation (**charity number 1171116**) has been established, the principal purposes of which are to underpin the School's goal of widening access to a Quaker education and ".....in particular to advance the education of past, present and future pupils of The Mount School York". The Foundation works to boost funding for facilities improvements large and small, and also provides for bursaries, prizes and other awards for pupils and old scholars.

4.2. Aims and Values

The Mount School is a Quaker school, guided day-to-day by Quaker values and testimonies to simplicity, truth and integrity, equality and peace. The creation of an environment where every girl is valued, enabled to flourish and given the confidence to know she can achieve, is at the heart of The Mount School's ethos.

The School aims to:

- ensure girls respect and value every individual
- enable girls to have the freedom to flourish in a calm and caring community
- inspire girls to strive for personal excellence
- challenge girls to think and live adventurously
- empower girls to make a positive contribution to our changing world

4.3. Objectives

Our objectives fall into four key areas:

1. Teaching and Learning, Pupil Progress and Personal Development.

We aim:

- To continue to provide consistently excellent teaching across all subjects in the best possible teaching and learning environment;
- To make pupil progress, including that of EAL pupils and those pupils with SEND, a top priority for teachers, sharing good practice between departments and ensuring that there are the facilities required to support individuals to develop all their skills and talents;
- To review the system for targeting pupil intervention to address learning needs, evaluating current practice and developing accordingly;
- To continue to keep abreast of developments in the e-learning programme and the use of iPads;
- To further develop our culture of independent learning and adventurous living.

Achievements this year

- Detailed analysis of exam results, monitoring of value-added scores and the sharing of good practice are all part of the assessment of teaching quality which have continued throughout the year.
- Pupil progress is the top priority for all staff, with emphasis placed on finding ways to stretch and challenge all pupils. The new way of reporting pupil progress has been well received by parents.
- Systems are in place to identify every individual pupil's potential needs right from the start, so that these can be addressed effectively. EAL support and intervention is closely monitored.
- The development of protocols for learning online has been refined – for example shorter lesson times with regular

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breaks built in. Remote learning was adapted for international boarders in different time zones.

- E-learning is included in all staff training and best practice shared; there has been emphasis this year on the safeguarding aspects of blended learning.

Academic Achievement:

Once again, performance at both GCSE and A Level was very good, and above national expectations. For both cohorts, pupils of average ability on entry demonstrated good progress over the key stage, performing above average in the final examinations. The overall value-added score was slightly lower at A level but a very pleasing half grade above expectation at GCSE.

Taking advantage of technology:

This school year has seen The Mount's already high levels of computer and iPad skill really come into their own. The Junior School has created a well-received vlog; parents have been introduced to app smashing; and coding with a variety of apps (such as Sway, Swift, Python and Playground) remains popular from Year 1 upwards. The Junior Digital Leaders continue to support pupils (and teachers) in lessons and the whole school is active on Twitter. The use of social media was vital in informing parents of what was happening in school during the lockdowns.

Once the school was forced to close its premises to most pupils in March 2020 the pace of change was immense. With the help of staff who were 'early adopters' of technology the whole community learned how to message, make video calls, submit work electronically, set assignments, upload, download and reload documents through the Office 365 TEAMS platform.

Throughout the periods of remote learning, support for SEND pupils has remained crucial. Lessons were structured to allow individual time with the teacher for these pupils while others were engaged in independent tasks, thus providing a calm environment for learning ideally suited to SEND pupils' needs.

In addition to the regular timetable, girls have had plenty of opportunities for social interaction online. The weekly newsletter '*Live adventurously, learn digitally*' introduced from March has been a valuable source of news about the education on offer throughout the year, and working remotely has increased girls' ability to learn independently.

Culture of learning:

At the beginning of the 2019 academic year the Junior School launched its theme-based *Explore, Discover, Create* curriculum. Teaching throughout the school is geared towards stretching and challenging girls to achieve at the highest level, and there is emphasis on relevant feedback to pupils as well as careful monitoring of progress. We are continuing to see the benefits of some vertical groupings and all-age cooperation, for example in the school charities' committee and house competitions, and these have continued throughout the lockdown.

Focus on well-being and work/life balance through Compassion-Focused Therapy:

The training in Compassion-Focused Therapy offered in 2017-18 was valuable in providing a way for staff to look after their own well-being and work/life balance; it is now an established part of their approach to supporting Year 11 and Sixth Form girls, as they in turn learn to manage the stress of preparing for public examinations. This work has assumed even greater importance during the pandemic, and staff take their own and the girls' mental health very seriously. The school has appointed a counsellor on a part time basis to assist with this.

Adventurous living:

A wide range of co-curricular activities is offered across the whole school to stretch and challenge pupils of all ages and abilities. Before the school was obliged to close to all but the children of key workers and vulnerable children, this included an amazing breadth of activity –

- Choirs (Junior, Senior and Chamber Choir), Orchestra (Junior and Senior), Jazz Group, a Swing Band, Baroque Ensemble and Folk Group and one addition – a percussion group –
- Creative Textiles, Jewellery Making, Pottery, Photography, Still Life, Robotics & Coding, Junior School Science Investigators, LAMDA, Drama and Performing Arts Clubs, Chess, Debating, Creative Writing, Book Group, Duke of

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Edinburgh Award, Princes' Trust, Model United Nations and PeaceJam.

- Sporting activities such as Netball, Swimming, Hockey, Rounders, Athletics, Cross Country, Tennis, Badminton, Volleyball, Basketball, Trampolining, HITT sessions and Yoga.
- Lifeguard Training for both Junior and Senior girls, and Netball Coaching qualifications.

During the Summer Term Choir and Musical Ensembles went online, as did the other regular fixtures in the school calendar such as Sports Day and Foundation Meeting.

Girls have also participated in events and competitions as diverse as the Rotary York's Team Design Challenge, the Royal Society of Chemistry 'Top of the Bench', the Geographical Society Worldwide Quiz, and the UK Maths Trust Challenge. A Year 8 pupil was highly commended in the 11-14 age group of the Midlands and North Young Fashion Designer of the Year. Sporting success came with four girls representing York in the North Yorkshire Schools Cross Country Championship.

2. Buildings and Facilities

We aim:

- To continue our programme of maintenance, upgrading and investment in our historic site, rationalising where necessary and improving the facilities we offer in support of our educational aims.

Ongoing maintenance has included some internal redecoration, refurbishment of boarding house bathrooms, and further tree surgery. The netball courts were resurfaced and 3 Driffeld Terrace was sold. The necessary servicing and maintenance of equipment and facilities continued on a cyclical basis but unfortunately other projects have been delayed because of lockdown restrictions.

3. Financial Sustainability

Key to our financial sustainability is, as always, the number of pupils we can attract and retain throughout the school. We aim:

- To continue to target recruitment of pupils in Years 7, 9 and 12 as well as into Reception and the wider Junior School.
- To continue to develop already established links with feeder schools and the international boarding community.
- To build boarding numbers by keeping our profile high in the international boarding market, attending recruitment events in Hong Kong and Thailand as well as upgrading our membership of and engaging more fully with the British Boarding Schools Network.
- To do all we can to release funds for targeted site development projects. The successful disposal of part of the property in Driffeld Terrace and the planned sale of the remainder support this strategy.
- To review, with the aid of external consultancy, every aspect of our operation so as to focus our strategic thinking as we look to the years ahead.

The **work of the Director of External Relations** continues to have a significant impact, particularly in extending our digital advertising reach. The marketing and admissions team, supported when required by the Principal and Deputy Principal, participates in online national and international boarding events. Our regular timetable of Open Days and visits has continued without interruption albeit in revised formats from March 2020, depending on the lockdown regulations at any given time. Staff are making more sophisticated use of the information they hold to target advertising and recruitment drives more effectively, in line with our responsibilities to GDPR.

4. Quaker Ethos

We aim to improve understanding of Quakerism within the whole school community. This is achieved in a number of ways:

- Meetings for worship in school, including one led weekly for Juniors by pupils in Year 6
- Welcoming local Quakers as speakers in our assemblies
- Annual reports to Quakers in Yorkshire

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- Participation by students in the annual Quaker Pilgrimage
- Linking with national Quaker Week activities. In 2019/20 our theme was 'Quaker Stories'
- Our PeaceJam and Global Thinking curriculum is underpinned by Quaker values

5. PUBLIC BENEFIT

The Mount School Committee, in keeping with the Charity Commission's guidance, keeps its public benefit requirements under regular review. Three aspects are detailed below:

Community Development

We had aimed this year to contribute to the social and economic development of the York community, and specifically the Holgate area, by hosting and being actively engaged in community events. The unavoidable cancellation of scheduled events, such as the York Literature Festival, York Festival of Ideas and York Open Studios was a blow. We look forward to hosting events in the future.

At the start of the pandemic we were able to donate goggles and latex gloves to St Leonard's Hospice, and PPE caps to local dental surgeries.

Bursary support

Means-tested bursaries amounting to £371,265 were paid during the year, representing 13% of gross fee income. In addition, scholarships, discounts and other fee remissions brought the total financial support to pupils to £542,150, or 19% of gross fee income.

York Independent-State Schools Partnership (ISSP)

The Mount School is very proud to be part of this successful and worthwhile enterprise, which was recognised in 2017 in a government white paper as being a flagship project. We have continued to play an important part in ISSP, which comprises 13 independent and state secondary schools within York City Education Authority. Since September 2018 our Principal has been the Chair of the ISSP Heads' Strategy Group and continues to lead on the strategic development of the partnership working in conjunction with the Heads of the other 12 schools. During this year The Mount's Head of Classics has been responsible for running a Latin group for Year 9 pupils across the partnership and we have welcomed some 20+ pupils from other schools to The Mount. Our Heads of Physics and Art and one of our Maths Teachers have also taught in the ISSP master class programme. There are many other opportunities for able and interested students across the city, Mount students included, to participate in:

- a Maths Excellence Club
- Year 7, 8, 9 & 10 Saturday morning master classes
- Summer schools for Years 7-11
- York Human Rights City Projects
- a Year 7 and 8 lecture programme
- Year 9 residential during October half-term

Collaboration with local schools via Duke of Edinburgh training, the Battlefields visit (through the ISSP), German Language events, joint ski trips and shared Geography Field trips continued to take place in the Autumn and Spring Terms. Trips were all unsurprisingly put on hold once lockdown began in March 2020. Many of the York ISSP activities have now resumed in a remote format and The Mount continues to play its part in offering its facilities and staff to work in partnership activities.

York Schools Sport Network

We are the only independent school member of the York Schools Sport Network (YSSN). This opens up opportunities for us to compete and train with 13 local state schools. In 2019/20 we hosted YSSN Quadkids as well as the annual YSSN Cross Country Event, after which four Mount girls went on to represent us in a subsequent event in Dalby Forest.

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Contribution to the wider community

The Mount School makes its facilities, particularly the swimming pool and sports facilities, available to local schools. Each week in 'normal' times over 250 pupils from different state schools - one secondary and several primaries - come during the school day to use our swimming pool as part of their sports' curricula.

Our facilities are regularly used by The London College of Music and the Associated Board of the Royal Schools of Music, (music exams) and LAMDA (speech and drama exams).

As noted above we usually also provide exhibition space annually for the York Open Studios Art Exhibition, and host speaker events for the York Literature Festival and the York Festival of Ideas.

SES Engineering Systems again used the school for their 'Hovercraft Day', at which Year 6 pupils from local schools come together to use their scientific and engineering skills in order to design and build their own Hovercraft. Six local primary schools were involved this year.

The Mount School continues when possible to invite pupils from local primary schools to experience live drama, and the Junior School's summer production was live-streamed to reach a wider audience. Our Bonfire Evening and renowned Fireworks Display are open to parents, families and all local residents. Senior and Chamber choirs perform in the city when opportunities arise.

There is an extensive charities programme in both Junior and Senior Schools, and in 2019/20 they supported, amongst others, SASH, Children in Need and Macmillan Cancer Support. The Junior School has a link with the Ebor Care Home and at Christmas went to visit the residents to sing carols.

Mount Senior girls continue to volunteer for a number of different organisations including SNAPPY, Friends of York Hospitals, at the Amnesty Bookshop and in The Mount Junior School. They also participate in Rotary youth programmes and one student in College is a member of the North Yorkshire Police Youth Commission.

6. FINANCIAL REVIEW

Including depreciation, the School made an operating loss in the year of £977,883 but an exceptional capital receipt from the land sale meant that at the year-end the School had a surplus of £1,686,612.

Total income in the year was £5,445,991, an increase of £1,733,620 compared to £3,712,371 in 2018/19. There was a fall of £272k in school fees due to a reduction in pupil numbers. Income from other activities, capital receipts and from the trading subsidiary amounted to £2,916,255.

Total expenditure in the year was £3,759,379 a reduction of £69,339 compared to 2018/19. There was a reduction of £57,628 in the cost of charitable activities. This has been achieved through savings in payroll and maintenance costs. The costs of raising funds, (ie the expenditure of the trading subsidiary), have increased by £8,601.

At the year-end total funds carried forward were £2,139,668 (£453,056 in 2018-19) of which £165,265 were restricted funds and £1,974,403 were unrestricted general funds.

It should be noted that the financial performance detailed above is a direct reflection of trading in the middle of the pandemic period, and incorporates the following effects which we do not expect to see replicated fully in future years:

- Reduced school roll and depressed recruitment (especially from overseas) caused by uncertainty in the public health environment and general economic conditions;
- The impact of a temporary but significant fee cut made for Summer Term 2020, in line with local competition and to support affordability for parents in this most challenging economic environment;

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- The near-cessation of trading activity of the School's letting subsidiary for much of the period, with subsequent loss of its usual income.

6.1. Reserves Policy

Our aim is to build up a cash reserve to provide a prudent cashflow buffer. The cautiously estimated level required is £1,000,000, achieved via securing a cash surplus in each year's income and expenditure. We aim to raise the size of this surplus by increasing pupil numbers and carefully managing costs, and to augment it by fundraising and full use of our assets.

The level of total net assets (including the written down value of the estate and buildings) at 31 August 2020 is £2,139,668 (2019: £453,056). The level of Charitable Free Reserves at 31 August 2020 is a deficit of £933,685 (2019: £2,728,724).

Note 26 in the financial statements shows assets and liabilities attributable to the School's various reserve funds. As further funds become available, they will be added to the cash reserve.

6.2 Going Concern

Governors continue to actively explore different avenues to improve the financial position of the school. There are five pillars of their financial strategy.

(i) Investment in pupil recruitment capability and capacity

Increasing pupil numbers is our highest priority, and we made the decision to boost marketing capacity in pursuit of this aim. Our Director of External Relations, who has been in post since June 2017, is making a real difference. Open Days are well attended and the numbers in year 7 for 2019 / 20 marked the beginning of an upward trend. In the aftermath of the COVID crisis, it will take time to deliver the increases in pupil numbers that we seek. At the time of writing (March 2021), pupil numbers show positive signs of growing back from the low point in September 2020, with good numbers recruited into Year 7 and College. We expect this trend to continue into the 2021 / 22 year, based on our recruitment pipeline and a more general, though gradual, return of economic confidence.

(ii) Imaginative use of our assets to restore our balance sheet and create investment headroom

There has been considerable progress in 2019/20 on-site development:

- As noted last year, in light of the decline in boarding numbers nationally and locally we decided to split College House and sell 3 Driffeld Terrace as we no longer need the capacity it provides. The sale was concluded in January 2019 and at the time of writing the rest of College House is on the market.
- Capital receipts for the School have enabled us to support the revenue budget as pupil numbers recover, while maintaining investment in marketing and pupil recruitment
- In the year, we also completed the repayment of the majority of the School's financial liabilities, leaving the School with a small mortgage on a property which we expect to redeem in 2020 / 21
- We have been able to improve the School's educational and facilities offer through becoming an All Steinway School (March 2020) and developing proposals for a Netball Partnership.

We continue to keep under review the buildings on the whole site, which stretches from Holgate Road to Driffeld Terrace. Currently, several opportunities are under review which will provide the School with further reserves to finance its growth and to provide funds for investment.

(iii) Reduction in our cost base to bring the break-even point down

Cost control has been an important ingredient in our operations during the 2019/20 year and it can be seen from the accounts that £49,027 of savings were made. Going into the 2020/21 school year we will be making further savings as a result of the natural movement of staff and our continuing development of the curriculum and subjects offered.

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(iv) Re-investment in financial capability

The appointment of a Commercial Services Manager in early 2020 has given us increased capacity to develop fuller use of the buildings and estate. Mount School Estates York Limited (our trading subsidiary) provides extra support, though both have been adversely affected by the pandemic and the consequent reduction in business.

(v) Investment in fund raising capability

Finally, and recognising that the School's alumnae base has in recent years been something of an untapped asset, we created a Development & Alumnae Officer post in 2018. Funds raised in 2019/20 amounted to £100,487.

6.3. Investment Policy, Objectives and Performance

The School's investment powers are governed by the Memorandum and Articles of Association, together with the Trustee Act 2000. They adhere to an ethical investment policy, in line with the policies of Quakers. Brewin Dolphin continue to manage the School's investment portfolio and the Committee is happy that the range of investments held is in accordance with their ethical policy and is likely to produce acceptable returns and capital growth over the medium to long term.

7. PLANS FOR FUTURE PERIODS

- Plans made for the 2019/20 year were seriously affected by the Covid-19 pandemic and we have naturally had to review future strategic and development priorities.
- Improving the tennis and netball courts, to provide a multi-purpose surface with three or four courts together, was high on the agenda, and a partnership with Leeds Rhinos Women's Netball was about to begin. Although this did not go ahead, we have negotiated an alternative with another partner. The netball courts were resurfaced and repainted in Summer 2020 with funds generously provided by the Parents Association.
- The refurbishment of our much used 1970's swimming pool is also a priority and has continued throughout the year.
- Boarding facilities will continue to evolve and develop, particularly through improvements to bathroom facilities and a planned programme of bedroom refurbishment that will begin in 2020/2021.
- New and extended sports facilities and improvements in the Boarding House will enable us to develop our estates activity, widen our community outreach and increase our public benefit to other local schools, adult and youth groups once we are able to fully re-open.
- We look forward to capitalising on our investment in our All-Steinway School status.
- The Performing Arts Centre, which has full planning permission and a completed design, is on hold. It is ready to go out to tender when circumstances allow.

8. PRINCIPAL RISKS AND UNCERTAINTIES

Risk Management:

The Finance sub-Committee keeps under review arrangements for assessing and controlling all manner of risks:

- Since the beginning of the pandemic the full school committee has been meeting monthly to monitor the financial situation and all other risks.
- There is a comprehensive Financial Risk Register reviewed at every Finance subcommittee meeting and a Risk Register covering whole-school risks which is reviewed annually by the full Committee.
- Management accounts and cash flow are monitored regularly against budgets and adjustments are made where necessary.
- The School's Finance Manual has been updated, and all School policies are subject to planned periodic review by named officers.
- Health and Safety issues are considered at meetings of the School Health & Safety Committee, attended by a School Committee member who reports to the full Committee.
- Safeguarding issues are closely monitored and recorded. Staff Safer Recruitment processes are continually reviewed and monitored by the Principal and by the School's Safeguarding Leadership, in close contact with the designated Safeguarding Member of School Committee.

THE MOUNT SCHOOL (YORK)
(A company limited by guarantee)

MEMBERS OF THE COMMITTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The School Committee keeps all The Mount's activities under review, and key controls include:

- Formal agendas for all Committee activity
- Detailed terms of reference
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for the safeguarding of students

Members of the committee's responsibilities statement

The members of the committee (who are also directors of The Mount School (York) for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Account Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Disclosure of Information to the auditors

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by members of the committee, on 30 April 2021 and signed on their behalf by:


Margaret Bryan (Aug 17, 2021 21:33 GMT+1)

Margaret Bryan
Clerk to The Mount School Committee

THE MOUNT SCHOOL (YORK)
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE MOUNT SCHOOL (YORK)

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 August 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

THE MOUNT SCHOOL (YORK)
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE MOUNT SCHOOL (YORK) (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

THE MOUNT SCHOOL (YORK)
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE MOUNT SCHOOL (YORK) (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its 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's members, as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

THE MOUNT SCHOOL (YORK)
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE MOUNT SCHOOL (YORK) (CONTINUED)

BHP LLP

Jane Marshall (Aug 17, 2021 21:56 GMT+1)

Jane Marshall (Senior statutory auditor)

for and on behalf of

BHP LLP

Chartered Accountants

Statutory Auditor

1 St Mary's Court

Blossom Street

York

YO24 1AH

Date: Aug 17, 2021

THE MOUNT SCHOOL (YORK)
(A company limited by guarantee)

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	62,059	38,428	100,487	61,984
Charitable activities	4	2,425,628	-	2,425,628	2,697,787
Other trading activities	5	79,358	-	79,358	135,145
Investments	6	3,621	-	3,621	3
Other income	7	2,836,897	-	2,836,897	817,452
Total income		5,407,563	38,428	5,445,991	3,712,371
Expenditure on:					
Raising funds	8	68,769	-	68,769	60,168
Charitable activities	10	3,648,401	37,428	3,685,829	3,743,457
Other expenditure	11	4,781	-	4,781	29,010
Total expenditure		3,721,951	37,428	3,759,379	3,832,635
Net movement in funds		1,685,612	1,000	1,686,612	(120,264)
Reconciliation of funds:					
Total funds brought forward		288,791	164,265	453,056	573,320
Net movement in funds		1,685,612	1,000	1,686,612	(120,264)
Total funds carried forward		1,974,403	165,265	2,139,668	453,056

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

The notes on pages 23 to 55 form part of these financial statements.

THE MOUNT SCHOOL (YORK)
(A company limited by guarantee)
REGISTERED NUMBER: 01686186

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	17	2,871,192	3,017,515
		2,871,192	3,017,515
Current assets			
Stocks	19	7,949	9,137
Debtors	20	189,959	175,007
Cash at bank and in hand		1,363,667	513,740
		1,561,575	697,884
Creditors: amounts falling due within one year	21	(1,367,479)	(2,157,357)
Net current assets / liabilities		194,096	(1,459,473)
Total assets less current liabilities		3,065,288	1,558,042
Creditors: amounts falling due after more than one year	22	(925,620)	(1,104,986)
Total net assets		2,139,668	453,056

THE MOUNT SCHOOL (YORK)
(A company limited by guarantee)
REGISTERED NUMBER: 01686186

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Charity funds			
Restricted funds	24	165,265	164,265
Unrestricted funds	24	1,974,403	288,791
Total funds		2,139,668	453,056

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 30 April 2021 and signed on their behalf by:


Margaret Bryan (Aug 17, 2021 21:33 GMT+1)

Margaret Bryan
Clerk to The Mount School Committee

The notes on pages 23 to 55 form part of these financial statements.

THE MOUNT SCHOOL (YORK)
(A company limited by guarantee)
REGISTERED NUMBER: 01686186

CHARITY BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	17	2,866,875	3,012,126
Investments	18	10	10
		<u>2,866,885</u>	<u>3,012,136</u>
Current assets			
Stocks	19	6,663	7,850
Debtors	20	178,999	184,107
Cash at bank and in hand		1,326,750	409,809
		<u>1,512,412</u>	<u>601,766</u>
Creditors: amounts falling due within one year	21	(1,364,874)	(2,153,683)
Net current assets / liabilities		<u>147,538</u>	<u>(1,551,917)</u>
Total assets less current liabilities		<u>3,014,423</u>	<u>1,460,219</u>
Creditors: amounts falling due after more than one year	22	(925,620)	(1,104,986)
Net assets excluding pension asset		<u>2,088,803</u>	<u>355,233</u>
Total net assets		<u><u>2,088,803</u></u>	<u><u>355,233</u></u>

THE MOUNT SCHOOL (YORK)
(A company limited by guarantee)
REGISTERED NUMBER: 01686186

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Charity funds			
Restricted funds	24	165,265	164,265
Unrestricted funds	24	1,923,538	190,968
Total funds		2,088,803	355,233

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss accounts and related notes. The company's profit for the year was £1,733,570 (2019: loss of £107,220).

The financial statements were approved and authorised for issue by the Trustees on 30 April 2021 and signed on their behalf by:


Margaret Bryan (Aug 17, 2021 21:33 GMT+1)

Margaret Bryan
Clerk to The Mount School Committee

The notes on pages 23 to 55 form part of these financial statements.

THE MOUNT SCHOOL (YORK)
(A company limited by guarantee)

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

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	27	(1,208,043)	(453,118)
Cash flows from investing activities			
Bank interest		3,621	3
Proceeds from the sale of tangible fixed assets		2,664,495	807,161
Purchase of tangible fixed assets		(25,986)	-
Net cash provided by investing activities		2,642,130	807,164
Cash flows from financing activities			
Repayments of finance leases		(25,042)	(50,195)
Pension deficit payments		(79,815)	(77,491)
Net cash used in financing activities		(104,857)	(127,686)
Change in cash and cash equivalents in the year		1,329,230	226,360
Cash and cash equivalents at the beginning of the year		34,437	(191,923)
Cash and cash equivalents at the end of the year	28	1,363,667	34,437

The notes on pages 23 to 55 form part of these financial statements

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

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Mount School (York) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

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

1.2 Going concern

The school made an operating surplus in the year of £1,686,612 and it is anticipated that deficits will result in the years ended 31 August 2021 and 2022. In addition the school has net current assets at 31 August 2020 of £194,096 and negative free reserves of £933,685.

The governors have prepared an income and expenditure forecast supported by a cashflow forecast through to 31 August 2022 which shows the cash requirements for that period.

As detailed in the Members of the Committee's Report, the governors are actively exploring different avenues to improve the financial position of the school. The five pillars of the strategy are laid out in their report on pages 10 and 11. The key elements of the strategy are increasing pupil numbers, a reduction in the cost base and improving the financial position of the school.

In order to finance the cash requirements of the school as shown in the cashflow forecast to 31 August 2021; restore a positive free reserves position and begin to build free reserves to the target level; and improve the school's facilities and educational offer; the governors have taken the action below.

As noted last year, in light of the decline in boarding numbers nationally and locally we decided to split College House and sell 3 Driffield Terrace as we no longer need the capacity it provides. The sale was concluded in January 2019 and at the time of writing (August 2021) the sale of the rest of College House has just been concluded.

We continue to keep under review the buildings on the whole site, which stretches from Holgate Road to Driffield Terrace. Currently, several opportunities are under review which will provide the School with further reserves to finance its growth and to provide funds for investment.

The Trustees have also considered the impact of COVID-19 on the charity's income and operating cost base. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Trustees are confident they have in place plans to deal with any financial losses that may arise.

The Trustees included the impact of the pandemic within their forecasts of income and expenditure for the period

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

1. Accounting policies (continued)

1.2 Going concern (continued)

to 31 August 2022 and subjected these forecasts to sensitivity analysis which shows that they have sufficient reserves to be able to continue for the foreseeable future. They will continue to monitor the impact on income and take appropriate action as necessary.

The Trustees do however recognise that uncertainty exists surrounding the duration and impact of COVID-19 and hence there is a risk regarding the success and sustainability of these plans. However the Trustees have concluded that the charity remains a going concern whilst such viable options are available to it. The Trustees therefore continue to adopt the going concern basis of preparation for these financial statements.

1.3 Company status

The charity is a company limited by guarantee. The members of the company are the members of the committee named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.4 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

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

1. Accounting policies (continued)

1.5 Expenditure

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

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

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

All expenditure is inclusive of irrecoverable VAT.

1.6 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.8 Basis of consolidation

The financial statements consolidate the accounts of The Mount School (York) and all of its subsidiary undertakings ('subsidiaries').

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.9 Taxation

As a charity, The Mount School (York) is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

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

1. Accounting policies (continued)

1.10 Tangible fixed assets and depreciation

Land and buildings held on trust

Additions and improvement to the school estate since the formation of the company in 1983 costing more than £1,000 are capitalised and included in fixed assets.

Furniture and equipment

Items of furniture and equipment costing more than £1,000 are capitalised and included in fixed assets.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives.

Depreciation is provided on the following bases:

Buildings held on trust	- 2% straight line
Office equipment and other fixed assets	- Furniture and fittings, playing field machinery and kitchen equipment are all depreciated at 10% straight line. The telephone system, teaching equipment and vehicles are depreciated at 20% straight line.
Buildings improvements and refurbishment	- 5% straight line

1.11 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.12 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.13 Debtors

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

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

1. Accounting policies (continued)

1.14 Cash at bank and in hand

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

1.15 Liabilities and provisions

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

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

1.16 Financial instruments

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

1.17 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.18 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

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

1. Accounting policies (continued)

1.19 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

The charity operates two defined benefits pension schemes.

The school participates in the Teachers' Pensions Scheme in respect of the teaching staff and in The Independent Schools' Pension Scheme (ISPEN) in respect of administrative staff.

The ISPEN is a defined benefit scheme, which is externally funded and contracted out of the State Second Pension (S2P). The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the school. Under the terms of FRS102, in these circumstances contributions are accounted for as if the Scheme were a defined contribution scheme based on actual contributions paid through the year. The present value of the school's deficit contribution is recognised as a liability in accordance with SORP (FRS102).

1.20 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

1.21 Composition fee scheme

Parents are encouraged to pay for school fees by lump sum in advance. The amount received is invested and interest is accrued. This is treated as deferred income until the pupil joins the school whereupon the fees for each school term are charged against the remaining balance and taken to income.

1.22 Employee benefits

The costs of short term employee benefits are recognised as a liability and expenses.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Pension deficit contribution

The charity has entered into a commitment to provide deficit funding to The Independent Schools' Pension Scheme, of which it is a contributing employer. Under FRS 102, the fair value of the commitment is recognised. The calculation of fair value of the commitment is subject to an assumption of the discount rate. The rate is determined by reference to market yields at the reporting date on high quality corporate bonds.

3. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	62,059	38,428	100,487	61,984
Total 2019	17,235	44,749	61,984	

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4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Gross fees receivable	2,930,350	2,930,350	3,174,493
Total scholarships, bursaries, discounts and allowances	(542,150)	(542,150)	(515,626)
	<u>2,388,200</u>	<u>2,388,200</u>	<u>2,658,867</u>
Add back bursaries paid for by restricted funds (Note 9)		37,428	38,920
Net fees		<u>2,425,628</u>	<u>2,697,787</u>
Total 2019	<u>2,658,867</u>	<u>2,697,787</u>	

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Rental income	2,602	2,602	5,084
Total 2019	<u>5,084</u>	<u>5,084</u>	

Income from non charitable trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
The Mount School Estates (York) Limited trading income	76,756	76,756	130,061
Total 2019	<u>130,061</u>	<u>130,061</u>	

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6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from UK listed investments	2	2	2
Interest receivable	3,619	3,619	1
	<u>3,621</u>	<u>3,621</u>	<u>3</u>
Total 2019	<u>3</u>	<u>3</u>	

7. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
JRS grant income	159,033	159,033	-
Staff meals	4,342	4,342	5,673
After school care	4,047	4,047	7,613
Other income	4,980	4,980	7,664
Profit on sale of tangible fixed assets	2,664,495	2,664,495	796,502
	<u>2,836,897</u>	<u>2,836,897</u>	<u>817,452</u>
Total 2019	<u>817,452</u>	<u>817,452</u>	

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8. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Other expenses	24,721	24,721	32,108
Staff costs	42,976	42,976	26,988
Depreciation	1,072	1,072	1,072
	<hr/> 68,769 <hr/>	<hr/> 68,769 <hr/>	<hr/> 60,168 <hr/>
Total 2019	<hr/> 60,168 <hr/>	<hr/> 60,168 <hr/>	

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9. Analysis of grants

	Grants to Individuals 2020 £	Total funds 2020 £	Total funds 2019 £
Grants, Teaching	37,428	37,428	38,920
Total 2019	38,920	38,920	

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Teaching	1,967,829	37,428	2,005,257	2,028,512
Welfare	419,097	-	419,097	553,265
Premises	642,529	-	642,529	540,986
Overheads	596,024	-	596,024	601,449
Governance	22,922	-	22,922	19,245
	3,648,401	37,428	3,685,829	3,743,457
Total 2019	3,645,452	98,005	3,743,457	

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11. Other expenditure

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Change in pension discount rate	4,781	4,781	29,010
Total 2019	29,010	29,010	

12. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Bursaries paid for by restricted funds 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Teaching	1,868,967	37,428	98,862	2,005,257	2,028,512
Welfare	301,091	-	118,006	419,097	553,265
Premises	202,443	-	440,086	642,529	540,986
Overheads	-	-	596,024	596,024	601,449
Governance	-	-	22,922	22,922	19,245
	<u>2,372,501</u>	<u>37,428</u>	<u>1,275,900</u>	<u>3,685,829</u>	<u>3,743,457</u>
Total 2019	<u>2,469,922</u>	<u>38,920</u>	<u>1,234,615</u>	<u>3,743,457</u>	

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12. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Teaching 2020 £	Welfare 2020 £	Premises 2020 £	Total funds 2020 £	Total funds 2019 £
Wages & salaries	1,803,988	299,937	89,206	2,193,131	2,281,261
Depreciation	1,805	1,154	113,237	116,196	117,244
Staff training	3,413	-	-	3,413	1,577
Office expenses	28,356	-	-	28,356	36,154
Miscellaneous	31,405	-	-	31,405	33,686
	<u>1,868,967</u>	<u>301,091</u>	<u>202,443</u>	<u>2,372,501</u>	<u>2,469,922</u>
Total 2019	<u>1,860,787</u>	<u>413,577</u>	<u>195,558</u>	<u>2,469,922</u>	

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12. Analysis of expenditure by activities (continued)

Analysis of support costs

	Teaching 2020 £	Welfare 2020 £	Premises 2020 £	Overheads 2020 £
Wages & salaries	-	-	-	359,834
Depreciation	45,176	-	-	9,871
Repairs & maintenance	33,146	18,436	132,384	-
Departmental costs	20,540	-	-	-
Provisions	-	84,884	-	-
Rates & water	-	-	63,686	-
Light & heat	-	-	205,942	-
Insurance	-	-	33,846	-
Travel	-	-	-	975
Legal fees	-	-	-	80,860
Telephone	-	-	-	17,103
Office expenses	-	-	-	17,360
Marketing	-	-	-	47,500
Interest & charges	-	-	-	14,903
Miscellaneous	-	14,686	4,228	15,990
Bad debt write offs	-	-	-	31,628
Auditor's remuneration	-	-	-	-
Cost of trustees' meetings	-	-	-	-
	<u>98,862</u>	<u>118,006</u>	<u>440,086</u>	<u>596,024</u>
Total 2019	<u>128,805</u>	<u>139,688</u>	<u>345,428</u>	<u>601,449</u>

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12. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Governance	Total	Total
	2020	funds	funds
	£	2020	2019
		£	£
Staff costs	-	359,834	366,368
Depreciation	-	55,047	57,141
Repairs and maintenance	-	183,966	202,972
Departmental costs	-	20,540	32,122
Provisions	-	84,884	103,541
Rates & water	-	63,686	57,365
Light & heat	-	205,942	116,670
Insurance	-	33,846	37,828
Travel	-	975	2,655
Legal fees	-	80,860	5,780
Telephone	-	17,103	29,456
Office expenses	-	17,360	32,270
Marketing	-	47,500	45,355
Interest & charges	-	14,903	39,027
Miscellaneous	-	34,904	84,194
Bad debt write offs	-	31,628	2,626
Auditor's remuneration	22,427	22,427	18,941
Cost of trustees' meetings	495	495	304
	22,922	1,275,900	1,234,615
Total 2019	19,245	1,234,615	

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NOTES TO THE FINANCIAL STATEMENTS
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13. Turnover

All turnover arose within the United Kingdom.

14. Auditor's remuneration

	2020	2019
	£	£
Fees payable to the charity's auditor for the audit of the charity's annual accounts	18,575	18,035
Fees payable to the charity's auditor in respect of:		
All non-audit services not included above	480	906
	<u><u> </u></u>	<u><u> </u></u>

15. Staff costs

	Group	Group	Charity	Charity
	2020	2019	2020	2019
	£	£	£	£
Wages and salaries	2,085,277	2,233,913	2,042,301	2,206,925
Social security costs	168,493	174,937	168,493	174,937
Contribution to defined contribution pension schemes	342,171	265,767	342,171	265,767
	<u><u>2,595,941</u></u>	<u><u>2,674,617</u></u>	<u><u>2,552,965</u></u>	<u><u>2,647,629</u></u>

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

	Group	Group
	2020	2019
	No.	No.
Teaching staff	54	61
Non-teaching staff	47	49
Non-executive directors	10	10
	<u><u>111</u></u>	<u><u>120</u></u>

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

15. Staff costs (continued)

The average headcount expressed as full-time equivalents was:

	Group 2020 No.	Group 2019 No.
Full time equivalents (excluding Non-executive directors)	61	63

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

	Group 2020 No.	Group 2019 No.
In the band £70,001 - £80,000	1	1

The School considers its key management personnel to comprise the Principal and the Senior Management team listed on page 2 of these account. The total employment benefits including Employer's national insurance and pension contributions, of the key management personnel were £370,550 (2019: £350,827).

16. Trustees' remuneration and expenses

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

During the year ended 31 August 2020, expenses for travel and subsistence totalling £495 were reimbursed or paid directly to 3 Trustees (2019: £304 to 2 Trustees).

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NOTES TO THE FINANCIAL STATEMENTS
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17. Tangible fixed assets

Group

	Freehold property £	Office equipment £	Other fixed assets £	Total £
<i>Cost or valuation</i>				
At 1 September 2019	4,313,626	563,270	877,789	5,754,685
Additions	-	25,986	-	25,986
At 31 August 2020	4,313,626	589,256	877,789	5,780,671
<i>Depreciation</i>				
At 1 September 2019	1,501,939	490,405	744,826	2,737,170
Charge for the year	86,273	59,114	26,922	172,309
At 31 August 2020	1,588,212	549,519	771,748	2,909,479
<i>Net book value</i>				
At 31 August 2020	2,725,414	39,737	106,041	2,871,192
At 31 August 2019	2,811,687	72,865	132,963	3,017,515

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NOTES TO THE FINANCIAL STATEMENTS
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17. Tangible fixed assets (continued)

Charity

	Freehold property £	Office equipment £	Other fixed assets £	Total £
<i>Cost or valuation</i>				
At 1 September 2019	4,313,626	531,961	877,789	5,723,376
Additions	-	25,986	-	25,986
At 31 August 2020	4,313,626	557,947	877,789	5,749,362
<i>Depreciation</i>				
At 1 September 2019	1,501,939	464,485	744,826	2,711,250
Charge for the year	86,273	58,042	26,922	171,237
At 31 August 2020	1,588,212	522,527	771,748	2,882,487
<i>Net book value</i>				
At 31 August 2020	2,725,414	35,420	106,041	2,866,875
At 31 August 2019	2,811,687	67,476	132,963	3,012,126

The land and buildings occupied by the School are held on trust for Quakers in Yorkshire which has given permission for the properties to be used for the purposes of the school.

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

18. Fixed asset investments

	Investments in subsidiary companies £
<i>charity</i>	
<i>Cost or valuation</i>	
At 1 September 2019	10
<i>At 31 August 2020</i>	<u>10</u>
<i>Net book value</i>	
<i>At 31 August 2020</i>	<u>10</u>
At 31 August 2019	<u>10</u>

Principal subsidiaries

The following was a subsidiary undertaking of the charity:

Name	Company number	Registered office or principal place of business	Principal activity
The Mount School Estates (York) Limited	02456402	The Mount School, Dalton Terrace, York, YO24 4DD	Letting of premises held under licence from The Mount School (York) for educational purposes
Class of shares	Holding	Included in consolidation	
Ordinary	100%	Yes	

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

18. Fixed asset investments (continued)

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss)/ Surplus/ (Deficit) for the year £	Net assets £
The Mount School Estates (York) Limited	92,308	(72,269)	20,039	50,876

19. Stocks

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Finished goods and goods for resale	7,949	9,137	6,663	7,850

20. Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<i>Due within one year</i>				
Trade debtors	70,886	90,518	67,558	71,534
Amounts owed by group undertakings	-	-	4,573	28,084
Prepayments and accrued income	119,073	84,489	106,868	84,489
	189,959	175,007	178,999	184,107

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21. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Bank loans and overdrafts	-	479,303	-	479,303
Payments received on account	319,753	557,662	319,753	557,662
Trade creditors	282,530	256,515	281,575	254,491
Pension scheme funding deficit liability	72,147	69,617	72,147	69,617
Other taxation and social security	41,392	42,858	41,392	42,858
Obligations under finance lease and hire purchase contracts	-	25,042	-	25,042
Composition scheme	78,366	123,762	78,366	123,762
Other creditors	498,444	535,158	498,444	535,158
Accruals and deferred income	74,847	67,440	73,197	65,790
	1,367,479	2,157,357	1,364,874	2,153,683

The overdraft is secured by a legal charge over the freehold properties known as The Mount School, Dalton Terrace, York, YO24 4DD and Number 3 College House, Driffeld Terrace, York, YO24 1EJ.

There is a balance of £200,000 within other creditors which is secured against 1 Love Lane, York.

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

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Pension scheme funding deficit liability	429,629	496,995	429,629	496,995
Other creditors	273,695	319,064	273,695	319,064
Composition fee scheme	222,296	288,927	222,296	288,927
	925,620	1,104,986	925,620	1,104,986

NOTES TO THE FINANCIAL STATEMENTS
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23. Pensions

The company participates in the TPT Retirement Solutions - Independent Schools' Pensions Scheme, a multi-employer scheme which provides benefits to some 66 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 September 2019 to 30 April 2030: £2,387,357 per annum
(payable monthly and increasing by 3% on each 1st September)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

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Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

The company participates in the TPT Retirement Solutions - The Growth Plan scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025: £11,243,000 per annum
(payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

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Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Reconciliation of present value plan liabilities

	2020	2019
	£	£
Opening liabilities	(566,612)	(603,705)
Remeasurements	(4,781)	(29,010)
Contributions	77,816	77,491
Interest cost	(10,199)	(11,389)
Actuarial gain/(losses)	-	-
Closing liability	<u>(505,691)</u>	<u>(566,612)</u>

As disclosed in notes 21 and 22, the pension liability includes amounts due in less than one year of £72,147 (2019: £69,617) and amounts due in more than one year of £429,629 (2019: £496,995).

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24. Statement of funds

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
<i>Unrestricted funds</i>					
<i>Designated funds</i>					
Tangible fixed assets	3,017,515	-	-	(146,323)	2,871,192
PAC project	-	36,896	-	-	36,896
	<u>3,017,515</u>	<u>36,896</u>	<u>-</u>	<u>(146,323)</u>	<u>2,908,088</u>
<i>General funds</i>					
School general fund	(2,259,936)	5,278,359	(3,714,517)	213,319	(482,775)
Pension Deficit	(566,611)	-	64,835	-	(501,776)
Mount School Estates	97,823	92,308	(72,269)	(66,996)	50,866
	<u>(2,728,724)</u>	<u>5,370,667</u>	<u>(3,721,951)</u>	<u>146,323</u>	<u>(933,685)</u>
<i>Total Unrestricted funds</i>	<u>288,791</u>	<u>5,407,563</u>	<u>(3,721,951)</u>	<u>-</u>	<u>1,974,403</u>

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24. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
<i>Restricted funds</i>					
Scholarships, bursaries and prizes	161,716	-	-	-	161,716
PAC project	-	1,000	-	-	1,000
Academic Development Fund	-	37,428	(37,428)	-	-
Legal fees	1,844	-	-	-	1,844
Sports for Champions	705	-	-	-	705
	<u>164,265</u>	<u>38,428</u>	<u>(37,428)</u>	<u>-</u>	<u>165,265</u>
<i>Total of funds</i>	<u>453,056</u>	<u>5,445,991</u>	<u>(3,759,379)</u>	<u>-</u>	<u>2,139,668</u>

Statement of funds - prior year

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2019 £
<i>Unrestricted funds</i>					
<i>Designated funds</i>					
Tangible fixed assets	3,203,560	-	-	(186,045)	3,017,515
PAC project	5,522	-	-	(5,522)	-
	<u>3,209,082</u>	<u>-</u>	<u>-</u>	<u>(191,567)</u>	<u>3,017,515</u>

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

Statement of funds - prior year (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2019 £
General funds					
School general fund	(2,306,487)	3,537,561	(3,708,552)	217,543	(2,259,935)
Pension Deficit	(603,704)	-	37,092	-	(566,612)
Mount School Estates	110,869	130,061	(63,170)	(79,937)	97,823
	<u>(2,799,322)</u>	<u>3,667,622</u>	<u>(3,734,630)</u>	<u>137,606</u>	<u>(2,728,724)</u>
Total Unrestricted funds	<u>409,760</u>	<u>3,667,622</u>	<u>(3,734,630)</u>	<u>(53,961)</u>	<u>288,791</u>
Restricted funds					
Scholarships, bursaries and prizes	161,716	-	-	-	161,716
PAC project	-	4,229	(58,190)	53,961	-
Academic Development Fund	-	38,920	(38,920)	-	-
Legal fees	1,844	-	-	-	1,844
Sports for Champions	-	1,600	(895)	-	705
	<u>163,560</u>	<u>44,749</u>	<u>(98,005)</u>	<u>53,961</u>	<u>164,265</u>
Total of funds	<u>573,320</u>	<u>3,712,371</u>	<u>(3,832,635)</u>	<u>-</u>	<u>453,056</u>

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25. Summary of funds

Summary of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
Designated funds	3,017,515	36,896	-	(146,323)	2,908,088
General funds	(2,728,724)	5,370,667	(3,721,951)	146,323	(933,685)
Restricted funds	164,265	38,428	(37,428)	-	165,265
	<u>453,056</u>	<u>5,445,991</u>	<u>(3,759,379)</u>	<u>-</u>	<u>2,139,668</u>

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25. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2019 £
Designated funds	3,209,082	-	-	(191,567)	3,017,515
General funds	(2,799,322)	3,667,622	(3,734,630)	137,606	(2,728,724)
Restricted funds	163,560	44,749	(98,005)	53,961	164,265
	<u>573,320</u>	<u>3,712,371</u>	<u>(3,832,635)</u>	<u>-</u>	<u>453,056</u>

Scholarships, bursaries and prizes

This fund represents monies given to the school for the provision of scholarships, bursaries and prizes to students. Included within this fund is £8,134 from the Women Teachers Fund and £35,226 from MSSTET.

PAC Project

Funds have been designated in relation to the Performing Arts Centre project, which is currently in planning stages.

Academic Development Funds

Monies for the provision of scholarships and bursaries.

Legal Fees

This fund represents the amounts given to the school in order to cover the costs of future legal fees incurred.

Sport for Champions

This fund represents the income and expenditure associated with a Sports for Champions event which was held during the year. The surplus of this event will be allocated to the refurbishment of the netball courts.

Website development

This fund represents the income and expenditure associated with the development of the new school website.

Transfers

Transfers have been made in the prior year to the PAC project restricted funds from the School general fund where expenditure exceeded the restricted income.

Transfers out of the fixed asset fund relate to additions, net of disposals and depreciation in the year.

Transfers from Mount School Estates represents the gift aid payment.

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NOTES TO THE FINANCIAL STATEMENTS
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26. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	2,871,192	-	2,871,192
Current assets	1,396,311	165,265	1,561,576
Creditors due within one year	(1,367,479)	-	(1,367,479)
Creditors due in more than one year	(925,620)	-	(925,620)
Difference	(1)	-	1
Total	1,974,403	165,265	2,139,668

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	3,017,515	-	3,017,515
Current assets	533,619	164,265	697,884
Creditors due within one year	(2,157,357)	-	(2,157,357)
Creditors due in more than one year	(1,104,986)	-	(1,104,986)
Total	288,791	164,265	453,056

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NOTES TO THE FINANCIAL STATEMENTS
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27. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Group 2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	1,686,612	(120,264)
<i>Adjustments for:</i>		
Depreciation charges	172,309	175,385
Bank interest	(3,621)	(3)
Profit on the sale of fixed assets	(2,664,495)	(796,501)
Decrease in stocks	1,188	2,543
Decrease/(increase) in debtors	(14,952)	5,039
Increase/(decrease) in creditors	(400,064)	240,284
Pension finance costs	10,199	11,389
Actuarial movement on pension	4,781	29,010
<i>Net cash used in operating activities</i>	(1,208,043)	(453,118)

28. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	1,363,667	513,740
Overdraft facility repayable on demand	-	(479,303)
<i>Total cash and cash equivalents</i>	1,363,667	34,437

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NOTES TO THE FINANCIAL STATEMENTS
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29. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	513,740	849,927	1,363,667
Bank overdrafts repayable on demand	(479,303)	479,303	-
Debt due within 1 year	(69,617)	(2,530)	(72,147)
Debt due after 1 year	(496,995)	67,366	(429,629)
Finance leases	(25,042)	25,042	-
	<u>(557,217)</u>	<u>1,419,108</u>	<u>861,891</u>

30. Operating lease commitments

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

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Not later than 1 year	7,231	8,172	7,231	8,172
Later than 1 year and not later than 5 years	6,010	13,242	6,010	13,242
	<u>13,241</u>	<u>21,414</u>	<u>13,241</u>	<u>21,414</u>

31. Related party transactions

The following trustees had children at The Mount School (York) on a fee paying basis during 2019/20: G Willmott and J Concannon.

There is a loan arrangement in place between G Willmott and The Mount School (York) for £200,000 secured against 1 Love Lane. Interest continues to be charged at 0%.

The land and buildings are held on trust for Quakers in Yorkshire.

Membership fees of £225 (2019: £300) were paid to Make It York, a company of which Joan Concannon is a director.