

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

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

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(A company limited by guarantee)

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**INTRODUCTION FROM THE CLERK TO THE COMMITTEE
FOR THE YEAR ENDED 31 AUGUST 2021**

I am delighted to present the Mount School's Annual Report which reflects on the school's many achievements from September 2020 to August 2021.

It was such a joy to be able to welcome back pupils, teachers, and the wider staff community with an eagerly anticipated full re-opening to all pupils. We had taught the children of key workers and vulnerable children on-site from early 2020, and the situation created by Covid-19 throughout the year continued to be fluid, dynamic and fast-moving. Thanks to a great deal of reorganisation of rooms and the devising of one-way systems in accordance with ever-evolving government guidance, we maintained a safe environment throughout the year.

The speed and agility of our original transition to a fantastic programme of online learning cannot be underestimated, but it is also true that our pupils were very keen to re-engage with face-to-face teaching. The Mount community has responded to the changing circumstances caused by Covid-19 with an inspiring degree of flexibility, resilience and shared common purpose, and these qualities were on display again during the second lockdown mid-year. On behalf of the governing body I wish to pay tribute to all of the staff, parents and the pupils themselves who have worked so tirelessly to support each other.

In 2020/21 The Mount has – as always – focussed on developing and enriching the education it offers at the same time as maintaining the unique environment for bespoke pastoral and personal development based on our Quaker values. The staff team has continued to enhance the ways in which we provide a distinctive and truly outstanding education for all age groups, 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 when necessary.

We are now very keenly aware of the stress that the last two years has placed on all children and young people. The uncertainty created by the pandemic has led to an increase in the levels of anxiety felt by pupils in educational settings across the nation. Everyone at The Mount works hard to create a stable and supportive atmosphere with the pupils' well-being at its heart, tailoring interventions to individual need, and we are proud of pupils' excellent progress and high levels of academic achievement throughout the year.

We are continuing to develop and monitor our strategy of rationalising and streamlining the effectiveness of the school's estate, and in July 2021 we completed the disposal of the remaining part of College House in Driffeld Terrace. This has enabled investment in the refurbishment of teaching classrooms and boarding accommodation. At the time of writing our new Principal, David Griffiths, has led the establishment of a dedicated Music Composition classroom and instigated a plan to redevelop our Leisure Centre facilities. This is already underway. Now that Covid restrictions are being lifted David has also been active in promoting broader use of the School facilities, welcoming the growth of revenue income that new groups will bring.

I noted last year the considerable political and economic uncertainties and structural changes facing the independent school sector, including the long-term decline in boarding nationally. These factors have undoubtedly been exacerbated by the pandemic, and continue to pose a particular challenge for smaller schools such as The Mount. In April 2021 the School Committee, in tandem with the School Leadership Team, engaged educational consultants to work with us to refine our strategy for long-term sustainability 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 students. 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.

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 and pupil recruitment from a digital, data and capability perspective.
- Driving forward our collaboration with Steinway through the 'All Steinway School' status achieved at the beginning of

INTRODUCTION FROM THE CLERK TO THE COMMITTEE (CONTINUED)
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the pandemic. This has had a marked impact on our attractiveness to new students.

- Partnering with external organisations to develop a focus on sport
- Optimisation of our campus, including repurposing assets that can be used to release capital to generate reinvestment income and to increase the attractiveness of our proposition.

We have already seen a positive impact on pupil numbers from these initiatives and look forward to working with our new Principal in the months and years to come to sustain and build on this momentum.

In 2019/20 we all felt the shock of external events profoundly, and looked forward to being able to concentrate anew on our core purpose. In 2020/21 what we thought was the 'new normal' was still only in the early stages of taking shape and we have continued to reassess throughout the year. 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 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 a Quaker 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 full normality.

Margaret Bryan
Clerk to The Mount School Committee

Date: 30 June 2022

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**MEMBERS OF THE COMMITTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

1. INTRODUCTION

The Mount School was founded by Quakers in 1785. The School is a Company Limited by Guarantee (Number 01686186) 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 2021. 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

They confirm the financial statements have been prepared in accordance with the accounting policies set out in the 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)
- Joan Concannon
- Kathy Clark* (from January 2022)
- Ursula Fuller
- Era Gjurgjeala (resigned July 2021)
- Stephanie Hogg
- Shoana Mackay
- Alice Unwin (resigned December 2021)
- Julian Pattison
- Nicola Spence
- John Sweetman*
- Greg Willmott (co-opted April 2021)

*safeguarding governors

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

SENIOR LEADERSHIP TEAM

Principal: Adrienne Richmond (retired December 2021)
Succeeded by: David Griffiths (appointed January 2022)
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

Auditor: BHP LLP, Rievaulx House, 1 St Mary's Court, Blossom Street, York, YO24 1AH
Bankers: HSBC Bank plc, 13 Parliament Street, York, YO1 8XS

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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

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 - the governors - are appointed by Quakers in Yorkshire (QiY), and members of the Religious Society of Friends (Quakers) should be well represented amongst their number. Two parent members are nominated by current parents, two Old Scholars by the Mount Old Scholars Association (MOSA), and the 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 safeguarding, 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, and during the pandemic governors were naturally unable to meet face-to-face. Aware of the need to respond quickly to circumstances, the committee instigated a system of regular (monthly) early evening online meetings so that all governors were kept up-to-date with developments in the school. Organising the process for the appointment of the new Principal, as well as engaging in the consultations with staff over the school's planned withdrawal from the Teachers Pensions Scheme tested the resilience of this practice and demonstrated its strengths. A small group of governors, led by the Clerk, have met weekly, a practice which will continue in the future.

The School's 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 has responsibility for the School's finances, oversight of pupil recruitment activity and external relations more generally, and which considers the maintenance and further development of the School's property in all its aspects.

Two other committees meet as required:

- The Nominations sub-Committee makes recommendations on the appointment of new board 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 the School Committee has appointment responsibilities. This sub-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:

MEMBERS OF THE COMMITTEE'S REPORT (CONTINUED)
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- a link with the School Health & Safety Committee.
- a link with Boarding
- 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.

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, peace and sustainability. The creation of an environment where every pupil is valued, enabled to flourish and given the confidence to achieve, is at the heart of The Mount School's ethos.

The School aims to:

- ensure that every individual is respected and valued
- give all the freedom to flourish in a calm and caring community
- inspire pupils to strive for personal excellence
- challenge all pupils to think and live adventurously and empower them to make a positive contribution to our changing world

4.3. Objectives

The objectives of our 3-year strategic plan fall into four key areas:

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

We aim:

MEMBERS OF THE COMMITTEE'S REPORT (CONTINUED)
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- 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, which was so well received by parents last year, is now fully embedded.
- Systems are in place to identify every individual pupil's potential needs right from the start, so that these can be addressed effectively. Support and intervention is closely monitored.
- The development of protocols for learning online has been refined – for example shorter lesson times with regular 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. In a year of great uncertainty for all teachers and pupils which culminated in the Education Secretary's eventual decision to cancel public examinations, the results were a true reflection of the girls' ability and a vindication of the attention that staff gave to the accuracy of Teacher Assessed Grades. For both GCSE and A level cohorts, pupils of average ability on entry demonstrated good progress over the Key Stage, performing at above average levels. 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:

Everyone is now very much at ease with the technologies that have made continuing education possible over the last two years, and pupils and staff are balancing the advantages of this with the delight in working together with real people in a classroom. School life is enriched by both.

This school year has again 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 Scratch, Kodu and Python) 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, and pupils filmed their work using Flipgrid.

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

In some cases individual adaptations were made to timetables to reduce the organisational burden.

One to one phonics and reading sessions took place for Junior School pupils and the Teaching Assistants continued to deliver small-group booster lessons in English and Maths.

In addition to the regular timetable, personal tutors ensured that there were online social interactions on a daily basis. In

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the Junior School, particularly in the Early Years, online play sessions were introduced. The Juniors had a well-being Teams meeting where they messaged, posted pictures and shared music with each other. A well-being afternoon was also introduced, where pupils were given the freedom to do a range of activities away from the screen. During this time, key staff made group calls for pastoral chats.

The weekly newsletter for parents - 'Live adventurously, learn digitally'- introduced in March 2020, has continued to be a vital way of sharing news about the education on offer throughout the year, and working remotely has increased pupils' ability to learn independently.

Culture of learning:

The Junior School's theme-based Explore, Discover, Create curriculum, now in its second year, is well established. Teaching throughout the school is geared towards stretching and challenging pupils to achieve at the highest level, and there is emphasis on relevant feedback to pupils as well as careful monitoring of progress. Vertical grouping in some classes, and all-age cooperation - for example in the school charities' committee and house competitions – are hugely beneficial, and these have continued throughout the lockdown periods.

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, and three members of staff were also trained to use the Girls on Board strategy to facilitate friendship interactions in anticipation of reduced social skills after the lockdown periods. These have been effectively used amongst pupils from Years 5-13.

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. As many of these as possible continued in some form or other during the lockdowns and performances were shared via video links in Live Adventurously

Our pre-pandemic offering included:

- Choirs (Junior, Senior and Chamber Choir), Orchestra (Junior and Senior), Jazz Group, a Swing Band, Baroque Ensemble and Folk Group and 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 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, HIIT sessions and Yoga.
- Lifeguard Training for both Junior and Senior girls, and Netball Coaching qualifications.

Understandably not all of these could continue during the second lockdown but the staff and pupils showed great creativity in managing to do much online, albeit in adapted ways:

- LAMDA activities continued remotely.
- the curriculum was enhanced by events such as STEM projects, a World Book Day story and quiz, online instrumental recitals, the virtual Model United Nations event and a variety of Design Technology projects.
- Sporting challenges were set for pupils to complete at home and videos of achievements were shared.
- The Junior Coding Clubs continued remotely throughout.

Some Extra-curricular activities ceased so as to allow pupils to have some down-time away from their iPad screens.

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Pupils were able to participate in some events and competitions

- The UK Maths Trust Challenge saw the award of two Bronze certificates in the sixth form and a Gold in year 8. Three pupils qualified for the UKMT Mathematical Olympiad.
- There were 3 Bronze awards in the International Chemistry Olympiad.
- The 2020 Robson History Prize was awarded by Trinity College Cambridge to a girl in year 13.
- We had merits in the Junior School for the York Young Writers mini-saga competition, and two winners and a runner up in the North Yorkshire Business Enterprise Partnerships Christmas Story competition.
- A year 5 girl has been selected for the National Girls' Youth Choir.
- One of the senior girls is a British Transport Police Cadet.
- Sporting success came in the U15 Girls Biathlon Championships in Somerset, and, closer to home, a girl in year 11 qualified for the City of York Athletics U17 Youth development team. She also came first in the pole vault in the North Yorkshire School championships. One of our U11 netball players was York's player of the season.

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 bedrooms and bathrooms, and further tree surgery. The netball courts were resurfaced and the remaining part of 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 the property in Driffeld Terrace supports this strategy.

We have invested further in our marketing and admissions team, with developments planned in the 2020/21 year coming to fruition at the time of writing. For example we have recently (with help from the Mount School Foundation) invested in a CRM system which will allow staff to make more sophisticated use of the information they hold to target advertising and recruitment drives more effectively.

Supported when required by the Principal and Deputy Principal, the team participates in online national and international boarding events and manages our regular timetable of Open Days and visits. These have been adapted into a mix of formats, depending on the regulations in force at any given point.

4. Quaker Values

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 when restrictions have allowed

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- Annual reports to Quakers in Yorkshire
- Our PeaceJam and Global Thinking curriculum is underpinned by Quaker values
Unfortunately participation by students in the annual Quaker Pilgrimage was again postponed because of the pandemic.

5. PUBLIC BENEFIT

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

Community Development

We had aimed this year, as last, 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.

Bursary support

Means-tested bursaries amounting to £483,889 were paid during the year, representing 16% of gross fee income. In addition, scholarships, discounts and other fee remissions brought the total financial support to pupils to £559,988, or 18% 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. From September 2018 to December 2021 our Principal was the Chair of the ISSP Heads' Strategy Group, leading 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

Some of the 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 has been affected by the pandemic. However 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 these partnership activities.

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, and much of this has resumed.

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).

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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.

Unfortunately invitations to pupils from local primary schools to experience live drama have not been possible, but the Junior School's summer production was again 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 2020/21 they supported, amongst others, SASH, Children in Need, St Leonard's Hospice and Macmillan Nurses. The Junior School has a link with the Ebor Care Home, sending cards and homemade decorations at Christmas when their usual carol singing visit could not take place.

Mount Senior girls continue to volunteer for a number of different organisations including the Great British Spring Clean (litter picking in the community), 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 British Transport Police Cadet.

6. FINANCIAL REVIEW

The School made an operating surplus in the year of £312,741 including depreciation and an exceptional capital receipt from property disposal of £1,272,078. Total operating income in the year was £2,725,046, an increase of £115,952 on 2019/20.

Total expenditure in the year was £3,745,003, a reduction of £14,376 compared to 2019/20. There was also a reduction of £26,743 in the cost of charitable activities, achieved through savings in payroll and maintenance costs. The costs of raising funds have increased by £6,008, reflecting the increased activity in the trading subsidiary.

At the year-end total funds carried forward were £2,452,409 (£2,139,668 in 2019/20) of which £236,789 were restricted funds and £2,215,620 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:

- The unbudgeted outlay on consultancy support
- Recruitment costs associated with employing a new Principal, on the retirement of Adrienne Richmond
- Legal expenses associated with the ongoing consultation on membership of the Teachers' Pension Scheme
- Reduced school roll and depressed recruitment - especially from overseas - caused by uncertainty in the public health environment and general economic conditions
- Lost income from ancillary activities
- The inevitably slow returning to 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 2021 is £2,452,409 (2020: £2,139,668). The level of Charitable Free Reserves at 31 August 2021 is a deficit of £181,750 (2020: £431,909).

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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. We have invested in geo-targeting data and software to enable more precise application of our recruitment resource and have developed our social media profile and digital marketing effort more generally. Our Director of External Relations is now supported by a team of two and we will be looking to increase this capacity further. 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 may take time to deliver the increases in pupil numbers that we seek. However, at the time of writing numbers have increased by 12.5% compared to their low point during the pandemic and we expect this trend to continue into the 2022/23 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 on-site development in 2020/21:

- Following the sale of one part 3 Driffield Terrace in 2019/20 we moved to dispose of the other. This sale was concluded in July 2021.
- A further property, in Love Lane, was earmarked for sale in the 2021/22 year. This sale has now been completed.
- 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 and redeemed the remaining small mortgage on a property. We have no outstanding loans.
- We were able, in March 2020, to improve the School's educational and facilities offer through becoming an All Steinway School. Full development of the potential of this collaboration has been affected by the pandemic.
- The partnership with Elite Netball Academy started in April 2021 and is initially proving very successful.

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 consideration 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 2020/21 year and it can be seen from the accounts that £113,188 of savings were made on the payroll. As a result of the natural movement of staff and our continuing development of the curriculum and subjects offered, we anticipate further reduction in staff and other costs in 2021/22 and in 2022/23.

(iv) Re-investment in financial capability

Mount School Estates York Limited (our trading subsidiary) has experienced considerable financial stress over the course of the pandemic, with business rebuilding slowly. At the time of writing we are engaging in a review of the Premises and Commercial departments to increase their capacity for the future.

(v) Investment in fund raising capability

The School's alumnae base has in recent years been something of an untapped asset. The Mount School Foundation has agreed to fund a CRM system to enhance the school's ability to manage this more effectively. We expect to commit

MEMBERS OF THE COMMITTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

further investment in this area in the coming year

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 2020/21 year were seriously affected by the Covid-19 pandemic and we have naturally had to review future strategic and development priorities. Initiatives currently underway include:

- In Summer 2021 we switched our partnership from Leeds Elite Women's Netball to Leeds Rhinos, a Super League club that offers more opportunities and a higher profile.
- The refurbishment of our much used 1970's swimming pool is also a priority and has continued throughout the year.
- The overdue Boarding refurbishment began with a rolling programme of improvements to bathroom facilities and bedrooms.
- New and extended sports facilities and improvements in the Boarding House will enable us to develop our commercial 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 and have appointed a manager to drive this and other music outreach activity.
- The Performing Arts Centre, which has full planning permission and a completed design, is on hold whilst the School focuses on a more diverse portfolio of investments with broader appeal and quicker returns.

8. PRINCIPAL RISKS AND UNCERTAINTIES

Risk Management:

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

- From the beginning of the pandemic until the end of the 2021 school year 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 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

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

MEMBERS OF THE COMMITTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

- 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 Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the 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.

In so far as the trustees are aware:

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

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

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

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


Margaret Bryan (Jun 30, 2022 11:01 GMT+1)

Margaret Bryan
Clerk to The Mount School Committee
Date: 30 June 2022

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 2021 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 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 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 and parent charitable company 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the trustees' assessment of the charitable group's ability to continue to adopt the going concern basis of accounting included reviewing the forecasts to August 2023. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the charitable group has negative free reserves and is forecasting deficits throughout the period to August 2023. These events or conditions, along with the other matters as set forth in note 1.2, indicate that a material uncertainty exists that may cast significant doubt on the charitable group's ability to continue as a going concern, although the governors are actively exploring and implementing different avenues to improve the financial position of the school. Our opinion is not modified in respect of this matter.

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 trustees' 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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and parent charitable company through discussions with directors and other management, and from our commercial knowledge and experience of the independent schools sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charitable company, including the Charities Act 2011, Companies Act 2006, taxation legislation, data protection, Independent Schools Inspectorate, child protection, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 and 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)



Jane Marshall (Jun 30, 2022 11:26 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: Jun 30, 2022

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 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	45,599	106,756	152,355	100,487
Charitable activities	4	2,499,590	-	2,499,590	2,425,628
Other trading activities	5	73,101	-	73,101	79,358
Investments	6	-	-	-	3,621
Other income	7	1,332,698	-	1,332,698	2,836,897
Total income		3,950,988	106,756	4,057,744	5,445,991
Expenditure on:					
Raising funds	8	74,777	-	74,777	68,769
Charitable activities	10	3,623,854	35,232	3,659,086	3,685,829
Other expenditure	11	11,140	-	11,140	4,781
Total expenditure		3,709,771	35,232	3,745,003	3,759,379
Net movement in funds		241,217	71,524	312,741	1,686,612
Reconciliation of funds:					
Total funds brought forward		1,974,403	165,265	2,139,668	453,056
Net movement in funds		241,217	71,524	312,741	1,686,612
Total funds carried forward		2,215,620	236,789	2,452,409	2,139,668

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

The notes on pages 25 to 56 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 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	17	2,770,319	2,871,192
		2,770,319	2,871,192
Current assets			
Stocks	19	6,830	7,949
Debtors	20	183,637	189,959
Cash at bank and in hand		1,612,259	1,363,667
		1,802,726	1,561,575
Creditors: amounts falling due within one year	21	(1,405,409)	(1,367,479)
Net current assets		397,317	194,096
Total assets less current liabilities		3,167,636	3,065,288
Creditors: amounts falling due after more than one year	22	(715,227)	(925,620)
Total net assets		2,452,409	2,139,668

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

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Charity funds			
Restricted funds	24	236,789	165,265
Unrestricted funds	24	2,215,620	1,974,403
Total funds		2,452,409	2,139,668

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 and signed on their behalf by:


Margaret Bryan (Jun 30, 2022 11:01 GMT+1)

Margaret Bryan
Clerk to The Mount School Committee
Date: 30 June 2022

The notes on pages 25 to 56 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 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	17	2,767,074	2,866,875
Investments	18	10	10
		<u>2,767,084</u>	<u>2,866,885</u>
Current assets			
Stocks	19	6,041	6,663
Debtors	20	209,975	178,999
Cash at bank and in hand		1,566,596	1,326,750
		<u>1,782,612</u>	<u>1,512,412</u>
Creditors: amounts falling due within one year	21	(1,402,810)	(1,364,874)
Net current assets		<u>379,802</u>	<u>147,538</u>
Total assets less current liabilities		<u>3,146,886</u>	<u>3,014,423</u>
Creditors: amounts falling due after more than one year	22	(715,227)	(925,620)
Net assets excluding pension asset		<u>2,431,659</u>	<u>2,088,803</u>
Total net assets		<u><u>2,431,659</u></u>	<u><u>2,088,803</u></u>

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

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Charity funds			
Restricted funds	24	236,789	165,265
Unrestricted funds	24	2,194,870	1,923,538
Total funds		2,431,659	2,088,803

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 charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in the financial statements. The surplus of the charity is £342,856 (2020: £1,733,570).

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

Margaret Bryan

Margaret Bryan (Jun 30, 2022 11:01 GMT+1)

Margaret Bryan

Clerk to The Mount School Committee
Date: 30 June 2022

The notes on pages 25 to 56 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 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	27	(919,396)	(1,208,043)
Cash flows from investing activities			
Bank interest		-	3,621
Proceeds from the sale of tangible fixed assets		1,280,000	2,664,495
Purchase of tangible fixed assets		(33,091)	(25,986)
Net cash provided by investing activities		1,246,909	2,642,130
Cash flows from financing activities			
Repayments of finance leases		-	(25,042)
Pension deficit payments		(78,921)	(79,815)
Net cash used in financing activities		(78,921)	(104,857)
Change in cash and cash equivalents in the year		248,592	1,329,230
Cash and cash equivalents at the beginning of the year		1,363,667	34,437
Cash and cash equivalents at the end of the year	28	1,612,259	1,363,667

The notes on pages 25 to 56 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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 £312,741 and has net current assets at 31 August 2021 of £397,317 and negative free reserves of £181,750.

It is anticipated that deficits will result in the years ended 31 August 2022 and 2023. The governors' income and expenditure forecast supported by a cashflow forecast through to 31 August 2023 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 11 and 12.

The key elements of the strategy are increasing pupil numbers, achieving a reduction in the cost base and, developing the commercial potential of under-used parts of the school estate to support capital expenditure and educational activities. In order to finance the cash requirements as shown in the cashflow forecast to 31 August 2023; 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 exchanged on the sale of a property in Love Lane in June 2022.

The governors will continue to keep under review the buildings on the whole site, which stretches from Holgate Road to Driffild Terrace. Currently, several opportunities are under consideration which will provide the School with further reserves to finance its growth and to provide funds for investment. The Trustees do recognise that some uncertainty exists regarding the success and sustainability of these plans. However they have concluded that the charitable group remains a going concern whilst such viable options are available to it and 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 registered in England and Wales. 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

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 2021

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.

Grants received in relation to the government Coronavirus Job Retention Scheme (Furlough) have been recognised within other operating income. The grant accounted for on the accruals basis once the related payroll return has been submitted.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.9 Taxation

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

1.10 Tangible fixed assets and depreciation

Land and buildings held on trust

Additions and improvements 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:

Freehold property 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.
Freehold property 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

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.

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 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	45,599	106,756	152,355	100,487
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2020	62,059	38,428	100,487	
	<hr/>	<hr/>	<hr/>	

THE MOUNT SCHOOL (YORK)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Gross fees receivable	3,024,346	3,024,346	2,930,350
Total scholarships, bursaries, discounts and allowances	(559,988)	(559,988)	(542,150)
	<u>2,464,358</u>	<u>2,464,358</u>	<u>2,388,200</u>
Add back bursaries paid for by restricted funds (Note 9)		35,232	37,428
Net fees		<u>2,499,590</u>	<u>2,425,628</u>
Total 2020	<u>2,388,200</u>	<u>2,425,628</u>	

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rental income	16,343	16,343	2,602
Total 2020	<u>2,602</u>	<u>2,602</u>	

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
The Mount School Estates (York) Limited trading income	56,758	56,758	76,756
Total 2020	<u>76,756</u>	<u>76,756</u>	

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NOTES TO THE FINANCIAL STATEMENTS
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6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from UK listed investments	-	-	2
Interest receivable	-	-	3,619
	<u>-</u>	<u>-</u>	<u>3,621</u>
Total 2020	<u>3,621</u>	<u>3,621</u>	

7. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
CJRS grant income	51,831	51,831	159,033
Staff meals	1,396	1,396	4,342
After school care	3,915	3,915	4,047
Other income	3,478	3,478	4,980
Profit on sale of tangible fixed assets	1,272,078	1,272,078	2,664,495
	<u>1,332,698</u>	<u>1,332,698</u>	<u>2,836,897</u>
Total 2020	<u>2,836,897</u>	<u>2,836,897</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other expenses	22,767	22,767	24,721
Staff costs	50,938	50,938	42,976
Depreciation	1,072	1,072	1,072
	<hr/> 74,777 <hr/>	<hr/> 74,777 <hr/>	<hr/> 68,769 <hr/>
Total 2020	<hr/> 68,769 <hr/>	<hr/> 68,769 <hr/>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9. Analysis of grants

	Grants to Individuals 2021 £	Total funds 2021 £	Total funds 2020 £
Grants for bursaries	35,232	35,232	37,428
Total 2020	37,428	37,428	

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Teaching	1,809,363	35,232	1,844,595	2,028,179
Welfare	451,236	-	451,236	419,097
Premises	706,506	-	706,506	642,529
Overheads	656,749	-	656,749	596,024
	3,623,854	35,232	3,659,086	3,685,829
Total 2020	3,648,401	37,428	3,685,829	

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NOTES TO THE FINANCIAL STATEMENTS
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11. Other expenditure

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Change in pension discount rate	11,140	11,140	4,781
Total 2020	4,781	4,781	

12. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Bursaries paid for by restricted funds 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Teaching	1,725,493	35,232	83,870	1,844,595	2,028,179
Welfare	349,034	-	102,202	451,236	419,097
Premises	203,914	-	502,592	706,506	642,529
Overheads	-	-	656,749	656,749	596,024
	2,278,441	35,232	1,345,413	3,659,086	3,685,829
Total 2020	2,372,501	37,428	1,275,900	3,685,829	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

12. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Teaching	Welfare	Premises	Total	Total
	2021	2021	2021	funds	funds
	£	£	£	2021	2020
				£	£
Wages & salaries	1,657,501	209,506	92,442	1,959,449	2,083,617
Depreciation	1,805	1,020	111,472	114,297	116,196
Catering staff costs	-	138,508	-	138,508	109,514
Staff training	1,277	-	-	1,277	3,413
Office expenses	31,838	-	-	31,838	28,356
Miscellaneous	27,752	-	-	27,752	31,405
Supply teachers	5,320	-	-	5,320	-
	<u>1,725,493</u>	<u>349,034</u>	<u>203,914</u>	<u>2,278,441</u>	<u>2,372,501</u>
Total 2020	<u>1,868,967</u>	<u>301,091</u>	<u>202,443</u>	<u>2,372,501</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

12. Analysis of expenditure by activities (continued)

Analysis of support costs

	Teaching 2021 £	Welfare 2021 £	Premises 2021 £	Overheads 2021 £	Total funds 2021 £	Total funds 2020 £
Wages & salaries	-	-	-	362,852	362,852	359,834
Depreciation	-	-	-	10,673	10,673	55,047
Repairs & maintenance	40,411	21,026	243,512	-	304,949	183,966
Departmental costs	43,459	-	-	-	43,459	20,540
Provisions	-	65,310	-	-	65,310	84,884
Rates & water	-	-	54,302	-	54,302	63,686
Light & heat	-	-	163,032	-	163,032	205,942
Insurance	-	-	35,386	-	35,386	33,846
Travel	-	-	-	-	-	975
Legal fees	-	-	-	128,020	128,020	80,860
Telephone	-	-	-	12,596	12,596	17,103
Office expenses	-	-	-	19,650	19,650	17,360
Marketing	-	-	-	66,628	66,628	47,500
Interest & charges	-	-	-	20,941	20,941	14,903
Miscellaneous	-	15,866	6,360	18,025	40,251	34,904
Bad debt write offs	-	-	-	(4,764)	(4,764)	31,628
Governance costs	-	-	-	22,128	22,128	22,922
	83,870	102,202	502,592	656,749	1,345,413	1,275,900
Total 2020	121,784	118,006	440,086	596,024	1,275,900	

Governance costs during the year consist of auditor's remuneration of £21,992 (2020: £22,427) and cost of trustees' meetings of £136 (2020: £495).

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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

	2021	2020
	£	£
Fees payable to the charity's auditor for the audit of the charity's annual accounts	20,005	18,575
Fees payable to the charity's auditor in respect of:		
All non-audit services not included above	540	480
	<u><u> </u></u>	<u><u> </u></u>

15. Staff costs

	Group	Group	Charity	Charity
	2021	2020	2021	2020
	£	£	£	£
Wages and salaries	1,883,237	1,975,763	1,832,299	1,932,787
Social security costs	162,019	168,493	162,019	168,493
Contribution to defined contribution pension schemes	327,983	342,171	327,983	342,171
	<u><u>2,373,239</u></u>	<u><u>2,486,427</u></u>	<u><u>2,322,301</u></u>	<u><u>2,443,451</u></u>

The charity incurred supply teachers costs of £5,320 (2020: £nil) and catering staff costs of £138,508 (2020: £109,514) during the year which are not included in the figure above.

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

	Group	Group
	2021	2020
	No.	No.
Teaching staff	52	54
Non-teaching staff	42	47
Non-executive directors	10	10
	<u><u>104</u></u>	<u><u>111</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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15. Staff costs (continued)

The average headcount expressed as full-time equivalents was:

	Group 2021 No.	Group 2020 No.
Full time equivalents (excluding Non-executive directors)	55	61

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

	Group 2021 No.	Group 2020 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 £372,281 (2020: £370,550).

16. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, expenses for travel and subsistence totalling £nil were reimbursed or paid directly to the Trustees (2020: £495 to 3 Trustees).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Tangible fixed assets

Group

	Freehold property £	Office equipment £	Other fixed assets £	Total £
<i>Cost or valuation</i>				
At 1 September 2020	4,313,626	589,256	877,789	5,780,671
Additions	-	33,091	-	33,091
Disposals	-	-	(37,450)	(37,450)
At 31 August 2021	4,313,626	622,347	840,339	5,776,312
<i>Depreciation</i>				
At 1 September 2020	1,588,212	549,519	771,748	2,909,479
Charge for the year	86,276	14,570	25,196	126,042
On disposals	-	-	(29,528)	(29,528)
At 31 August 2021	1,674,488	564,089	767,416	3,005,993
<i>Net book value</i>				
At 31 August 2021	2,639,138	58,258	72,923	2,770,319
At 31 August 2020	2,725,414	39,737	106,041	2,871,192

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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 2020	4,313,626	557,947	877,789	5,749,362
Additions	-	33,091	-	33,091
Disposals	-	-	(37,450)	(37,450)
At 31 August 2021	4,313,626	591,038	840,339	5,745,003
<i>Depreciation</i>				
At 1 September 2020	1,588,212	522,527	771,748	2,882,487
Charge for the year	86,276	13,498	25,196	124,970
On disposals	-	-	(29,528)	(29,528)
At 31 August 2021	1,674,488	536,025	767,416	2,977,929
<i>Net book value</i>				
At 31 August 2021	2,639,138	55,013	72,923	2,767,074
At 31 August 2020	2,725,414	35,420	106,041	2,866,875

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.

18. Fixed asset investments

	Investments in subsidiary companies £
<i>Charity</i>	
<i>Cost or valuation</i>	
At 1 September 2020	10

THE MOUNT SCHOOL (YORK)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

18. Fixed asset investments (continued)

<i>At 31 August 2021</i>	<u>10</u>
<i>Net book value</i>	
<i>At 31 August 2021</i>	<u>10</u>
At 31 August 2020	<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
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Ordinary	100%	Yes
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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	69,773	(78,778)	(9,005)	20,750

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Stocks

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Finished goods and goods for resale	6,830	7,949	6,041	6,663

20. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
<i>Due within one year</i>				
Trade debtors	51,116	70,886	35,024	67,558
Amounts owed by group undertakings	-	-	51,310	4,573
Other debtors	15,287	-	15,287	-
Prepayments and accrued income	117,234	119,073	108,354	106,868
	183,637	189,959	209,975	178,999

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

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Payments received on account	413,227	319,753	413,227	319,753
Trade creditors	269,720	282,530	269,239	281,575
Pension scheme funding deficit liability	77,351	72,147	77,351	72,147
Other taxation and social security	40,159	41,392	40,041	41,392
Composition scheme	147,015	78,366	147,015	78,366
Other creditors	325,105	498,444	325,105	498,444
Accruals and deferred income	132,832	74,847	130,832	73,197
	1,405,409	1,367,479	1,402,810	1,364,874

In 2020 there was a balance of £200,000 within other creditors which was secured against 1 Love Lane, York.

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

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Pension scheme funding deficit liability	363,418	429,629	363,418	429,629
Other creditors	187,937	273,695	187,937	273,695
Composition fee scheme	163,872	222,296	163,872	222,296
	715,227	925,620	715,227	925,620

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

Pensions (continued)

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.

NOTES TO THE FINANCIAL STATEMENTS
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Pensions (continued)

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

	2021	2020
	£	£
Opening liabilities	(501,776)	(566,612)
Remeasurements	(11,140)	(4,781)
Contributions	78,921	79,816
Interest cost	(6,774)	(10,199)
Actuarial gain/(losses)	-	-
Closing liability	<u>(440,769)</u>	<u>(501,776)</u>

As disclosed in notes 21 and 22, the pension liability includes amounts due in less than one year of £77,351 (2020: £72,147) and amounts due in more than one year of £363,418 (2020: £429,629).

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NOTES TO THE FINANCIAL STATEMENTS
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24. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
<i>Unrestricted funds</i>					
<i>Designated funds</i>					
Tangible fixed assets	2,871,192	-	-	(100,873)	2,770,319
PAC project	36,896	-	-	1,000	37,896
MOSA fund	-	-	-	29,924	29,924
	<u>2,908,088</u>	<u>-</u>	<u>-</u>	<u>(69,949)</u>	<u>2,838,139</u>
<i>General funds</i>					
School general fund	(482,775)	3,881,215	(3,692,000)	91,060	(202,500)
Pension deficit	(501,776)	-	61,007	-	(440,769)
Mount School Estates	50,866	69,773	(78,778)	(21,111)	20,750
	<u>(933,685)</u>	<u>3,950,988</u>	<u>(3,709,771)</u>	<u>69,949</u>	<u>(622,519)</u>
<i>Total Unrestricted funds</i>	<u>1,974,403</u>	<u>3,950,988</u>	<u>(3,709,771)</u>	<u>-</u>	<u>2,215,620</u>

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24. Statement of funds (continued)

Restricted funds

Scholarships, bursaries and prizes	161,716	-	-	-	161,716
PAC project	1,000	-	-	-	1,000
Academic Development Fund	-	106,788	(35,232)	-	71,556
Legal fees	1,844	-	-	-	1,844
Sports for Champions	705	(32)	-	-	673
	165,265	106,756	(35,232)	-	236,789
Total of funds	2,139,668	4,057,744	(3,745,003)	-	2,452,409

Statement of funds - prior 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
	3,017,515	36,896	-	(146,323)	2,908,088

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24. Statement of funds (continued)

General funds

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>
Total Unrestricted funds	<u>288,791</u>	<u>5,407,563</u>	<u>(3,721,951)</u>	<u>-</u>	<u>1,974,403</u>

Restricted funds

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>
Total of funds	<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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NOTES TO THE FINANCIAL STATEMENTS
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25. Summary of funds

Summary of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
Designated funds	2,908,088	-	-	(69,949)	2,838,139
General funds	(933,685)	3,950,988	(3,709,771)	69,949	(622,519)
Restricted funds	165,265	106,756	(35,232)	-	236,789
	<u>2,139,668</u>	<u>4,057,744</u>	<u>(3,745,003)</u>	<u>-</u>	<u>2,452,409</u>

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NOTES TO THE FINANCIAL STATEMENTS
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25. Summary of funds (continued)

Summary of funds - prior 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>

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.

MOSA Fund

This fund represents money received from Mount Old Scholars Association.

Transfers

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

Transfers from Mount School Estates represent the gift aid payment.

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26. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	2,770,319	-	2,770,319
Current assets	1,565,937	236,789	1,802,726
Creditors due within one year	(1,405,409)	-	(1,405,409)
Creditors due in more than one year	(715,227)	-	(715,227)
Total	2,215,620	236,789	2,452,409

Analysis of net assets between funds - prior year

	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)
Total	1,974,404	165,265	2,139,669

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FOR THE YEAR ENDED 31 AUGUST 2021

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

	Group 2021 £	Group 2020 £
Net income for the year (as per Statement of Financial Activities)	312,741	1,686,612
<i>Adjustments for:</i>		
Depreciation charges	126,042	172,309
Bank interest	-	(3,621)
Profit on the sale of fixed assets	(1,272,078)	(2,664,495)
Decrease in stocks	1,119	1,188
Decrease/(increase) in debtors	6,322	(14,952)
Decrease in creditors	(111,456)	(400,064)
Pension finance costs	6,774	10,199
Actuarial movement on pension	11,140	4,781
<i>Net cash used in operating activities</i>	(919,396)	(1,208,043)

28. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand	1,612,259	1,363,667
<i>Total cash and cash equivalents</i>	1,612,259	1,363,667

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29. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	Other non- cash changes £	At 31 August 2021 £
Cash at bank and in hand	1,363,667	248,592	-	1,612,259
Debt due within 1 year	(72,147)	-	(5,204)	(77,351)
Debt due after 1 year	(429,629)	-	66,211	(363,418)
	861,891	248,592	61,007	1,171,490

30. Operating lease commitments

At 31 August 2021 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Not later than 1 year	12,085	7,231	12,085	7,231
Later than 1 year and not later than 5 years	10,807	6,010	10,807	6,010
	22,892	13,241	22,892	13,241

31. Related party transactions

The following trustees had children at The Mount School (York) on a fee paying basis during 2020/21: G Willmott and J Concannon.

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

Membership fees of £nil (2020: £225) were paid to Make It York, a company of which Joan Concannon is a director.

A loan from G. Willmott of £200,000 was repaid during the year.