WILLIAM JONES'S SCHOOLS FOUNDATION

England & Wales · Charity number 525616

Details

Other names	JONES FOUNDATION
Status	Registered
Legal form	Other
Registered	1987-11-12
Register	View on the Charity Commission register

Contact

Address	The Clerk Haberdashers Hall 18 West Smithfield London EC1A 9HQ
Phone	02072469988
Email	enquiries@haberdashers.co.uk
Website	www.haberdashers.co.uk

Activities

Objects: THE OBJECT OF THE FOUNDATION SHALL BE THE PROVISION AND CONDUCT IN OR NEAR MONMOUTH OF A CO-EDUCATIONAL DAY AND BOARDING SCHOOL AND A CO-EDUCATIONAL DAY AND BOARDING PREPARATORY SCHOOL.

Activities: To operate day and boarding schools for boys and girls in or near to Monmouth.

Classification

- **How:** Provides Other Finance, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

Downloaded from opencharities.uk/ew/525616

Geography

- Monmouthshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£23,582,000	£29,087,000	£133,864,000	539
2023-08-31	£23,200,000	£28,870,000	£133,957,000	548
2022-08-31	£22,893,000	£25,948,000	£141,310,000	552
2021-08-31	£20,644,000	£24,557,000	£137,904,000	554
2020-08-31	£20,491,000	£24,157,000	£122,523,000	564

Trustees

Name	Role	Appointed
Haberdashers' Monmouth Estates Limited		2016-04-01
Haberdashers' Monmouth Schools Limited		2016-04-01

Downloaded from opencharities.uk/ew/525616

Linked charities

- RHYS WILLIAMS HISTORY PRIZE (525616-1)
- PENSION FUND FOR NON-TEACHING STAFF (525616-10)
- MARION READE MEMORIAL PRIZE (525616-11)
- BEATRICE GAYER PRIZE (525616-12)
- VIOLLET GRIFFIN PRIZES (525616-13)
- TREVOR BOWEN OWEN SCHOLARSHIPS (525616-14)
- HAROLD WARD PRIZE (525616-15)
- THE TREVOR BOWEN PRIZE (525616-16)
- FREDA JARVIS EXHIBITION FUND (525616-17)
- VIZARD PRIZE (525616-18)
- LEONARD CLARK POETRY PRIZE (525616-19)
- ROBERT RUMSEY WEBB MATHEMATICAL SCHOLARSHIP (525616-2)
- LUDFORD FREEMAN PRIZE (525616-20)
- WILLIAM SIMPSON HALL MEMORIAL PRIZE (525616-21)
- FLORENCE MABEL HALL MEMORIAL PRIZE (525616-22)
- MICHAEL SPENSER WILLIAMS MEMORIAL PRIZE (525616-23)
- THE MOYNIHAN PRIZE (525616-24)
- REVEREND W T JOSEPH PRIZE (525616-25)
- THE SIR WILLIAM THOMAS PRIZE (525616-26)
- THE LUCY ORPIN PRIZE (525616-27)
- SALTERS' CHEMISTRY PRIZE (525616-28)
- LEONARD TWISTON-DAVIES PRIZE FOR ART AT MONMOUTH SCHOOL (525616-29)
- HENRY PRICE BEQUEST (525616-3)
- LEONARD TWISTON-DAVIES PRIZE FOR ART AT MONMOUTH SCHOOL FOR GIRLS (525616-30)
- DOROTHY TWISTON-DAVIES PRIZE FOR NEEDLEWORK (525616-31)
- PATRICIA PHILLIPS PRIZE (525616-32)
- SIDDANS PRIZE (525616-4)
- JOHN LANE ESSAY PRIZE (525616-5)
- WINIFRED PARAMORE WILLIAMS MEMORIAL PRIZE (525616-53)
- MOUNTJOY FUND (525616-54)
- MARY ROWLES JARVIS PRIZE (525616-6)
- BEACH ART PRIZE (525616-7)
- ROSS IRVING MEMORIAL PRIZE (525616-8)
- CHRISTOPHER FAIRFAX SCOTT PRIZE (525616-9)

Downloaded from opencharities.uk/ew/525616

WILLIAM JONES'S SCHOOLS FOUNDATION

England & Wales - Charity number 525616

Accounts

Charity Registration No. 525616

WILLIAM JONES'S SCHOOLS FOUNDATION

Trustees' report and accounts for the year ended 31 August 2024

WILLIAM JONES'S SCHOOLS FOUNDATION

CONTENTS PAGE

Legal and administrative details	**1**
Trustees' report	**3**
Independent auditors' report	**18**
Consolidated statement of financial activities	**21**
Balance sheets	**22**
Consolidated cash flow statement	**23**
Notes to the accounts	**25**

WILLIAM JONES'S SCHOOLS FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

REGISTERED CHARITY NUMBER 525616

TRUSTEES AND GOVERNORS

The William Jones's Schools Foundation ("the Foundation") has two corporate trustees: Haberdashers' Monmouth Estates Limited ("HMEL"), Company number 09177858 and Haberdashers' Monmouth Schools Limited ("HMSL"), Company number 09177946. The Haberdashers Company is the sole member of HMEL and HMSL.

PRINCIPAL OFFICES

Haberdashers' Monmouth Estates Limited and the Foundation
Haberdashers' Hall, 18 West Smithfield, London, EC1A 9HQ

Haberdashers' Monmouth Schools Limited
St Catherine's House, 17 Hereford Road, Monmouth, NP25 3HG

OFFICERS OF THE HABERDASHERS' COMPANY

Clerk	Brigadier H A Watson MBE
Director of Finance & Information	E D Bayley (to 6 October 2023)
Director of Finance	H V M Sadleir (from 7 October 2023)
Director for Schools and Estates	A González

DIRECTORS OF HABERDASHERS' MONMOUTH ESTATES LIMITED

The Haberdashers' Company

Chair of the Haberdashers' Education Committee	R G F Glover (resigned 21 November 2024)
Chair of the Haberdashers' Education Committee	C J A Penney (appointed 21 November 2024)

DIRECTORS OF HABERDASHERS' MONMOUTH SCHOOLS LIMITED AND SCHOOL GOVERNORS

Lord Moynihan (Chairman) (resigned 13 December 2024)	#	Dr S Honeywill (resigned 7 February 2024)	
T Haynes (Chairman) (appointed 19 September 2024)		J A McLaren	*
Mrs E Ashford (resigned 31 December 2023)		N G H Manns	*
Mrs J M Booth (resigned 13 December 2024)		R P Miners (resigned 5 July 2024)	*, #
Prof R J Carwardine		A Mohindru KC	
Prof A Davies		N A J Waters	*
Councillor S P Garratt		Dr R A Weeks	*
R Glover (appointed 14 February 2025)	*, #	I A de Weymarn	*, #
T Haden-Scott	*, #	Mrs R Williams	
Miss G Lavin (appointed 20 March 2025)	*		
A Lock	*		

* appointed by the Haberdashers' Company
\# member of the Court of Assistants of the Haberdashers' Company

WILLIAM JONES'S SCHOOLS FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

CLERK TO THE SCHOOLS' GOVERNORS

Mrs C Stansfield

THE SCHOOLS

2023-24:
Monmouth School for Boys, Almshouse Street, Monmouth, NP25 3XP
Monmouth School for Girls, Hereford Road, Monmouth, NP25 5XT
Monmouth Prep School, The Grange, Hadnock Road, Monmouth, NP25 3NG

September 2024 onwards:
Haberdashers' Monmouth School, St Catherine's House, 17 Hereford Road, Monmouth NP25 3HG

Website: www.habsmonmouth.org

KEY MANAGEMENT PERSONNEL

2023-24:

S H Dorman	Head, Monmouth School for Boys
Mrs R Rees	Acting Head, Monmouth School for Girls
N Shaw	Head, Monmouth Prep School
Mrs T A Norgrove	Foundation Bursar

September 2024 onwards:

S H Dorman	Executive Head, Haberdashers' Monmouth School
Mrs T A Norgrove	Foundation Bursar

PRINCIPAL ADVISERS TO THE FOUNDATION

Bankers
C Hoare & Co, 37 Fleet Street, London, EC4P 4DQ

Independent Auditors
Saffery LLP, 71 Queen Victoria Street, London, EC4V 4BE

Solicitors
Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

PRINCIPAL ADVISERS TO THE SCHOOLS

Bankers
Lloyds Bank plc, 18 Monnow Street, Monmouth, NP25 3XH

Auditors
Crowe UK LLP, 4th floor, St James House, St James Square, Cheltenham, GL50 3PR

Solicitors
Veale Wasbrough Vizards, Narrow Quay House, Narrow Quay, Bristol, BS1 4QA

TRUSTEES' REPORT

The Trustees present the annual report and financial statements of the Foundation for the year ended 31 August 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the accounts and comply with 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 (FRS 102). Legal and administrative information is set out on pages 1 to 2 forms part of this report.

The Foundation and Corporate Trustees

In his will, William Jones, Liveryman of the Haberdashers' Company, made a bequest to establish a "free school" at Monmouth and the Foundation was established by letters patent of King James I dated 19 March 1614, which authorised the founding of a "Free Grammar School".

William Jones's Schools Foundation ("the Foundation") is now constituted as an unincorporated registered charity, governed by Schemes of the Charity Commission dated 12 November 1987, 21 July 1998, 25 May 2000, 30 April 2009 and 23 November 2009. The Haberdashers' Company was the Trustee of the Foundation and was also the Estates Governor until 1 April 2016. On 1 April 2016, the Haberdashers' Company passed a resolution and appointed two new companies, Haberdashers' Monmouth Estates Limited and Haberdashers' Monmouth Schools Limited, to act as Trustees and Estates Governor and Schools' Governor respectively.

The Haberdashers' Company

The Haberdashers' Company is a City Livery Company incorporated by royal charter and is the sole member of Haberdashers' Monmouth Estates Limited and Haberdashers' Monmouth Schools Limited. The full name under which the Company is incorporated is 'The Master and Four Wardens of the Fraternity of the Art or Mystery of Haberdashers in the City of London'. The Company is in the fortunate position of being able to admit a steady stream of able and committed new members known as Members of the Freedom who, when they have gathered experience in their chosen careers, may be selected to become Members of the Livery and may undergo further rigorous selection procedures to become eligible for duties within the Company. Some will be selected to join a pool of potential school governors from which the Company makes nominations to governing bodies.

Haberdashers' Monmouth Estates Limited ("HMEL")

HMEL is a company, limited by guarantee, which as the Estates Governor is the sole trustee of the land and buildings of the Foundation.

HMEL's responsibilities, as Trustee, are undertaken by its Directors, assisted by the Education Committee of the Haberdashers' Company, while activities are managed on a day-to-day basis by the Clerk and Haberdashers' Company staff. Members of the Education Committee are selected by the Haberdashers' Company to provide a broad range of expertise, particularly in the areas of governance and management. The Chair of the Education Committee is a director of HMEL and, usually, a former chair of governors of a Haberdashers' Company school or schools. Members of the Education Committee all have experience as school governors. Training for members of the Education Committee builds on their previous experience as school governors and includes an induction process for new members, provision of relevant reading material and training days.

The Education Committee is advised on financial matters by the Finance Committee, on estate matters by the Property Committee and on audit and risk matters, including the provision of assurance on the Foundation's report and accounts, by the Audit and Risk Committee.

Neither the Trustee nor any of the Directors receive any remuneration for services performed in their capacity as Trustee or Directors.

Haberdashers' Monmouth Schools Limited ("HMSL")

HMSL is a company, limited by guarantee, which is the Schools' Governor of the Foundation.

TRUSTEES' REPORT

The School's Governors ("the Governors"), who are directors of HMSL, play an important strategic role in the life of the School and are responsible for determining their aims and overall conduct. The Governors have shaped the overall strategy for the School with the Executive Head, and review and approve the implementation of the individual strategies, policies and procedures developed by the Executive Team, to ensure the best possible education for present and future pupils. The Governors are also responsible for ensuring the proper control of the School's finances and compliance with relevant regulation, particularly the safeguarding of pupils.

Governors give their time voluntarily, receive no payment and for continuity are generally expected to serve at least four years on the Board. They offer a blend of skills and experience to help guide and direct the School, and the Board would normally include individuals with experience in business, law, accountancy, education, public health or the medical profession, and property. When selecting replacement governors, the aim is to retain this balance of professional expertise, as well as making every effort to ensure that the diversity of the school community is reflected on the Board. Governors are appointed by the bodies listed on page 1. The Chair of Governors is a senior Haberdasher nominated by the Company and elected annually by the Governors.

The Governors operate across the School but divide responsibility for key areas into smaller committees covering academic matters, finance, audit and estates, pastoral care and governance. Until 31 August 2024 each of the schools (Boys', Girls' and Prep) each had a nominated governor (Vice Chair) who played a valuable supporting role for the respective Head. Nominated Safeguarding Governors were appointed for each school; they worked closely with the Designated Senior Persons ("DSPs") in each school to ensure that the Board's safeguarding responsibilities were fulfilled.

On joining the Board, all Governors undergo a thorough induction programme, comprising extensive written material in the form of a briefing pack and at least a day's familiarisation visit to the School. Governors also receive regular updates of the School's literature throughout their tenure and have the opportunity to attend training sessions on a variety of subjects, either at Haberdashers' Hall, or run by external bodies such as the Association of Governing Bodies of Independent Schools ("AGBIS").

Merger of Schools and Project Alpha

Having consulted in October 2022 with stakeholders, including staff, pupils, parents and Haberdashers, the Board of Governors agreed a merger of the three schools with the aim of delivering a compelling co-educational offer. From 1 September 2024 the schools amalgamated to form Haberdashers' Monmouth School ("HMS"), a single co-educational school with Prep, Senior and Sixth Form.

The Foundation undertook to provide support for the transformation of the schools into a single co-educational school, HMS. This project, called Project Alpha, also entailed significant capital investment in transforming and enhancing several of the school buildings. The Project Alpha funding provided during the year was £22,400,000, the majority of which has been invested in buildings on the School's estate. All the works have been undertaken with sustainability in mind, focusing on conversion and refurbishment rather than on new builds.

As well as supporting the merger of the schools in order to provide an outstanding co-educational offer, the aim of Project Alpha was to deliver school facilities of the highest standard. HMS now has a best-in-class Sixth Form complex, magnificent Strength and Conditioning facilities in the form of the Eddie Butler Centre, an enhanced and extended dining area and an additional dance studio and performance area. The building previously used as the main building for the Girls' School has been converted to provide an outstanding Prep School. The Prep School now occupies its own site and has its own sporting and performing arts spaces. As at the date of this report, the capital works for Project Alpha have been completed and the School and the Trustees of hugely proud of what has been achieved, which is testament to the hard work and vision of the School Governors and the School's Senior Leadership Team.

Organisational Management

With the work for Project Alpha substantially complete, the previous Chairman of the School Governors, Lord Moynihan, chose not to stand for re-election. Mr Tim Haynes assumed the role of Chairman on 6 December 2024. The Trustees would like to thank Lord Moynihan for his dedication to the School and his enormous energy, enthusiasm and commitment over a sustained period. Lord Moynihan's work in

delivering Project Alpha and the co-educational Haberdashers' Monmouth School means that he has been a truly transformational Chairman of the School Governors, who has sought to put in place a School that is best placed to thrive during what are very challenging times for the private education sector as a whole. Mr Haynes, Headmaster of Monmouth School from 1995-2005, Headmaster of Tonbridge School from 2005-2018, and Chair of Governors at Shrewsbury School from 2017-2023, is a highly experienced educator with a great understanding of the School and its community. The Trustees are delighted to welcome Mr Haynes to his role as Chairman and look forward to working with him in support of the development of the School and its educational offer.

Mr Simon Dorman has given 15 years of dedicated service to Monmouth, first as Second Master and then Headmaster of Monmouth School for Boys. Latterly he became Head Designate and then Executive Head of HMS. Mr Dorman has worked tirelessly and selflessly for the school community in these various demanding roles. Following the conclusion of Project Alpha, Mr Dorman has decided to hand over the leadership of the School for the next stage in its development and will be leaving at the end of the summer term. The Governors and Trustees are enormously grateful to Mr Dorman for all his work over a sustained period.

The Governors and Trustees are delighted that Mr Melvyn Roffe, a hugely experienced and greatly respected educational leader, will be Mr Dorman's successor as Head from August 2025. Mr Roffe is currently CEO of the Clifton College Education Group, having previously been Principal of George Watson's College in Edinburgh for ten years. He has served as Chair of both the Boarding Schools' Association and The Heads' Conference, an organisation which represents the Heads of leading independent schools in the UK and internationally. Mr Roffe previously worked at Monmouth School for Boys for eight years until 2001, first as Head of English and then as Director of Studies (Academic Deputy), before leaving to become Headmaster of Old Swinford Hospital in Stourbridge.

With the appointments of Mr Haynes and Mr Roffe, the Trustees believe that the School has in place an exceptional leadership team and one which will be able to develop and deepen the impressive work undertaken by their predecessors.

The day-to-day running of the School is delegated to the Heads and Bursar, as key management personnel, who in turn are supported by their Senior Leadership Team.

The remuneration of key management personnel is set by the remuneration sub-committee, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the School's success. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

Delivery of the Foundation's charitable vision and purpose is primarily dependent on the key management personnel and staff costs are the largest single element of charitable expenditure.

Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom generally accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of the resources of the Foundation 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Foundation will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the Foundation and which enable the Trustees to ascertain its financial position and to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the Foundation's constitution. The Trustees are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HMEL is responsible for compliance with these statutory obligations on behalf of the Foundation.

Charitable Object

The object of the Foundation, as set out in the revised June 2024 Scheme, is "the provision and conduct in or near Monmouth of a co-educational day and boarding school and a co-educational day and boarding preparatory school."

Aims and Objectives

The charitable object is specific, so the primary activity of the Foundation is to provide and operate the School. The aims of the Foundation are as follows:

(i) **The School is** constituted as an independent school with the following mission:

"To extend the educational facilities and opportunities provided to children living in or near Monmouth so as to maximise educational choice and opportunity. This is to be done by a providing schooling of the highest quality for infant, primary and secondary education on a fee-paying basis, whilst enabling access to those who could not otherwise afford to attend through the provision of financial support from bursaries and fee remission.

The School welcomes joiners from both the Maintained and Independent sectors at all stages. These include, but are not limited to, joiners at age 16+ wishing to take advantage of the outstanding opportunities provided in the Sixth Form, children with particular talents or special needs and those who will benefit from a more personalised education, and pupils with the ability to reach more challenging levels and benefit from a wider range of choice than would otherwise be available to them. Others are motivated to join not just for the academic attainments but because they wish to participate in the thriving sport, drama, music and other extracurricular activities.

The School also seeks to maximise the public benefit it provides in other ways, such as by sharing facilities with the local community and through links to other schools."

(ii) **HMEL** has adopted the following aims for its own role as Trustee. These also reflect the aims of the Company's Education Committee:

Vision

To be seen as offering sustained commitment to excellence in education through excellence in governance, trusteeship and sponsorship.

Mission statement

- To discharge properly the role of Trustee;
- To provide highest quality governance;
- To develop the influence of the Haberdashers' Company in the field of education;
- To enable the Haberdasher schools to take an independent view on the students' educational needs; and
- To promote common values in Haberdasher Schools:

Attributable to pupils:	Attributable to schools:
Open minded / intellectually curious	Aspirational / stretching
Good citizens	Accessible
Culturally diverse	Academic equality of opportunity
Rounded	Ethical and humane
Innovative	Exciting
Co-operative	Supportive of Christian values

The Trustees have taken into account the Charity Commission's general guidance on public benefit and more specific guidance for charities whose aims include advancement of education and whose activities involve charging fees, in reviewing aims and objectives for the Foundation.

Review of activities and achievements

HMS has articulated its vision, purpose, philosophy and values as below.

Mission statement for Haberdashers Monmouth School:

To provide a life-changing education to young people from all backgrounds in a grounded local community creating global citizens of the future.

The School's five core values are:

1) **Respect** – All members of the HMS community are equally valued. We value diversity and promote a rounded and grounded school community.
2) **Kindness** – We are sensitive to each other's needs and help each other whenever we can, especially those who are different from us. We recognise that the strength of our community is our greatest asset and that this is promoted through kindness.
3) **Resilience** – We persevere and keep trying even when things don't go our way. We recognise that failing is a powerful way to learn and embrace it.
4) **Creativity** – We recognise that all students benefit from participation in creative activities and are brave enough to embrace new ways of thinking.
5) **Integrity** – We stand by our moral principles and have the courage to do the right thing, even when it is difficult to do so.

HMS focuses on the **quality of its teaching and learning and** its **pastoral care** as its foundations. Boarding continues to be central to the School, offering the opportunity of an HMS education to those across the United Kingdom and the world beyond, and creative a diverse and vibrant community. Four central pillars differentiate our school from competitor schools:

- Fashion, Design and Textiles
- Performing Arts
- Sport and Outdoor Education
- Sustainability

Finally, the Haberdashers' Advantage, a programme overseen by the Haberdashers' Company (further details on page 8, below), benefits the whole school community, giving pupils a head start in their chosen courses and careers when they leave the School.

Academic excellence: HMS teachers are passionate about their subjects and teaching and learning. They are outstanding, inspirational and committed practitioners with access to training on best practice throughout their careers. Pupils of all ability levels are nurtured, challenged and inspired. Expectations are high, and pupils are encouraged to take advantage of the wide range of opportunities available for academic enrichment outside the classroom, through intellectual clubs and societies, educational visits and outside speakers on academic and careers-related subjects. The School values academic rigour, a traditional school curriculum and a scholarly approach, but creativity and intellectual curiosity are just as important. The School seeks to foster independence in learning and to give the pupils confidence to take intellectual risks and ownership of their own learning. Although academically selective, the School recognises that

results in public examinations are not the only measure of the excellence of our educational provision. HMS pupils become lifelong learners, well prepared for further study and a wide variety of careers.

Pastoral care of the highest quality is at the heart of work with HMS pupils, recognising that no pupil will fulfil their potential unless they are happy and feel understood, respected and supported. HMS teachers know their pupils well and care deeply about their welfare. All staff have pastoral responsibilities and are supported in these by an expert team of pastoral leaders. Pastoral support is sensitive and proactive, so that no pupil in need falls through the net. The School recognises that diverse and inclusive communities are stronger and happier ones and celebrate achievement of all types. Pupils develop resilience through a wide range of school-led experience by stepping out of their comfort zones. HMS pupils support each other and develop empathy through service to others, both within and outside of the HMS community.

Sport and Outdoor Education is a central part of school life, whether played competitively at a high level or on a more recreational basis to support fitness and provide enjoyment. The School recognises the resilience and tolerance sport engenders in team environments, and the unique relationships it forges between teammates and the staff that coach them. Working together is a key skill for success as young people move into adult life, and lifelong physical activity will ensure healthy outcomes. All pupils have the opportunity to represent their school in competitive fixtures and take pride in doing so, whatever their ability. All pupils experience adventurous activities in the outdoors at various stages in their school career, including through involvement in the Combined Cadet Force and/or the Duke of Edinburgh scheme. The School's wonderful local landscapes are used to provide opportunities for outdoor adventures, where pupils are pushed beyond their comfort zones and learn new skills and life lessons through outdoor education.

Performing arts: Opportunities for pupils in music, drama and dance, both for those who are confident, skilled performers and for those who have little experience, foster confidence and presentation skills. There are concerts and productions every year, giving opportunities for pupils from all key stages and abilities the chance to perform in front of an audience.

Sustainability: The School educates pupils on sustainability and the environment through our curriculum and through involving them in volunteering and initiatives to support our local environment. Our position on the River Wye enables us to play an important role in stewarding this most precious of resources

Haberdashers' Advantage: All pupils and staff members benefit for being members of the wider Haberdashers' family. Pupils gain access to mentoring and careers advice through alumni and through events at Haberdashers' Hall. Links with other Haberdashers' schools give pupils opportunities for competition, networking and increasing their knowledge of the wider world and possible future careers. School staff benefit from networking opportunities, access to professional development and the sharing of good practice with colleagues from other Haberdashers' schools. Haberdashers' Advantage further differentiates HMS from competitors.

HMS is a community where pupils from all backgrounds feel at home. The School continues to provide generous bursary support, in line with the Christian vision of the founder William Jones, to enable young people from families of modest means to benefit from a life-changing education. As a Haberdashers' school, HMS contributes to and benefit from the wider Haberdashers' family, offering pupils mentoring and wider educational experiences. Pupils leave the School as confident, ambitious and empathetic young men and women.

The Schools

From 1 September 2024 the schools amalgamated to form Haberdashers' Monmouth School, a single co-educational school with Prep, Senior and Sixth Form, based as follows:

- Prep and Pre-prep on the east side of the previous Monmouth School for Girls site on the Hereford Road.
- Years 7, 8, 9, 10 and 11 on the previous Monmouth School for Boys site on Almshouse Street.
- Years 12 and 13 on the west side of the previous Monmouth School for Girls site on the Hereford Road.

TRUSTEES' REPORT

Boys and girls often spend all their school years in the school, starting in the Nursery or Reception at the Prep School, moving on through the Senior School, before completing their educational journey in the Sixth Form.

Until 31 August 2024 each school had a Head responsible for the day-to-day running of their school, including teaching, pastoral care and co-curricular activities. The Heads, Foundation Bursar and Head of External Relations worked together as an Executive Committee to develop and deliver the Schools' strategy, share best practice and ensure an equality of experience across the schools. From 1 September 2024, this structure was replaced with an Executive Head responsible for the overall management of the School, plus a Head of Senior School, a Head of Prep School, a Foundation Bursar and a Head of Admissions and Marketing.

On 31 August 2024, the Schools had 1,065 pupils (September 2023: 1,151). The overseas market has changed considerably in recent years through a variety of external factors and this has put pressure on pupil numbers. The School is currently growing its agent base in countries from which it currently attracts students, as well as developing new markets. The School is increasing the number of agents invited to visit the School and the number of agent events in numerous countries which it attends. With international pupils accounting for around 10% of the School's pupil body, the School is looking to grow its international market and to diversify the countries from pupils are attracted.

Monmouth Prep
Day and boarding girls and boys thrive and flourish with inspired and engaging subject-specialist teaching. Children are motivated to learn with a sense of fun, enjoyment and excitement, both in and out of the classroom. The Prep's teaching spaces encapsulate the very best of a traditional, independent education. Boys and girls can also immerse themselves in a breadth and range of educational opportunities, trips and expeditions, social and co-curricular events. The Prep recognises talent and nurtures excellence, providing the best possible springboard for pupils' future and confident step up to the senior school. On 31 August 2024, there were 216 children on roll (September 2023: 223).

Monmouth Senior
Pupils at the Senior School benefit from a positive, constructive and inspiring community within which they thrive and flourish. Education is carefully planned to motivate and challenge all pupils. The academic curricula enable boys and girls to engage in a broad choice of subjects. Pupils also benefit from the many trips and expeditions, events and community projects. They make the most of the area's wonderful natural resources and the excellent facilities on offer for sports, culture and the arts.

Monmouth School for Boys was founded in 1614 by William Jones, a member of the Haberdashers' Company of London, and has been independent since 1973. On 31 August 2024, the school roll was 467, of whom 119 were boarders (2023: 504, of whom 147 were boarders).

Monmouth School for Girls was founded in 1892 and has also been independent since 1973. On 31 August 2024, 82 of its 382 pupils were boarders (2023: 424, of whom 90 were boarders).

Sixth Form
Fully co-educational teaching in the Sixth Form was introduced in September 2018. Sixth Form students at Monmouth School for Boys (168 students on 31 August 2024) and Monmouth School for Girls (119 students) were taught at both sites in co-educational classes. Pastoral care was delivered by their 'home' school, with Sixth Formers continuing to act as leaders and role models for younger pupils. Based from September 2024 on one site, students also benefit from a wide-ranging enrichment programme including opportunities for volunteering, drama, sports leadership, academic courses and life skills.

The School's strategic intentions are underpinned by dedicated and hardworking staff and the School focuses on encouraging its staff to continue to develop their professional skills.

Results in public examinations are consistently excellent (table below) and the vast majority of students take up places at their first-choice universities and subsequently go on to make their mark in diverse areas including engineering, medicine, languages, business and the arts. Alumni from both the Boys' and Girls' Schools also join together for the annual joint carol service in London which is now regarded as a 'city tradition'.

TRUSTEES' REPORT

	A level 2024			GCSE 2024
	Pass rate	A*-B grades		9-4 grades
Monmouth School for Girls	100%	67.3%		95.6%
Monmouth School for Boys	98.9%	71%		92.5%
Monmouth Schools Sixth Form (Boys and Girls combined)	99.4%	69.5%		-

Marketing the School

The Marketing Team continues to be highly active in the local, regional, and international market through a range of promotional activities. The School has increased efforts in existing and emerging international markets as it seeks to navigate the challenges facing the sector.

The School continues to develop its website, digital presence, and social media channels (in UK and key recruiting countries). New video content continues to provide a compelling overview of the offer, and the School has started producing these for key overseas markets in the first language of the student and using subtitles.

The School continues to focus on its four 'pillars', its high-quality teaching and learning and boarding facilities and is working closely across all curriculum areas. The School also offers more admissions events as part of its schedule of activities, splitting these into target markets such as Prep and Military specific.

Affiliations and inspections

Haberdashers' Monmouth School is affiliated to HMC (The Heads' Conference) and the Boarding Schools Association (BSA). Monmouth Prep School is affiliated to IAPS (The Incorporated Association of Preparatory Schools). The Board of Governors is a member of AGBIS. The School follows many of the guidelines and policies set by the above organisations, although these will sometimes be adapted to suit the School's particular needs when they are written into the School's own procedures. Standards set by other bodies operating in the independent sector are also relevant, for example the ISC (Independent Schools Council). The School follows the rules accepted in the sector on setting dates for entrance exams (so as not to gain unfair advantage over other schools) and on fee debt (not accepting a pupil who has outstanding debt at another school).

The Schools were last inspected in full by Estyn (the Welsh Schools' Inspectorate) in 2023 (Monmouth Boys') and 2015 (Monmouth Girls'). The Schools won the highest praise possible from Estyn in the 2014 and 2015 inspections, being awarded the "excellent" rating across the board under the inspection framework introduced in 2010. The 2023 inspection of Monmouth Boys' was under a different framework and did not carry single word judgements. Estyn identified examples of sector-leading best practice at both Schools which are cited on their website. All the reports, of which the School is rightly proud, are available on the Estyn website. Boarding facilities are subject to inspection by the Care Inspectorate for Wales. Monmouth School for Boys boarding was last inspected in June 2019 and Monmouth School for Girls in February/March 2016. Both received positive reports, which are available on the Care Inspectorate for Wales' website.

Both the Senior School and Prep School have active Friends' Associations, which are run by parents on a voluntary basis, organising social and fundraising events. The School benefits greatly from the commitment, enthusiasm and gifts provided by these associations as well as the considerable generosity and support of former pupils.

TRUSTEES' REPORT

Public Benefit

Since the William Jones's Schools Foundation and Monmouth School were established over 400 years ago, and in accordance with the wishes of the founder, they have been deeply commited to serving the local community, primarily through the provision of education. In addition, by providing affordable boarding facilities, they extend the facilities of the School to children from further afield who might not otherwise have access to such an education. The confidence, balance and achievements of pupils and former pupils as students, citizens and members of the wider community provide ample evidence of the direct benefit to be gained from time spent at the School. The School also recognises its further responsibilities as a charitable institution, as summarised below. Throughout 2023/24, work continued on educational partnerships, outreach and community service.

(i) Fee Support

A core part of the ethos of the William Jones's Schools Foundation has been, and will continue to be, to provide an education for those who could not otherwise afford the fees. The School also assists needy families in securing funding from other educational trusts for individual pupils who could not otherwise be at the School. The Governors are committed to sustaining this level of awards as a proportion of school fees over the coming years.

Bursaries

In 2023/24 the value of means tested bursaries (including Assisted Places) totalled £2,431,007 (2022/23: £2,044,277) and represented 10.1% of gross fees (8.7% in 2022/23). The bursaries assisted 274 of our pupils (c.26% of pupils) of which 21 pupils (2022/23: 25) benefitted from a full remission of fees. A number of families required temporary help due to financial difficulties. A proportion of this help came from a hardship fund established for this purpose.

Scholarships

In addition, the Schools awarded scholarships to 203 pupils, based on their academic, sporting or creative ability and potential, totalling £538,140 (2023: £445,583) and representing 2.2% of gross fees. Of this number, many also qualified for means-tested bursary support and are included in the figures relating to bursary awards.

(ii) Educational partnerships

The School sustains relationships and undertakes joint activities with maintained local schools. Examples of such partnerships in 2023/24 include:

- The Senior School and Monmouth Comprehensive School host talks by visiting speakers to which pupils from both schools are invited.
- The Senior School invites pupils from local state schools to attend MMI (multiple mini-interview) events as preparation for interviews for Oxbridge and medical/dental/vet school.
- Year 12 pupils volunteer at Osbaston Junior School each Wednesday afternoon, helping More Able and Talented pupils in Year 6 with English and Maths. Others assist pupils with reading in other local primary schools.
- Year 12 students take part in a befriending scheme for senior citizens who find themselves in hospital.
- Year 10 - 13 students volunteer in local charity shops and with sports coaching in the Prep School and in local primary schools.
- The School helps organise and provide the venue for Monmouth's Got Talent, involving pupils from Monmouth Comprehensive School, and senior pupils run Junior Monmouth's Got Talent, involving local primary schools.
- The School organises a number of sporting competitions for local primary schools, using the School's facilities.
- The School allows local primary schools to use its facilities, including the Blake Theatre, sports facilities and swimming pools, free of charge, and, where possible, offers minibus transport to and from their schools to access these.

TRUSTEES' REPORT

(iii) Outreach Activities

The School offers a wide variety of outreach activities throughout the year. Examples of activities run in 2023/24 include:

- Monmouth Prep School hosts an annual science fair to promote innovation and presentation skills amongst Year 6 pupils. Local primary schools submit teams and use this to extend project work within their school curricula.
- Senior School teaching staff deliver science workshops at local primary schools.
- Over 1,000 pupils from local state primary schools are hosted in the Blake Theatre for exciting Science workshops which are tied in with the KS2 curriculum.

(iv) Community Service and Partnerships

- Pupils are involved in a wide variety of community service activities, in many cases as part of/ the School's Duke of Edinburgh Awards programme. Examples include: volunteering in charity shops, befriending the elderly and lonely at the local 'Bridges' centre, helping at Brownies and Scouts, working on allotments and assisting with coaching at local primary schools.
- In recent years, several CCF cadets have been chosen to be the Lord Lieutenant's Cadet, assisting the Lord Lieutenant at official functions.
- Pupils collect food for the Raven House Trust foodbank in Newport, South Wales, and visit the foodbank during service module afternoons to assist in the labelling and sorting of donated food as well as the assembly of food parcels.
- Pupils have helped transfer and set up equipment and supplies between the local churches participating in a night shelter scheme for rough sleepers.
- Pupils record a newspaper for the blind every week.
- The School supports and provides facilities for annual town events such as the Remembrance service, Monmouth Mayor's Charity Concert, lantern parade and charity raft race.
- The School Chaplain delivers assemblies at Osbaston Primary School and offers religious tutoring to pupils of primary schools in town.
- Monmouth Astronomical Research Society (MARS) is a joint venture between pupils at the Senior School and members of the public drawn from a radius of 30 miles. The society membership is from 10 to 80 years of age and includes amateur astronomers, professionals and students. Monthly meetings involve lectures from experts, practical activities and observation work.
- A group of sixth form students regularly volunteers at a local dementia care home.
- The Senior School and Monmouth Comprehensive School host Blood Donation sessions, at which pupils, staff, parents and members of the public can donate.
- Fundraising events for local charities, e.g. Swim for Tom for Cancer Research Wales.
- Several members of academic staff serve as governors at local primary schools or at other Haberdashers' schools.

(v) Community Access

The School's facilities are well placed in Monmouth and are made available for a large number of community activities, including sports clubs, drama and music groups, and holiday activity programmes for local children. The sports facilities are used extensively by local primary schools and sports clubs each week. In the summer they are used for activity camps for young people from the local area. The Performing Arts Centre and theatres are used regularly by amateur dramatics groups and musicians. Regular events in 2023/24 included:

- The Pre-Prep and Nursery hosts a fortnightly baby group which is open to local families and includes soft play, activities and snacks.
- The WRU Exiles programme use the Hitchcock Pavilion and sports fields for rugby training. The School has also hosted junior county cricket matches and a Welsh match during the summer.
- The School regularly hosts the regional heats of school competitions and quizzes attended by local independent and maintained sector schools.

TRUSTEES' REPORT

- The main hall at the St Catherine's Campus is regularly used by local theatre companies to stage their productions
- Monmouthshire County Council makes use of the Conference Room at the William Jones Campus for occasional meetings.
- Use of the Blake Theatre for public performances.
- The Glover Music School is used twice weekly by outside community groups for rehearsals.

Subsidiary company

The Foundation has a wholly owned subsidiary which is committed to pay all its taxable profits as Gift Aid donations to Haberdashers' Monmouth Schools within nine months of each year-end. During the year, Haberdashers' Monmouth Schools Enterprises Limited (HMSEL) ran several operations for the benefit of the schools; two school shops selling school uniform and sports equipment, the Monmouth Schools Sports Club with gym and swimming facilities open to the public; the Blake Theatre offering a performing venue for use by both the school and the local community; and several other diverse lettings opportunities. HMSEL produced a profit in the year of £385,000 (2023: profit of £295,000).

Connected charities

Some pupils and activities at the Schools receive financial support from the Haberdashers' Foundation (HF), registered charity number 275067. Support is provided by HF for bursaries, scholarships and prizes at the schools. In addition, the Foundation partly funded the cost of a member of staff at the Schools.

Because the activities of HF are related to those of the Foundation and the Haberdashers' Company is trustee of HF, the Foundation and controls HMEL, they are regarded as connected charities. Neither HF nor the Foundation subordinates its interests to either of the others.

The Foundation's investment in the Haberdashers' Charities Investment Pool (Total Return), a common investment fund and part of the Haberdashers' Charities Investment Pool, registered charity number 1097691, represents 67.7% of the value of the Total Return Pool (2023: 71.3%). The Haberdashers' Company is trustee of the Haberdashers' Charities Investment Pool.

Investment powers, policy and performance

HMEL's investment powers are set out in its Articles of Association. Supervision of Investment Managers is exercised by the Securities Committee of the Haberdasher's Company.

HMEL has adopted the total return approach to investing. The base date for the total return approach was 31 August 1976, at which point the value of the endowment was £6,314,000 and the School had just become independent, having been formerly direct grant grammar schools. Under the total return approach, all investment returns are received into the permanent endowment fund, whether in the form of income or realised or unrealised gains. With full regard to the overriding duty to maintain a fair balance between the interests of current and all future beneficiaries, HMEL then makes transfers out of the accumulated unapplied total return in the endowment fund to a 'trust for application' to meet grants and other costs formerly paid out of net income. The remaining unapplied total return is retained within the permanent endowment fund. Transfers to the trust for application are guided by a withdrawal rate of 3.5% of invested capital. Support for capital projects by the School – such as Project Alpha – are considered separately and funded from the unapplied total return.

The permanent endowment fund investment is a holding in the Haberdashers' Charities Investment Pool (Total Return), a common investment fund with the Haberdashers' Company as Trustee. The investment objective is to maximise total return subject to tolerable levels of volatility. The investments in the Total Return Pool are managed by Partners Capital LLP.

Both before and after adoption of the total return approach, stability of distributions to the Schools has been maintained. Details of the movement on unapplied total return can be seen at note 8 to the accounts.

TRUSTEES' REPORT

The Total Return Pool returned 6.4% in the year ended 31 August 2024 (2023: loss of 1.3%). The long-term total return objective is 4.5% above CPIH, which amounted to 7.6% for the year ended 31 August 2024 (2023: 10.8%).

Financial review

The Foundation's consolidated net expenditure for the year before investment gains amounted to £5,505,000 (2023: net expenditure £5,670,000). Net gains on investments were £5,510,000 (2023: net losses £1,600,000), primarily arising within the Haberdashers' Charities Investment Pool (Total Return). Consolidated funds decreased by £93,000 to £133,864,000 (2023: decreased by £7,353,000 to £133,957,000).

The School's pupil roll has declined in recent years, with the effects of Covid-19 on international pupil numbers, broader demographic changes and economic pressures (many of which have particularly affected the private school sector) being notable factors contributing to this decline. The reduction in the size of the pupil body has put pressure on the School's operating results, with a loss in this year of £4,102,000 (2023: loss of £4,382,000). The School is enormously fortunate in that it forms part of the Foundation, which, thanks to the generosity of William Jones, and the subsequent good stewardship by generations of Haberdashers, has a very substantial investment portfolio. Part of this investment portfolio has been invested in the School's future through support of Project Alpha and the transformation of the School into a single, co-educational entity, while the remainder is able to continue to provide grants to the School and in pursuit of the Foundation's charitable objects. At a time when the School has recently undergone a period of significant change, and when there are major headwinds confronting the private education sector, the resources of the Foundation allow the School to move forward with confidence.

Reserves

The Foundation's total reserves of £133,864,000 at the year-end included £133,997,000 endowment capital, £1,011,000 unspent restricted funds and (£1,144,000) unrestricted funds.

The Schools do not have any free reserves. The Trustees consider the level of unapplied total return in the endowment fund to be sufficient to cover unexpected short-term needs for which a reserve might otherwise be maintained. Therefore, the Trustees are content for the Schools to maintain no unrestricted general fund reserve and for there to a deficit on unrestricted funds.

Unrestricted Funds

Fund	Fund represents	Balance at 31 August 2024 £'000
Pensions reserve	The Pensions reserve fund is maintained to provide for the costs of maintaining the Jones Monmouth Schools Pension Scheme	144
	Total Schools designated funds	**144**
Schools' general funds	To maintain no reserve in these funds, subject to adequate cash flow for the schools' normal operations.	(1,414)
Pension scheme fund	In previous years this has reflected the Trustees' best estimate of the deficit on the non-teaching staff defined benefit pension scheme at the year-end. An actuarial valuation to meet the requirements of Financial Reporting Standard 102 (FRS 102) was carried out by the scheme's actuary, Quantum Advisory as at 31 August 2024. This showed that there was a surplus of £612,000 compared to a surplus of £556,000 (restated) at 31 August 2023. In line with the Foundation's accounting policy and FRS 102, this surplus is not recognised in the balance sheet.	-
	Total Schools funds	**(1,270)**

TRUSTEES' REPORT

Foundation income fund	The running costs of the Foundation are met from this fund. The reserves of the fund are periodically replenished via a transfer out of the unapplied total return of the endowment fund.	126
Non-charitable trading funds	Net reserves of trading subsidiaries at year end	-
	Total unrestricted funds	**(1,144)**

Fundraising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on any fundraising activities. The Foundation does not carry out any fundraising activity to raise funds from the general public, nor does it work directly with commercial sponsors or engage professional fundraisers. The Trustees are not aware of any complaints made in respect of fundraising during the year.

Risk management

Each year, HMEL and HMSL examine the major risks faced by the Foundation, including those relating to the School. The Governors are responsible for overseeing the identification and management of the risks faced by the School. Detailed considerations of risk are delegated to the senior management of the School. A formal review of the School's risk management processes is undertaken on an annual basis by the Board and on an interim basis each term by the individual Committees.

Risks have been identified and assessed across all areas of the school. Systems and controls have been established to mitigate the risks. The process is managed through the regular review and updating throughout the year of a very detailed matrix which covers the headings of political, legal, economic, social, environmental, technological, governance, operational, academic, financial and human resources.

The main risks identified by the Trustees, the School's management and Governors and the plans to manage those risks are:

- Breaches of statutory requirements e.g. health & safety. A serious breach of regulations could lead to fines or even closure. This risk is mitigated by having an extensive range of policies, clear job descriptions and regular staff training to help create a safe culture. We also commission external reviews of our practices, including unannounced visits by our Health & Safety advisers.
- Loss of reputation. The School's success is built on its reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and early intervention when problems are identified.
- Financial. Our ability to continue to operate is ultimately reliant on maintaining pupil numbers and fee income which enables us to pay salaries and bills as they fall due. This risk is managed by marketing activity, having a reputation for educational excellence and active cash-flow management. In addition, the School works closely with the Foundation on long-term financial planning and the Trustees have put in place plans to support the School while it completes its Post-Alpha transformation.
- Systems failure and cyber risk. The School is operationally dependent on its computer network. Good systems, network documentation and robust back up procedures are in place. Disaster recovery is practised regularly and firewalls are tested monthly by an external company.

Key controls applied by the Foundation include:

- An established organisational structure with clear lines of reporting and individual job descriptions for all staff.
- Terms of reference for the Board of Governors and its committees.
- Regular training for governors and staff.
- Robust vetting procedures and safer recruitment of staff to protect the vulnerable.
- Comprehensive strategic planning, budgeting and management reporting.

TRUSTEES' REPORT

- Regular monitoring of financial, investment and professional performance.
- Formal written policies and a financial procedures manual which are reviewed regularly.
- Annual external audits of the School's finances and health & safety procedures.
- Appropriate IT security and data protection policies.
- Regular external reviews of our safeguarding policy and procedures.

Through the risk management processes and controls established for the School, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can provide reasonable but not absolute assurance that major risks have been adequately managed.

Going concern

The School's pupil roll has decreased in recent years due to a combination of factors, notably the ongoing effects of the Covid-19 pandemic on international pupil numbers, wider demographic shifts and broad economic pressures. In order to address these challenges, the School's Governors determined to undertake a once-in-a-generation transformation of the School and its facilities. This project was supported by the Foundation's Trustees.

Now that the schools have been consolidated into a single, co-educational entity, the environment for independent schools is even tougher than it was before. The imposition of value added tax on independent school fees, although anticipated and planned for by the Governors, has nonetheless constituted a major shock to the sector. It has already had an impact on pupil numbers and is expected to continue to do so. Private schools have also faced additional financial pressures through the removal of the business rates exemption and the increases of both the minimum wage and employer's national insurance contributions. All of this means that the School expects to face several financially challenging years as it seeks to consolidate its position as a leading co-educational independent school.

In this context, the Trustees have reviewed the Foundation's financial position, including specific consideration of its cashflows, operations and future plans. The Trustees anticipate that the School will make operating losses over at least the next two to three years as it completes its transformation. The Trustees have put in place plans to support the School during this period. This means that the Trustees have a reasonable expectation that the Foundation has adequate resources to continue operating for at least 12 months from the date of approval of these accounts.

The Trustees have therefore continued to adopt the going concern basis of accounting in preparing the annual report and accounts.

Future plans

The Governors intend to uphold their current strategy of maintaining the School's position in a competitive market by continuing to provide an outstanding education for the pupils at an affordable price. Our bursary and scholarship awards are essential in widening access to the education the School provides and the Governors are committed to sustaining the current level of awards as a proportion of school fees over the coming years.

Finally, the School recognises its position in the town of Monmouth and surrounding areas and intends to continue with an extensive range of outreach activities to local primary schools and the local community, as well as further extending our collaboration with Monmouth Comprehensive School and West Monmouth School in Pontypool (which was founded in 1898 by the Haberdashers' Company in line with William Jones's wishes) where we offer scholarships to talented students into the School's Sixth Form.

TRUSTEES' REPORT

The annual report was approved and authorised for issue by the Trustees on 27 June 2025.

For and on behalf of the Trustees



Alderman Sir William Russell
Master of the Haberdashers' Company (Corporate Director of Haberdashers' Monmouth Estates Limited)

WILLIAM JONES'S SCHOOLS FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of William Jones's Schools Foundation (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 August 2024 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 August 2024 and of the group's and the parent charity's incoming resources and application of resources 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 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on pages 5-6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with informed management and representatives of the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charity by discussions with informed management and representatives of the trustees, communication with component auditors and updating our understanding of the sector in which the group and parent charity operates.

Laws and regulations of direct significance in the context of the group and parent charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales. Further the charitable group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable group's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

As group auditors, our assessment of matters relating to non-compliance with laws or regulations and fraud differed at group and component level according to their particular circumstances. Our communications with component auditors included a request to identify instances of non-compliance with laws and regulations and fraud that could give rise to a material misstatement of the group financial statements in addition to our risk assessment.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report
This report is made solely to the parent charity'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 parent charity 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 parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

Saffery LLP
71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 30 June 2025

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

WILLIAM JONES'S SCHOOLS FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 August 2024

	Note	Unrestricted Funds: Schools £'000	Unrestricted Funds: Foundation Income £'000	Restricted Funds £'000	Permanent endowment fund £'000	Total 2024 £'000	Total 2023 £'000
Income and endowments from:							
Donations and legacies		-	-	148	-	148	80
Charitable activities:							
School fees	3	20,075	-	-	-	20,075	19,982
Ancillary trading income		1,197	-	-	-	1,197	1,220
Other income - educational		37	-	-	-	37	51
Other trading activities:							
Trading income		1,260	-	-	-	1,260	1,183
Investments:							
Investment income	2	85	234	5	-	324	145
FRS102 pension scheme interest	2	129	-	-	-	129	105
Other income		412	-	-	-	412	434
		23,195	234	153	-	23,582	23,200
Expenditure on:							
Raising funds:							
Loan interest		318	-	-	-	318	359
Fees in advance discount		50	-	-	-	50	73
Trading costs of subsidiaries		875	-	-	-	875	888
Charitable activities:							
Schools		25,957	678	134	978	27,747	27,462
FRS 102 pension scheme interest cost		97	-	-	-	97	88
	4	27,297	678	134	978	29,087	28,870
Net (expenditure)/income before gains on investments		(4,102)	(444)	19	(978)	(5,505)	(5,670)
Net gains/(losses) on investments	7	188	(3)	99	5,226	5,510	(1,600)
Net (expenditure)/income		(3,914)	(447)	118	4,248	5	(7,270)
Transfers between funds	5	6,561	570	(117)	(7,014)	-	-
Other recognised gains:							
Actuarial losses on defined benefit schemes	12	(98)	-	-	-	(98)	(83)
Net movement in funds		2,549	123	1	(2,766)	(93)	(7,353)
Reconciliation of Funds:							
Total funds brought forward		(3,819)	3	1,010	136,763	133,957	141,310
Total funds carried forward	5	(1,270)	126	1,011	133,997	133,864	133,957

Net (expenditure)/income all arose from continuing activities.

The notes on pages 25 to 48 form part of these financial statements.

WILLIAM JONES'S SCHOOLS FOUNDATION

BALANCE SHEETS
As at 31 August 2024

	Note	Group 2024 £'000	Group 2023 £'000	Foundation 2024 £'000	Foundation 2023 £'000
Fixed assets:					
Tangible assets	6	60,566	44,139	60,558	44,130
Investments	7	80,385	99,934	80,385	99,934
Investment in subsidiary company	16	-	-	90	90
		140,951	144,073	141,033	144,154
Current assets:					
Stocks		273	261	46	41
Debtors	9	982	1,077	1,231	1,129
Investment cash		1,813	-	1,813	-
Cash at bank and in hand		7,339	3,417	7,036	3,340
		10,407	4,755	10,126	4,510
Liabilities:					
Creditors: amounts falling due within one year	10	(10,123)	(7,495)	(9,924)	(7,331)
Net current assets		285	(2,740)	202	(2,821)
Total assets less current liabilities		141,235	141,333	141,235	141,333
Creditors: amounts falling due after more than one year	11	(7,371)	(7,376)	(7,371)	(7,376)
		133,864	133,957	133,864	133,957
Defined benefit pension scheme liability	12	-	-	-	-
Total net assets		133,864	133,957	133,864	133,957
The Funds of the Charity:					
Permanent endowment fund		133,997	136,764	133,997	136,764
Restricted funds		1,011	1,009	1,011	1,009
Unrestricted funds:					
Designated funds		144	112	144	112
General funds		(1,288)	(3,928)	(1,288)	(3,928)
Non-charitable trading funds		-	-	-	-
Pension scheme fund		-	-	-	-
Total Charity Funds	5	133,864	133,957	133,864	133,957

The notes on pages 25 to 48 form part of these financial statements.

These financial statements were approved and authorised for issue and signed on behalf of the Trustees on 27 June 2025.

Alderman Sir William Russell
Master of the Haberdashers' Company (Corporate Director of Haberdashers' Monmouth Estates Limited).

WILLIAM JONES'S SCHOOLS FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2024

	2024 £'000	2024 £'000	2023 £'000 *Restated**	2023 £'000 *Restated**
Net cash used in operating activities		(2,344)		(3,061)
Cash flows from investing activities:				
Investment income received	324		145	
Purchase of tangible fixed assets	(17,748)		(3,217)	
Proceeds from sale of investments	94		964	
Purchase of investments	(6)		(35)	
Drawn from Charities Investment Pool (Total Return)	24,970		3,712	
Net cash provided by investing activities		7,634		1,569
Cash flows from financing activities:				
Increase/(decrease) in fees in advance	2,131		(258)	
Repayments of borrowing	(1,686)		(1,654)	
Net cash provided by financing activities		445		(1,912)
Change in cash and cash equivalents in the reporting period		5,735		(3,404)
Cash and cash equivalents at the beginning of the reporting period		3,417		6,821
Cash and cash equivalents at the end of the reporting period		9,152		3,417

* Restatement of prior year figures:

The movement on fees in advance was previously included in operating cashflows. As there has been a material increase in the amount of fees in advance received by the School during the year, these have been reclassified to cashflows from financing activities as that more appropriately reflects the nature of the cash flow. This is a presentational change only; it has no impact on the closing cash position reported for the prior year.

WILLIAM JONES'S SCHOOLS FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2024

NET CASH USED IN OPERATING ACTIVITIES

	2024 £'000	2023 £'000 *Restated**
Net movement in funds (per Statement of Financial Activities)	(93)	(7,353)
Adjustments for:		
(Gains)/losses on investments	(5,509)	1,600
Investment income	(324)	(145)
Depreciation	1,321	1,285
Increase in stocks	(12)	(62)
Increase in creditors (excluding fees in advance and loans)	2,178	1,370
Decrease in debtors	95	256
(Increase) in cash held for investment	-	(12)
Net cash used in operating activities	(2,344)	(3,061)

* See cash flow statement for details on the prior year restatement.

ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £'000	2023 £'000
Cash at bank	7,339	3,417
Investments	1,813	-
Total cash and cash equivalents	9,152	3,417

ANALYSIS OF CHANGES IN NET FUNDS/NET (DEBT)

	At 1 September 2023 £'000	Cash flows £'000	At 31 August 2024 £'000
Cash in hand	3,417	3,922	7,339
Investment cash	-	1,813	1,813
Loans falling due within one year	(1,695)	(37)	(1,732)
Loans falling due after more than one year	(4,553)	1,723	(2,830)
Total	(2,831)	7,421	4,590

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The financial statements are prepared in accordance with the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) which has been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £'000.

The Foundation constitutes a public benefit entity as defined by FRS 102. The Foundation is unincorporated. Its registered office is 18 West Smithfield, London, EC1A 9HQ.

The Trustees have reviewed the Foundation's financial position, including specific consideration of its cashflows, operations and future plans. The Trustees anticipate that the School will make operating losses over at least the next two to three years as it completes its transformation. They have put in place plans to support the School during this period. This means that the Trustees have a reasonable expectation that the Foundation has adequate resources to continue operating for at least 12 months from the date of approval of these accounts.

The Trustees have therefore continued to adopt the going concern basis of accounting in preparing the annual report and accounts. Further details on the going concern assumption are provided on page 16 of the Trustees' Report.

Group accounts

The financial statements consolidate the results of the Foundation and its wholly owned non-charitable subsidiary company on a line-by-line basis. A separate Statement of Financial Activities (SOFA) for the Foundation is not presented because this is not considered to be materially different from the consolidated SOFA. Further information on the subsidiary is disclosed at note 16.

The School Governors appoint their own auditors and prepare separate financial statements for the School. The Trustees prepare financial statements for the Foundation which incorporates the results of the School, consolidated on a line-by-line basis.

Funds structure

A statement listing all funds is at note 5. The funds are categorised as follows:
Permanent endowment fund: Except to the extent permitted by the total return arrangements, this fund may not be expended and represents the land and buildings of the Foundation, plus investment assets used to generate income for application by the School Governors.

Restricted funds: These funds were donated or created for specific purposes and may only be used for those purposes.

Designated funds: These are unrestricted funds set aside for particular purposes by the Trustees, but they are not subject to any formal restriction.

Unrestricted general funds: These funds are not subject to any restriction other than the objects of the Foundation and are applied in furtherance of the objects.

Income recognition

All income, including government grant income, is recognised when the Foundation is legally entitled to the income and there is reasonable assurance of receipt.
School fees receivable are accounted for in the period in which the service is provided. School fees are stated net of bursaries, scholarships and fee remission for children of school staff.

Dividend income is taken into account when dividends fall due for payment.

Expenditure recognition

Resources expended are recorded on an accruals basis and include support costs which may be allocated direct or apportioned on the basis of staff time.

Raising funds: Costs incurred in raising funds including managing the Foundation's investment assets and servicing loans are recorded under this heading.

Charitable activities: Expenditure incurred directly in meeting the objects of the Foundation is recorded under this heading.

Termination costs: severance and redundancy payments are recognised in the period in which the payment becomes binding.

Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. These include salaries and service charges relating to specific staff involved directly in facilitating charitable activities.

Governance costs relate to expenditure incurred in the general running of the Foundation and include salaries and service charges for specific staff involved in compliance with constitutional and statutory requirements and audit fees.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Pension schemes

The Schools contribute to the Teachers' Pension Scheme at rates set by the Scheme Actuary and advised by the Scheme Administrator. The Schools also contribute 10% of salary to a group personal pension plan for non-teaching staff.

The accounting policy adopted in respect of the closed defined benefit non-teaching staff pension scheme is that the amount charged to the statement of financial activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The expected return on scheme assets and the interest cost and interest on scheme liabilities are shown independently on the Statement of Financial Activities. Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the statement of financial activities.

The assets of the scheme are held separately from the Foundation in trustee-administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at the balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency. A pension

scheme asset is recognised in the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the Trustees have agreed a refund from the scheme at the balance sheet date. A pension liability is recognised to the extent that the group has a legal obligation to settle the liability.

Tangible fixed assets and depreciation

The Foundation's functional land and buildings at the schools are vested in HMEL as Estates Governor. New school buildings form part of the Estates and are assets of the permanent endowment fund. Funding of new buildings from schools' funds is recorded as a transfer from unrestricted funds to the permanent endowment fund and depreciation of school buildings is treated as expenditure from the permanent endowment fund. HMEL is responsible for maintaining the buildings in a fit and useful condition and these costs are written off as incurred.

Land and buildings dating from before 1945 are not capitalised or depreciated as historical cost information is no longer available and no reliable values can be attributed.

An estimate of expenditure on buildings between 1945 and 1983 was capitalised in 1999 under the transitional provisions of Financial Reporting Standard 15. It is now treated as deemed historic cost.

Expenditure on buildings since 1983 has been capitalised at historic cost. All other assets are capitalised at historic cost.

Depreciation is provided on fixed assets other than freehold land at rates calculated to write off the excess of cost over estimated residual amount evenly over the estimated useful economic lives of each class of asset, subject to annual review. These rates are currently as follows:

Freehold Buildings	25-50 years
Equipment and Furnishings	5-10 years
Computers	3-5 years
Motor Vehicles	5 years

Fixed asset investments

(a) Quoted securities

Quoted securities comprise publicly quoted, listed securities including shares, bonds and units. Quoted securities are stated at market value at the balance sheet date. Investment shares and purchases are recognised at the date of trade.

(b) Unquoted investments

The vast majority of private equity and property fund investments are held through funds managed by private equity and property groups. No readily identifiable market price is available for these unquoted funds. These funds are included at the most recent valuations from their respective managers.

Stock

Stock is carried at the lower of cost or net realisable value.

Financial instruments

Financial instruments are recognised in the balance sheet of the Foundation when it becomes party to the contractual provisions of the instrument.

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

(a) Financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially recognised at transaction price including transaction costs and are subsequently carried at amortised cost.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. The impairment losses are recognised in the Statement of Financial Activities.

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Financial Activities.

Financial assets are derecognised when:

- the contractual rights to the cash flows from the asset expire or are settled, or
- substantially all the risks and rewards of the ownership are transferred to another party, or
- control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(b) Financial liabilities

Basic financial liabilities, which include trade and other creditors, bank loans, school fees in advance and confirmation deposits, are initially recognised at transaction price.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(c) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods where necessary.

The critical estimates and judgements made in preparing these accounts are explained in these accounting policies and relate particularly to:

- Valuation of unlisted investments held within the Haberdashers' Total Return Pool; and
- The actuarial assumptions relating to the valuation of the pension deficit.

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

2. INVESTMENT INCOME

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Endowment Fund £'000	Total 2024 £'000	Total 2023 £'000
Interest from bank deposits	57	-	-	57	39
Income from listed investments	262	5	-	267	106
	319	5	-	324	145
FRS102 pension scheme interest	129	-	-	129	105
	448	5	-	453	250

3. TUITION FEES

	2024 £'000	2023 £'000
Gross Fees	24,095	23,439
Less		
Scholarships & bursaries	(2,969)	(2,488)
Assisted places (a bursary scheme replacing a former State-funded scheme)	-	(1)
Staff fee remission	(1,051)	(968)
	20,075	19,982
Numbers of pupils benefiting from:		
Scholarships	203	197
Bursaries	274	266
Assisted places	-	2

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

4. TOTAL RESOURCES EXPENDED

	Staff costs £'000	Other direct costs £'000	Depreciation £'000	Total 2024 £'000	Total 2023 £'000
Raising funds:					
Loan interest	-	318	-	318	359
Fees in advance discount	-	50	-	50	73
Trading costs of subsidiaries	199	673	3	875	889
	199	1,041	3	1,243	1,321
Charitable expenditure:					
Teaching costs	12,078	2,667	316	15,061	14,501
School welfare	1,446	1,153	24	2,623	2,579
School premises costs	1,848	3,946	978	6,772	6,744
Support costs	1,741	1,387	-	3,128	3,484
Governance costs	65	98	-	163	153
FRS102 pension scheme interest costs	-	97	-	97	88
	17,178	9,348	1,318	27,844	27,549
Total resources expended	17,377	10,389	1,321	29,087	28,870

	2024 £'000	2023 £'000
Charitable expenditure includes:		
Remuneration of Schools' auditors for audit services	35	35
Remuneration of Foundation's auditors for audit services - current year	24	14
- prior year	7	-
Payment to the Haberdashers' Company for service charges	31	22

Service charges are paid by the Foundation to the Haberdashers' Company and the Haberdashers Operating Company (a subsidiary of the Haberdashers' Company) for office accommodation and facilities provided by and shared with those companies and with other connected charities. The service charges do not exceed the cost to those companies of providing the services.

Support costs include administration and grounds staff, establishment costs, professional fees, travel and general costs.

	2024 £'000	2023 £'000
Staff costs comprised:		
Wages and salaries	13,718	12,841
Social security costs	1,236	1,243
Pension contributions	2,251	2,125
Payment of Haberdashers' Company staff under paymaster arrangement	172	147
	17,377	16,356

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

4. TOTAL RESOURCES EXPENDED (continued)

Under joint contracts of employment and a paymaster arrangement, salary costs for the Haberdashers' Company and its charities are paid by Haberdashers' Operating Company and allocated to the various entities on the basis of time spent.

No remuneration or reimbursed expenses were paid to the Trustees (2023: £Nil). The Schools' Governors received no remuneration (2023: £Nil). Expenses of £9,669 (2023: £12,158) were reimbursed during the year.

	2024 £'000	2023 £'000
Aggregate employee-benefits of key management personnel	552	872

See page 2 for the list of Key Management Personnel.

Termination payments of £938,462 (2023: £40,311) were made in the year. These amounts related to agreements made with employees to end employment contracts.

Average numbers of employees in the year were:

	2024 No.	2023 No.
Teaching staff	277	281
Other staff	262	267
	539	548

The numbers of higher paid employees earning in excess of £60,000 were:

	2024 No.	2023 No.
£60,001 to £70,000	14	7
£70,001 to £80,000	5	3
£80,001 to £90,000	5	1
£90,001 to £100,000	6	-
£100,001 to £110,000	3	1
£110,001 to £120,000	1	1
£270,001 to £280,000	-	1

31 of these higher paid employees were members of the defined benefit pension schemes detailed at note 12. Contributions of £47,785 were paid to defined contribution schemes for three higher-paid employees (2023: £31,394 – two employees). The increase in the number of higher paid employees in the year results from redundancy payments made to 19 employees.

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

5. STATEMENT OF FUND MOVEMENTS AND TRANSFERS

(a) Fund movements

	Balance 1 September 2023 £'000	Income £'000	Expenditure £'000	Other recognised gains/ (losses) £'000	Net Transfers £'000	Balance 31 August 2024 £'000
Designated funds:						
Pensions reserve (Note 1)	112	-	(68)	-	100	144
General funds – Foundation:						
Schools	(3,931)	21,805	(26,256)	188	6,780	(1,414)
Foundation Income Fund (Note 2)	3	234	(678)	(3)	570	126
Pension scheme fund	-	129	(97)	(98)	66	-
Total unrestricted funds – Foundation	(3,816)	22,168	(27,099)	87	7,516	(1,144)
Non-charitable trading funds	-	1,260	(875)	-	(385)	-
Total unrestricted funds – Group	(3,816)	23,428	(27,974)	87	7,131	(1,144)
Restricted funds						
School scholarship funds	190	143	(134)	-	(49)	150
Extraordinary repair fund	684	-	-	105	-	789
Other restricted funds	135	4	-	-	(67)	72
Total restricted funds	1,009	147	(134)	105	(116)	1,011
Permanent endowment fund (Note 3)	136,764	-	(978)	5,226	(7,015)	133,997
Total Funds	133,957	23,576	(29,086)	5,417	-	133,864

Notes:

1. The Pensions reserve fund is maintained to provide for the costs of maintaining the Jones Monmouth Schools Pension Scheme.

2. The running costs of the Foundation are met from this fund. The reserves of the fund are periodically replenished via a transfer out of the unapplied total return of the endowment fund.

3. The permanent endowment fund at 31 August 2024 consisted of £6,314,000 base value of endowment at 31 August 1976, £71,968,000 unapplied total return and £55,715,000 land and buildings at the Schools, net of bank loans used to fund school buildings.

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

5. STATEMENT OF FUND MOVEMENTS AND TRANSFERS (continued)

(b) Transfers between funds	Non-charitable trading funds £'000	Charitable unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Permanent endowment fund £'000
Transfer from unapplied Total Return	-	24,970	-	-	(24,970)
Funding from schools for new buildings	-	(17,956)	-	-	17,956
Addition to governors' general reserve	-	(100)	100	-	-
Scholarship awards	-	49	-	(49)	-
Blake Legacy	-	67	-	(67)	-
Trading companies payment under gift aid	(385)	385	-	-	-
	(385)	7,415	100	(116)	(7,014)

A transfer of £24,400,000 was made from the investment in the Haberdashers Charities Investment Pool (Total Return) to the Monmouth Schools. Of this, £2,000,000 was the annual transfer from the unapplied total return on the endowment for 2023/24, while £22,400,000 was for Project Alpha.

A transfer of £570,000 was made to the Foundation Income Fund from the unapplied total return of the endowment fund.

The Trustees approved the release of the Schools' designated funds with the exception of the Pensions reserve. The Trustees do not require the Schools to maintain any unrestricted fund reserve as they consider that the level of unapplied total return in the endowment fund is sufficient to cover unexpected short-term needs for which a reserve might otherwise be maintained.

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

6. TANGIBLE FIXED ASSETS

Foundation and Group	Freehold land and buildings £'000	Equipment and furnishings £'000	Motor vehicles £'000	Charity total £'000	Subsidiary companies equipment £'000	Group Total £'000
Cost						
1 September 2023	60,257	5,143	392	65,792	125	65,917
Additions	17,270	476	-	17,746	2	17,748
Disposals	(131)	(269)	-	(400)	-	(400)
31 August 2024	77,396	5,350	392	83,138	127	83,265
Depreciation						
1 September 2023	18,022	3,327	313	21,662	116	21,778
Charge for year	978	327	13	1,318	3	1,321
Disposals	(131)	(269)	-	(400)	-	(400)
31 August 2024	18,869	3,385	326	22,580	119	22,699
Net book value						
31 August 2024	58,527	1,965	66	60,558	8	60,566
31 August 2023	42,235	1,816	79	44,130	9	44,139

Expenditure on buildings between 1945 and 1983 is capitalised at a Trustees' valuation of £6,095,000.

Historical assets, being land and buildings dating from before 1945, are not capitalised. The value of non-capitalised buildings for insurance purposes is £19,200,000. Included within freehold land and buildings are assets under construction of £20,037,000 (2023: £2,940,000), relating to the work undertaken for Project Alpha.

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

7. INVESTMENTS

Foundation and Group		2024 £'000	2023 £'000
(a)	Listed investments	2,710	2,417
(b)	Haberdashers' Charities Investment Pool (Total Return)	77,671	97,415
	Investment cash	4	102
		80,385	99,934

(a) Listed investments

Foundation and Group	Extraordinary repair fund £'000	Governors Investment fund £'000	Total £'000
Market value at 1 September 2023	723	1,694	2,417
Reinvestment	6	-	6
Net gain on revaluation	99	188	287
Market value at 31 August 2024	828	1,882	2,710

The Extraordinary repair fund and the Governors' investment fund are held in Sarasin & Partners endowments funds which are predominantly invested in equities. investments are held in the form of common investment funds.

(b) Investment in Haberdashers' Charities Investment Pool (Total Return)

Foundation and Group	2024 £'000	2023 £'000
Market value at 1 September 2023	97,415	102,665
Withdrawals	(24,970)	(3,712)
Net gain/(loss) on revaluation	5,226	(1,538)
Market value	77,671	97,415

The units held by the Foundation in the Haberdashers' Charities Investment Pool (Total Return) represent 67.7% of the Pool units in issue.

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

8. MOVEMENT ON UNAPPLIED TOTAL RETURN

Unapplied total return is calculated relative to the value of the trust for investment at 31 August 1976 (base value), that being the base date determined by the Trustees as appropriate for the Foundation's endowment fund. No new endowment gifts have been received since the base date.

	Trust for investment £'000	Unapplied Total Return £'000	Total 2024 £'000	Total 2023 £'000
Trust for investment at 1 September 2023	6,314	91,712	98,026	104,028
Investment returns:				
Realised and unrealised investment gains/(losses)	-	5,226	5,226	(1,538)
Transfer to trust for application	-	(24,970)	(24,970)	(4,464)
Trust for investment at 31 August 2024	6,314	71,968	78,282	98,026

9. DEBTORS AND PREPAYMENTS

	Group		Foundation	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Prepayments	357	373	357	373
Other debtors	322	415	51	188
School fees	303	289	303	289
Due from subsidiary companies	-	-	520	279
	982	1,077	1,231	1,129

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Foundation	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bank loans	1,732	1,695	1,732	1,695
School fees in advance and confirmation deposits	3,311	2,899	3,311	2,899
Taxation and social security	535	390	535	390
Other creditors	1,683	1,774	1,484	1,610
Accruals and deferred income	2,862	737	2,862	737
	10,123	7,495	9,924	7,331

At 31 August 2024, the Group and Foundation had deferred income of £2,862,000. This relates to school fees received for services to be provided in the following academic year.

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Foundation	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bank loans	2,830	4,553	2,830	4,553
School fees in advance and confirmation deposits	4,542	2,823	4,542	2,823
	7,372	7,376	7,372	7,376
Maturity of debt:				
Between 1 and 2 years	2,981	2,540	2,981	2,540
Between 2 and 5 years	3,753	4,226	3,753	4,226
After 5 years	637	610	637	610
	7,371	7,376	7,371	7,376

Bank loans for school building projects, all unsecured, are:

(i) £5.0 million from Lloyds Bank plc drawn in 2007/08, interest fixed at 4.75% repayable in March 2029
(ii) £0.8 million from Lloyds Bank plc drawn in 2010/11, interest at variable rate, repayable over 15 years from September 2011.
(iii) £3.0 million from Lloyds Bank plc drawn in 2011/12, interest at base rate plus 2.51% with 75% of the loan required to be at a fixed rate from July 2014, repayable over 15 years from July 2012.
(iv) £1.5 million from Lloyds Bank plc drawn in 2012/13, interest fixed at 5.766%, repayable over 15 years from July 2013.

A £5.0 million CBIL loan from Lloyds Bank was taken out in May 2020, at a rate of 1.21% over base with no interest in the first year. The loan is secured over existing buildings and is repayable in 2026.

Bank loan repayments of £1,732,000 due before 31 August 2025 are shown at note 10.

Fees in advance – parents may enter a contract to pay the School in advance for fixed contributions towards the tuition fees for future years. The money may be returned subject to specific conditions on the receipt of notice.

12. PENSION COSTS

(a) Defined contribution schemes

The School operates a defined contribution scheme for non-teaching staff. The assets of the non-teaching staff scheme are held separately from those of the School in a fund independently administered by Scottish Widows. Additional voluntary contributions for teachers are paid into a fund independently administered by the Prudential Assurance Company Limited. The pension cost charge represents contributions payable by the Schools to the funds and amounted to £525,462 (2023: £496,752)

(b) Master trust scheme – teaching staff

In the prior year, the School introduced an optional APTIS master trust scheme for teaching staff. The assets of this scheme are held separately from those of the School in a fund independently administered by AVIVA. The pension charge for the year includes contributions payable by the School to the funds and amounted to £325,766 (2023: £227,366)

12. PENSION COSTS (continued)

(c) Defined benefit scheme – teaching staff

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and, from 1 April 2014, the Teachers' Pension Scheme Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The pension charge for the year includes contributions payable to the TPS of £1,397,677 (2023: £1,406,754) and at the year-end £158,614 (2023: £160,973) was accrued in respect of contributions to this scheme.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary Department. The 2020 valuation has now been published and the employer contributions rose by 5% to 28.68% from 1 April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pension website: https://www.teacherspensions.co.uk/members/faqs/valuation.aspx.

(d) Defined benefit scheme – non-teaching staff

Haberdashers' Monmouth School operates a defined benefit scheme in the UK administered by the Prudential Assurance Company Limited.

An actuarial valuation to meet the requirements of Financial Reporting Standard 102 (FRS 102) was carried out by the scheme's actuary, Quantum Advisory as at 31 August 2023. The reporting requirements for FRS 102 have been followed and consequently the following valuations have been incorporated into the Statement of Financial Activities and the Balance Sheet. The scheme was closed for future accrual on 5 December 2022.

The Trustees have become aware that certain elements of the scheme's rules may not have been correctly applied in the calculation of pension increases. The Trustees are obtaining professional advice on the matter. The outcome, however, is currently uncertain and it is not possible at this stage to calculate reliably the value of any adjustment to past benefits and therefore to the scheme's liabilities. The impact on the scheme will depend on how the issue is resolved, which may be by way of an application to Court. The timing of the resolution is similarly uncertain.

The major assumptions used in valuing the liabilities are given below with earlier year comparatives:

Assumptions	**As at 31 August 2024**	**As at 31 August 2023**
Discount rate	4.7%	5.4%
Inflation	3.5%	3.6%
Increases to deferred pensions (statutory revaluation) before retirement	3.1%	3.0%
Rate of increase to pensions in payment (fixed)	3.0%	3.0%
Rate of increase to pensions in payment (CPI to 5%)	3.0%	2.9%

12. PENSION COSTS (continued)

Mortality

Based on the assumptions, on the balance sheet date the average future life expectancies at age 65 are summarised below:

Life expectancy from age 65 years		As at 31 August 2024	As at 31 August 2023
Retiring today	Male	21.4	22.2
	Female	23.9	24.7
Retiring in 20 years	Male	23.0	23.9
	Female	25.7	26.4

The amounts recognised in the statement of financial position	**2024 £'000**	**2023 £'000**
Present value of funded obligations	1,874	1,894
Fair value of plan funds	(2,486)	(2,450)
Net defined benefit asset	(612)	(556)
Surplus on the scheme not accounted for	612	556
Net defined benefit asset as recognised in the Balance Sheet	-	-

12. PENSION COSTS (continued)

The amounts recognised in the income statement	2024 £'000	2023 £'000
Net interest (income)/expense	-	(17)
Total pension (income)/expense	-	(17)

The amounts in the statement of other recognised gains and losses	2024 £'000	2023 £'000
Actuarial gain/(loss) on plan assets	37	(104)
Actuarial (loss)/gain on defined benefit obligation	(79)	203
Surplus on the scheme not accounted for	(56)	(182)
Total (loss)/gain in statement of other recognised gains and losses	(98)	(83)

Changes in the present value of the defined benefit obligation	2024 £'000	2023 £'000
Liabilities at the start of the period	1,894	2,169
Interest cost	97	88
Actuarial loss/(gain)	79	(203)
Benefits paid	(196)	(160)
Liabilities at the end of the period	1,874	1,894

Changes in the fair value of plan assets	2024 £'000	2023 £'000
Fair value of plan assets at the start of the period	2,450	2,543
Interest income	129	105
Actuarial gain/(loss)	37	(104)
Contributions by the employer	66	66
Benefits paid	(196)	(160)
Fair value of plan assets at the end of the period	2,486	2,450

Analysis of return on plan assets	2024 £'000	2023 £'000
Interest income	129	105
Actuarial loss on plan assets	37	(104)
Return on plan assets	166	1

12. PENSION COSTS (continued)

Movement in deficit during the year	2024 £'000	2023 £'000
Deficit in scheme at beginning of year	-	-
Movement in year:		
Employer's contribution	66	66
Pension expense	-	-
Interest income	32	17
Actuarial (loss)/gain	(42)	99
Surplus in scheme at end of year	56	182
Surplus on the scheme not accounted for	(56)	(182)
Net defined benefit liability as recognised in the Balance Sheet	-	-

There is no service cost as the Scheme is fully paid up, no further benefits accrue.

The valuation at 31 August 2024 showed a surplus of £612,000 compared to the surplus of £556,000 at 31 August 2023. The surplus is not recognised in the balance sheet.

A triennial valuation was performed at 31 March 2021 resulting in a deficit of £16,000 and a Recovery Plan was agreed. The Schools also agreed to continue with annual employer's contributions of £66,000 per annum, to be paid in equal monthly instalments until 31 March 2026. The next triennial valuation will be at 31 March 2024.

Major categories of plan assets as a percentage of total assets

	Proportion of portfolio 31 August 2024 %	Value of assets 31 August 2024 £'000	Proportion of portfolio 31 August 2023 %	Value of assets 31 August 2023 £'000
Annuities	15.6	389	16.7	409
Property	84.4	2,097	83.3	2,041
Total market value of assets	100.0	2,486	100.0	2,450

13. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000
Tangible fixed assets	2,038	-	58,528	60,566
Fixed asset investments	1,887	827	77,671	80,385
Net current (liabilities)/assets	(2,239)	184	2,340	285
Creditors due after more than one year	(2,830)	-	(4,542)	(7,372)
Defined benefit pension scheme	-	-	-	-
	(1,144)	1,011	133,997	133,864

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

14. RELATED PARTIES

The Haberdashers' Company, a City Livery Company incorporated by royal charter, is the sole member of HMEL. HMEL is a Trustee of the Foundation. Details of transactions between the Foundation, the Haberdashers' Company and connected entities are set out below:

- The Haberdashers' Company and its subsidiary were reimbursed for certain expenses incurred in the year on behalf of the Foundation. Further details are set out in note 4.

- The Foundation's endowment funds are invested predominantly in the Haberdashers' Total Return Pool, a common investment fund which has the Haberdashers' Company as Trustee. Note 7 provides further details of relevant transactions and balances.

- In the year, the Foundation received £61,000 of grant funding from the Haberdashers' Educational Foundation, primarily to support bursaries (2023: £47,000). The Haberdashers' Company is the Trustee of the Haberdashers' Educational Foundation.

Details of transactions and balances between the Foundation's schools and its subsidiaries are set out in notes 9, 10 and 16.

No remuneration or reimbursed expenses were paid to the Trustees or to any of the Schools' Governors.

15. CAPITAL COMMITMENTS

The value of capital expenditure contracted for but not yet incurred was £5,461,000 (2023: £1,082,000).

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

16. TRADING SUBSIDIARY

The Foundation owns the whole beneficial interest in the share capital of a non-charitable trading subsidiary, Haberdashers' Monmouth School Enterprises Limited ("HMSEL"), for which the results are summarised below. Taxable profits are donated to the Foundation by deed of covenant (DoC).

During the year, the Foundation reimbursed HMSEL for costs and payments incurred on its behalf totalling £401,000 (2023: £792,000). HMSEL reimbursed the Foundation for costs and payments incurred on its behalf totalling £180,000 (2023: £257,000).

	HMSEL	
	2024 £'000	**2023 £'000**
Turnover	1,258	1,183
Cost of sales	(535)	(577)
Administration expenses	(340)	(312)
Operating profit/(loss)	383	294
Interest receivable	2	1
Transfer to the Foundation (DoC)	(385)	(289)
Retained profit/(loss) for the year	6	6
Reserves b/f	84	84
Reserves c/f	90	90
Fixed assets	8	9
Current assets	801	523
Creditors falling due within one year	(719)	(442)
Net assets	90	90

	Share capital £	**Activities**
Haberdashers' Monmouth School Enterprises Limited (Company number: 01727038)	90,000	Sale of school clothing and sports equipment at Monmouth School for Boys. Running the Monmouth School Sports Centre.

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

17. GROUP STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 AUGUST 2023

	Unrestricted Funds			Permanent	Total
	Schools £'000	Foundation Income £'000	Restricted Funds £'000	Endowment fund £'000	2023 £'000
Income and endowments from:					
Donations	-	-	80	-	80
Charitable activities:					
School fees	19,982	-	-	-	19,982
Ancilliary trading income	1,220	-	-	-	1,220
Other income – educational	51	-	-	-	51
Other trading activities:					
Trading income	1,183	-	-	-	1,183
Investments:					
Investment income	117	7	21	-	145
FRS102 pension scheme interest	105	-	-	-	105
Other income	434	-	-	-	434
	23,092	7	101	-	23,200
Expenditure on:					
Raising funds:					
Loan interest	359	-	-	-	359
Fees in advance discount	73	-	-	-	73
Trading costs of subsidiaries	888	-	-	-	888
Charitable expenditure:					
Schools	26,066	406	78	912	27,462
FRS 102 pension scheme interest cost	88	-	-	-	88
	27,474	406	78	912	28,870
Net (expenditure)/income before gains on investments	(4,382)	(399)	23	(912)	(5,670)
Net gains on investments	(32)	(20)	(10)	(1,538)	(1,600)
Net (expenditure)/income	(4,414)	(419)	13	(2,450)	(7,270)
Transfers between funds	358	562	(50)	(870)	-
Other recognised gains:					
Actuarial gains on defined benefit schemes	(83)	-	-	-	(83)
Net movement in funds	(4,139)	143	(37)	(3,320)	(7,353)
Reconciliation of Funds:					
Total funds brought forward	320	(140)	1,046	140,084	141,310
Total funds carried forward	(3,819)	3	1,009	136,764	133,957

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

18. INVESTMENT INCOME FOR THE YEAR ENDED 31 AUGUST 2023

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Endowment Fund £'000	Total 2023 £'000
Interest from bank deposits	39	-	-	39
Income from listed investments	86	20	-	106
	125	20	-	145
FRS102 pension scheme interest	105	-	-	105
	230	20	-	250

19. TOTAL RESOURCES EXPENDED FOR THE YEAR ENDED 31 AUGUST 2023

	Staff costs £'000	Other direct costs £'000	Depreciation £'000	Total 2023 £'000
Raising funds:				
Loan interest	-	359	-	359
Fees in advance discount	-	73	-	73
Trading costs of subsidiaries	161	725	3	889
	161	1,157	3	1,321
Charitable expenditure:				
Teaching costs	11,130	3,027	344	14,501
School welfare	1,393	1,160	26	2,579
School premises costs	1,664	4,168	912	6,744
Support costs	1,944	1,540	-	3,484
Governance costs	64	89	-	153
FRS102 pension scheme interest costs	-	88	-	88
	16,195	10,072	1,282	27,549
Total resources expended	16,356	11,229	1,285	28,870

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

20. STATEMENT OF FUND MOVEMENTS AND TRANSFERS YEAR ENDED 31 AUGUST 2023

(a) Fund movements	Balance 1 September 2022 £'000	Income £'000	Expenditure £'000	Other recognised gains/ (losses) £'000	Net Transfers £'000	Balance 31 August 2023 £'000
Designated funds:						
Schools cyclical repairs	371	-	-	-	(371)	-
Assisted places reserve	666	-	-	-	(666)	-
Prospectus reserve	134	-	-	-	(134)	-
Recruitment reserve	58	-	-	-	(58)	-
Pensions reserve	73	-	(61)	-	100	112
	1,302	-	(61)	-	(1,129)	112
General funds – Foundation:						
Schools	(976)	21,803	(26,436)	(32)	1,710	(3,931)
Foundation Income Fund	(140)	7	(406)	(20)	562	3
Pension scheme fund	-	105	(88)	(83)	66	-
	186	21,915	(26,991)	(135)	1,209	(3,816)
Total unrestricted funds – Foundation	186	21,915	(26,991)	(135)	1,209	(3,816)
Non-charitable trading funds	(6)	1,184	(889)	-	(289)	-
Total unrestricted funds – Group	180	23,099	(27,880)	(135)	920	(3,816)
Restricted funds						
Schools scholarship fund	239	57	(56)	-	(50)	190
Pre-Prep & Nursery grant	3	-	-	-	-	3
Agincourt bursary	-	20	(20)	-	-	-
Girls school other	47	4	(2)	-	-	49
Blake Legacy Fund	67	-	-	-	-	67
Extraordinary repair fund	674	20	-	(10)	-	684
Stephenson awards	16	-	-	-	-	16
Walker Memorial Fund	-	-	-	-	-	-
Total restricted funds	1,046	101	(78)	(10)	(50)	1,009
Permanent endowment fund	140,084	-	(912)	(1,538)	(870)	136,764
Total Funds	141,310	23,200	(28,870)	(1,683)	-	133,957

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

20. STATEMENT OF FUND MOVEMENTS AND TRANSFERS (continued)

(b) Transfers between funds

	Non-charitable trading funds £'000	Charitable unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Permanent endowment fund £'000
Transfer from unapplied Total Return	-	3,902	-	-	(3,902)
Funding from schools for new buildings	-	(3,594)	-	-	3,594
Transfer to cover Foundation expenditure	-	562	-	-	(562)
Additions to cyclical maintenance reserves	-	371	(371)	-	-
Recruitment reserve	-	58	(58)	-	-
Prospectus reserve	-	134	(134)	-	-
Scholarship awards	-	50	-	(50)	-
Addition to governors' general reserve	-	(100)	100	-	-
Assisted places	-	666	(666)		
Trading companies payment under gift aid	(289)	289	-	-	-
	(289)	2,338	(1,129)	(50)	(870)

21. MOVEMENT ON UNAPPLIED TOTAL RETURN FOR THE YEAR ENDED 31 AUGUST 2023

Unapplied total return is calculated relative to the value of the trust for investment at 31 August 1976 (base value), that being the base date determined by the Trustees as appropriate for the Foundation's endowment fund. No new endowment gifts have been received since the base date.

	Trust for investment £'000	Unapplied Total Return £'000	Total 2023 £'000
Trust for investment at 1 September 2022	6,314	97,714	104,028
Investment returns:			
Realised and unrealised investment gains	-	(1,538)	(1,538)
Transfer to trust for application	-	(4,464)	(4,464)
Trust for investment at 31 August 2023	6,314	91,712	98,026

NOTES TO THE ACCOUNTS
Year ended 31 August 2024

22. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS
YEAR ENDED 31 AUGUST 2023

	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000
Tangible fixed assets	1,904	-	42,235	44,139
Fixed asset investments	1,796	723	97,415	99,934
Loan to William Jones's Almshouse Charity	(2,943)	286	(83)	(2,740)
Net current assets	(4,573)	-	(2,803)	(7,376)
Creditors due after more than one year	-	-	-	-
	(3,816)	1,009	136,764	133,957

WILLIAM JONES'S SCHOOLS FOUNDATION

England & Wales - Charity number 525616

Accounts

Charity Registration No. 525616

WILLIAM JONES'S SCHOOLS FOUNDATION

Trustees' report and accounts for the year ended 31 August 2023

WILLIAM JONES'S SCHOOLS FOUNDATION

CONTENTS PAGE

Legal and administrative details	1
Trustees' report	3
Independent auditors' report	16
Consolidated statement of financial activities	19
Balance sheets	20
Consolidated cash flow statement	21
Notes to the accounts	23

WILLIAM JONES'S SCHOOLS FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

REGISTERED CHARITY NUMBER 525616

TRUSTEES AND GOVERNORS

The William Jones's Schools Foundation ("the Foundation") has two corporate trustees: Haberdashers' Monmouth Estates Limited ("HMEL"), Company number 09177858 and Haberdashers' Monmouth Schools Limited ("HMSL"), Company number 09177946. The Haberdashers Company is the sole member of HMEL and HMSL.

PRINCIPAL OFFICES

Haberdashers' Monmouth Estates Limited and the Foundation
Haberdashers' Hall, 18 West Smithfield, London, EC1A 9HQ

Haberdashers' Monmouth Schools Limited
St Catherine's House, 17 Hereford Street, Monmouth, NP25 3HG

OFFICERS OF THE HABERDASHERS' COMPANY

Clerk	Brigadier H A Watson MBE
Director of Finance & Information	E D Bayley (to 6 October 2023)
Director of Finance	H V M Sadleir (from 7 October 2023)
Director for Schools and Estates	A Gonzalez

DIRECTORS OF HABERDASHERS' MONMOUTH ESTATES LIMITED

The Haberdashers' Company

Mr Richard Glover, Chairman of the Haberdashers' Company Education Committee

DIRECTORS OF HABERDASHERS' MONMOUTH SCHOOLS LIMITED AND SCHOOLS' GOVERNORS

* Lord Moynihan (Chairman) #
Mrs E Ashford (resigned 31 December 2023)
* Mrs J M Booth
Prof R J Carwardine
* Prof A Davies
* Councillor S P Garratt
T Haden-Scott #
A Lock (appointed 16 February 2023)
* Dr S Honeywill (resigned 7 February 2024)
J A McLaren (appointed 16 February 2023)
A Mohindru QC
* N G H Manns
* R P Miners #
* Mrs H Moriarty (resigned 31 December 2022)
* Mrs R F Rose (resigned 31 December 2022)
* Mrs L A Russen (resigned 31 December 2022)
* N A J Waters
* Dr R A Weeks
* I A de Weymarn #
Mrs R Williams

* appointed by the Haberdashers' Company
\# member of the Court of Assistants of the Haberdashers' Company

WILLIAM JONES'S SCHOOLS FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

CLERK TO THE SCHOOLS' GOVERNORS

Mrs C Stansfield

THE SCHOOLS

Monmouth School for Boys, Almshouse Street, Monmouth, NP25 3XP
Monmouth School for Girls, Hereford Road, Monmouth, NP25 5XT
Monmouth Prep School, The Grange, Hadnock Road, Monmouth, NP25 3NG

Website: www.habsmonmouth.org

KEY MANAGEMENT PERSONNEL

S H Dorman	Head, Monmouth School for Boys
Mrs J Miles	Head, Monmouth School for Girls (until April 2023)
Mrs R Rees	Acting Head, Monmouth School for Girls (From April 2023)
N Shaw	Head, Monmouth Prep School
Mrs T A Norgrove	Foundation Bursar

PRINCIPAL ADVISERS TO THE FOUNDATION

Bankers
C Hoare & Co, 37 Fleet Street, London, EC4P 4DQ

Independent Auditors
Saffery LLP, 71 Queen Victoria Street, London, EC4V 4BE

Solicitors
Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

PRINCIPAL ADVISERS TO THE SCHOOLS

Bankers
Lloyds Bank plc, 18 Monnow Street, Monmouth, NP25 3XH

Auditors
Crowe UK LLP, 4th floor, St James House, St James Square, Cheltenham, GL50 3PR

Solicitors
Veale Wasbrough Vizards, Narrow Quay House, Narrow Quay, Bristol, BS1 4QA

TRUSTEES' REPORT

The Trustees present the annual report and financial statements of the Foundation for the year ended 31 August 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the accounts and comply with 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 (FRS 102). Legal and administrative information is set out on pages 1 to 2 forms part of this report.

The Foundation and Corporate Trustees

In his will, William Jones, Liveryman of the Haberdashers' Company, made a bequest to establish a "free school" at Monmouth and the Foundation was established by letters patent of King James I dated 19 March 1614, which authorised the founding of a "Free Grammar School".

William Jones's Schools Foundation ("the Foundation") is now constituted as an unincorporated registered charity, governed by Schemes of the Charity Commission dated 12 November 1987, 21 July 1998, 25 May 2000, 30 April 2009 and 23 November 2009. The Haberdashers' Company was the Trustee of the Foundation and was also the Estates Governor until 1 April 2016. On 1 April 2016, the Haberdashers' Company passed a resolution and appointed two new companies, Haberdashers' Monmouth Estates Limited and Haberdashers' Monmouth Schools Limited, to act as Trustees and Estates Governor and Schools' Governor respectively.

The Haberdashers' Company

The Haberdashers' Company is a City Livery Company incorporated by royal charter and is the sole member of Haberdashers' Monmouth Estates Limited and Haberdashers' Monmouth Schools Limited. The full name under which the Company is incorporated is 'The Master and Four Wardens of the Fraternity of the Art or Mystery of Haberdashers in the City of London'. The Company is in the fortunate position of being able to admit a steady stream of able and committed new members known as Members of the Freedom who, when they have gathered experience in their chosen careers, may be selected to become Members of the Livery and may undergo further rigorous selection procedures to become eligible for duties within the Company. Some will be selected to join a pool of potential school governors from which the Company makes nominations to governing bodies.

Haberdashers' Monmouth Estates Limited ("HMEL")

HMEL is a company, limited by guarantee, which as the Estates Governor is the sole trustee of the land and buildings of the Foundation. The Company's responsibilities, as Trustee, are undertaken by its Directors, assisted by the Education Committee of the Haberdashers' Company, while activities are managed on a day-to-day basis by the Clerk and Haberdashers' Company staff. Members of the Education Committee are selected by the Haberdashers' Company to provide a broad range of expertise, particularly in the areas of governance and management. The Chairman of the Education Committee is a director of HMEL and, usually, a former chairman of governors of a Haberdashers' Company school or schools. Members of the Education Committee all have experience as school governors. The Education Committee is advised on financial matters by the Haberdashers' Company Finance Committee. Training for members of the Education Committee builds on their previous experience as school governors and includes an induction process for new members, provision of relevant reading material and training days. Neither the Trustee nor any of the Directors receive any remuneration for services performed in their capacity as Trustee or Directors.

Haberdashers' Monmouth Schools Limited ("HMSL")

HMSL is a company, limited by guarantee, which is the Schools' Governor of the Foundation.

The Schools' Governors ("the Governors"), who are directors of HMSL, play an important strategic role in the life of the Schools and are responsible for determining their aims and overall conduct. The Governors have shaped the overall strategy for the Schools with the Principal, and review and approve the implementation of the individual strategies, policies and procedures developed by the Executive Team, to ensure the best possible education for present and future pupils. The Governors are also responsible for

TRUSTEES' REPORT

ensuring the proper control of the Schools' finances and compliance with relevant regulation, particularly the safeguarding of pupils.

Governors give their time voluntarily, receive no payment and for continuity are generally expected to serve at least four years on the Board. They offer a blend of skills and experience to help guide and direct the Schools, and the Board would normally include individuals with experience in business, law, accountancy, education, public health or the medical profession, and property. When selecting replacement governors, the aim is to retain this balance of professional expertise, as well as making every effort to ensure that the diversity of the school community is reflected on the Board. Governors are appointed by the bodies listed on page 1. The Chair of Governors is a senior Haberdasher nominated by the Company and elected annually by the Governors.

The Governors operate across the Haberdashers' Monmouth Schools but divide responsibility for key areas into smaller executive committees covering the individual schools, academic matters, finance, audit and estates, pastoral care and governance. The Schools each have a nominated governor (Vice Chair) who plays a valuable supporting role for the respective Head. Nominated Safeguarding Governors have been appointed for each school; they work closely with the Designated Senior Persons ("DSPs") in each school to ensure that the Board's safeguarding responsibilities are fulfilled.

On joining the Board, all Governors undergo a thorough induction programme, comprising extensive written material in the form of a briefing pack and at least a day's familiarisation visit to the Schools. Governors also receive regular updates of the Schools' literature throughout their tenure and have the opportunity to attend training sessions on a variety of subjects, either at Haberdashers' Hall, or run by external bodies such as the Association of Governing Bodies of Independent Schools ("AGBIS").

Organisational Management

The day-to-day running of the Schools is delegated to the Heads and Foundation Bursar, as key management personnel, who in turn are supported by their Senior Leadership Team.

The remuneration of key management personnel is set by the remuneration sub-committee, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the schools' success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the Schools remain sensitive to the broader issues of pay and employment conditions elsewhere.

Delivery of the Foundation's charitable vision and purpose is primarily dependent on the key management personnel and staff costs are the largest single element of our charitable expenditure.

Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom generally accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of the resources of the Foundation 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Foundation will continue in business.

TRUSTEES' REPORT

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the Foundation and which enable the Trustees to ascertain its financial position and to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the Foundation's constitution. The Trustees are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HMEL is responsible for compliance with these statutory obligations on behalf of the Foundation.

Charitable Object

The object of the Foundation, as set out in the 1998 Scheme, is "the provision and conduct in or near Monmouth of a day and boarding school for boys and a day and boarding school for girls and a day pre-preparatory school for boys and girls."

The Charity Commission is considering making a change to the Foundation's object to enable the restructuring of the Schools supported by the Foundation. The Foundation will then be able to support a co-educational school, rather than separate girls' and boys' schools. The changed object will be: "the provision and conduct in or near Monmouth of a co-educational day and boarding school and a co-educational day preparatory school." Further details about the restructuring of the Schools are included under 'Future plans' on pages 14-15 of this report.

Aims and Objectives

The charitable object is specific, so the primary activity of the Foundation is to provide and operate the named schools. The aims of the Foundation are as follows:

(i) **The Schools** are constituted as independent schools and share the following mission:

"To extend the educational facilities and opportunities provided to children living in or near Monmouth so as to maximise educational choice and opportunity. This is to be done by providing schools of the highest quality for infant, primary and secondary education on a fee-paying basis, whilst enabling access to those who could not otherwise afford to attend through the provision of financial support from bursaries and fee remission.

The Schools welcome joiners from both the Maintained and Independent sectors at all stages. These include, but are not limited to, joiners at age 16+ wishing to take advantage of the outstanding opportunities provided in the Sixth Form, children with particular talents or special needs and those who will benefit from a more personalised education, and pupils with the ability to reach more challenging levels and benefit from a wider range of choice than would otherwise be available to them. Others are motivated to join not just for the academic attainments but because they wish to participate in the thriving sport, drama, music and other extracurricular activities.

The Schools also seek to maximise the public benefit provided by them in other ways, such as by sharing facilities with the local community and through links to other schools."

(ii) **HMEL** has adopted the following aims for its own role as Trustee. These also reflect the aims of the Company's Education Committee:

Vision
To be seen as offering sustained commitment to excellence in education through excellence in governance, trusteeship and sponsorship.

Mission statement

- To discharge properly the role of Trustee
- To provide highest quality governance
- To develop the influence of the Haberdashers' Company in the field of education
- To enable the Haberdasher schools to take an independent view on the students' educational needs
- To promote common values in Haberdasher Schools:

Attributable to pupils:	Attributable to schools:
Open minded / intellectually curious	Aspirational / stretching

TRUSTEES' REPORT

Good citizens	Accessible
Culturally diverse	Academic equality of opportunity
Rounded	Ethical and humane
Innovative	Exciting
Co-operative	Supportive of Christian values

The Trustees have taken into account the Charity Commission's general guidance on public benefit and more specific guidance for charities whose aims include advancement of education and whose activities involve charging fees, in reviewing aims and objectives for the Foundation.

Review of activities and achievements

Haberdashers' Monmouth School ("HMS") has articulated its vision, purpose, philosophy and values as below.

Mission statement for Haberdashers' Monmouth School:

To provide a life-changing education to young people from all backgrounds in a grounded local community creating global citizens of the future.

Our five core values are:

1) **Respect** – All members of the HMS community are equally valued. We value diversity and promote a rounded and grounded school community.
2) **Kindness** – We are sensitive to each other's needs and help each other whenever we can, especially those who are different from us. We recognise that the strength of our community is our greatest asset and that this is promoted through kindness.
3) **Resilience** - We persevere and keep trying even when things don't go our way. We recognise that failing is a powerful way to learn and embrace it.
4) **Creativity** – We recognise that all students benefit from participation in creative activities and are brave enough to embrace new ways of thinking.
5) **Integrity** – We stand by our moral principles and have the courage to do the right thing, even when it is difficult to do so.

HMS will focus on the **quality of its teaching and learning and** its **pastoral care** as its foundations. Boarding will continue to be central to the school, offering the opportunity of an HMS education to those across the United Kingdom and the world beyond, and creative a diverse and vibrant community. Four central pillars will differentiate our school from competitor schools:

- Fashion, Design and Textiles
- Performing Arts
- Sport and Outdoor Education
- Sustainability

Finally, Haberdashers' Advantage will benefit our whole school community, giving our pupils a head start into their chosen courses and careers when they leave our school.

Academic excellence: HMS teachers will be passionate about their subjects and teaching and learning. They will be outstanding, inspirational and committed practitioners with access to training on best practice throughout their careers. Pupils of all ability levels will be nurtured, challenged and inspired. Expectations will be high, and pupils will be encouraged to take advantage of the wide range of opportunities available for academic enrichment outside the classroom, through intellectual clubs and societies, educational visits and outside speakers on academic and careers-related subjects. We will value academic rigour, a traditional school curriculum and a scholarly approach, but creativity and intellectual curiosity will be as important. We will foster independence in learning and our pupils' confidence to take intellectual risks and ownership of their own learning. Although academically selective, we will recognise that results in public examinations are not the only measure of the excellence of our educational provision. Our pupils will become lifelong learners, well prepared for further study and a wide variety of careers.

TRUSTEES' REPORT

Pastoral care of the highest quality will be at the heart of all our work with HMS pupils, recognising that no pupil will fulfil their potential unless they are happy and feel understood, respected and supported. HMS teachers will know their pupils well and will care deeply about their welfare. All staff have pastoral responsibilities and will be supported in these by an expert team of pastoral leaders. Pastoral support will be sensitive and proactive, so that no pupil in need falls through the net. We recognise that diverse and inclusive communities are stronger and happier ones and will celebrate achievement of all types. Our pupils will develop resilience through a wide range of school-led experience by stepping out of their comfort zones. HMS pupils will support each other and will develop empathy through service to others, both within and outside of the HMS community.

Sport and Outdoor Education will continue to be a central part of school life, whether played competitively at a high level or on a more recreational basis to support fitness and provide enjoyment. We recognise the resilience and tolerance sport engenders in team environments, and the unique relationships it forges between team mates and the staff that coach them. Working together is a key skill for success as young people move into adult life, and lifelong physical activity will ensure healthy outcomes. All pupils will have the opportunity to represent their school in competitive fixtures and to take pride in doing so, whatever their ability. All pupils will experience adventurous activities in the outdoors at various stages in their school career, including through involvement in the Combined Cadet Force and/or the Duke of Edinburgh scheme. Our wonderful local landscapes will be used to provide opportunities for outdoor adventures, where pupils will be pushed beyond their comfort zones and learn new skills and life lessons through outdoor education.

Performing arts: Opportunities for pupils in music, drama and dance, both for those who are confident, skilled performers and for those who have little experience, will foster confidence and presentation skills. There will be concerts and productions every year, giving opportunities for pupils from all key stages and abilities the chance to perform in front of an audience.

Sustainability: We will educate pupils on sustainability and the environment through our curriculum and through involving them in volunteering and initiatives to support our local environment. Our position on the River Wye enables us to play an important role in stewarding this most precious of resources

Haberdashers' Advantage: All pupils and staff members will benefit for being members of the wider Haberdashers' family. Our pupils will gain access to mentoring and careers advice through alumni and Haberdashers' Hall. Links with other Haberdashers' schools will give our pupils opportunities for competition, networking and increasing their knowledge of the wider world and possible future careers. Our staff will benefit from networking opportunities, access to professional development and the sharing of good practice with colleagues form other Haberdashers' schools. Haberdashers' Advantage will further differentiate HMS from our competitors.

HMS will be a community where pupils from all backgrounds feel at home. We will continue to provide generous bursary support, in line with the Christian vision of our founder William Jones, to enable young people from families of modest means to benefit from a life-changing education. As a Haberdashers' school we will contribute to and benefit from the wider Haberdashers' family, offering our pupils mentoring and wider educational experiences. HMS pupils will leave our schools as confident, ambitious and empathetic young men and women.

The Schools

Each School has a Head responsible for the day-to-day running of their School, including teaching, pastoral care and co-curricular activities. The Heads, Foundation Bursar and Head of External Relations work together as an Executive Committee to develop and deliver the Schools' strategy, share best practice and ensure an equality of experience across the schools.

Our Prep School is fully co-educational for boys and girls aged 3 to 11. Boys and girls often spend all their school years in the Haberdashers' 'family', starting in the Nursery or Reception at our Prep School, moving on through the senior schools, before completing their educational journey in our Sixth Form. In October 2022 the Board of Governors, following a period of consultation, agreed a merger of Monmouth School for Boys and Monmouth School for Girls with the aim of delivering a clear and compelling co-educational offer to parents and pupils for this and future generations (see pages 14-15 for further details).

TRUSTEES' REPORT

On 31 August 2023, the Schools had 1,151 pupils (September 2022: 1,171). Recruitment of new boarders from overseas remains challenging but our Admissions Teams have worked hard to maintain relationships with key agents and holiday camps have been available to boarders unable to return home. Pupil numbers in the Prep School also remain lower than target due to lower numbers of younger children in the local area, spaces being available in local primaries and pressures on family finances.

Monmouth Prep School
Day and boarding girls and boys thrive and flourish with inspired and engaging subject-specialist teaching delivered across two sites. Children are motivated to learn with a sense of fun, enjoyment and excitement, both in and out of the classroom. The School's modern and contemporary teaching spaces encapsulate the very best of a traditional, independent education. Boys and girls can also immerse themselves in a breadth and range of educational opportunities, trips and expeditions, social and co-curricular events and shared which brought together the pupils and staff of our former co-ed community projects. Our co-educational foundation recognises talent and nurtures excellence, providing the best possible springboard for our pupils' future and confident step up to our senior schools. On 31 August 2023, there were 223 children on roll (September 2022: 218).

Senior Schools
Pupils at the two senior Schools benefit from their positive, constructive and inspiring communities within which they thrive and flourish. Education is carefully planned to motivate and challenge all pupils. The academic curricula enable boys and girls to engage in a broad choice of subjects. Pupils also benefit from the invaluable interaction with their sibling school, sharing many trips and expeditions, events and community projects. They also make the most of the area's wonderful natural resources and the excellent facilities on offer for sports, culture and the arts.

Monmouth School for Boys was founded in 1614 by William Jones, a member of the Haberdashers' Company of London, and has been independent since 1973. On 31 August 2023, the school roll was 504, of whom 147 were boarders (2022: 512 of whom 151 were boarders).

Monmouth School for Girls was founded in 1892 and it has also been independent since 1973. On 31 August 2023, 90 of its 424 pupils were boarders (2022: 441, of whom 104 were boarders).

Sixth Form
Fully co-educational teaching in the Sixth Form was introduced in September 2018, which enhances the preparation of our students for university and their future careers. Sixth Form students at Monmouth School for Boys (164 students on 31 August 2023) and Monmouth School for Girls (113 students) are taught at both sites in co-educational classes. This encourages a wider range of views in lessons and allows for more flexible subject combinations. Students also benefit from a wide-ranging enrichment programme including opportunities for volunteering, drama, sports leadership, academic courses and life skills. Pastoral care is delivered by their 'home' school, with Sixth Formers continuing to act as leaders and role models for younger pupils.

The Schools' strategic intentions are underpinned by dedicated and hardworking staff and all the schools focus on encouraging their staff to develop their professional skills during their period of employment.

Results in public examinations are consistently excellent (table below) and the vast majority of students take up places at their first-choice universities and subsequently go on to make their mark in diverse areas including engineering, medicine, languages, business and the arts.

	A level 2023			GCSE 2023
	Pass rate	A*-B grades		9-4 grades
Monmouth School for Girls	98.6%	58.6%		96.3%
Monmouth School for Boys	99.6%	67.6%		94%
Monmouth Schools Sixth Form (Boys and Girls combined)	99.1%	63.1%		-

TRUSTEES' REPORT

The close relationship between the Schools is apparent in the co-ordination of their objectives and strategies above, in their own sections of their joint website and in the range of activities available to both boys and girls, including a truly Combined Cadet Force, joint orchestras and joint trips. Alumni from both Schools also joined together for the annual joint carol service in London which is now regarded as a 'city tradition'.

Marketing the Schools

Faced with uncertainties around the merger as well as those around the possibility of VAT on school fees, a number of steps have been taken to try and reduce attrition in Year 11 as well as promote the strengths of the School to try and mitigate these uncertainties and attract new students. This has involved creating a marketing strategy virtually from scratch and, from that, creating a narrative from which marketing messages can emerge.

Several targeted social media campaigns have been run, specifically focused on competitor geographical 'clusters' as well as some strategically placed print ads and advertorials based around the vision and the four pillar strengths. Marketing has supported outreach events held on campus, with literature and branding, and successes have been publicised through the website and local media.

There is concern that the School is not attracting the numbers that it used to, despite good numbers attending Open Days. The Admissions process is being reviewed, the website overhauled to make it more engaging and user-friendly for visitors, and an overseas strategy is being created that enables the School to build strong brand recognition overseas. Overseas trips have been undertaken to Hong Kong, Shanghai, Nigeria, Saudi Arabia and Japan and the success of these will be monitored in preparation for planning for next year.

Affiliations and inspections

Haberdashers' Monmouth Schools are affiliated to HMC (The Headmasters' and Headmistresses' Conference); Monmouth School for Girls is affiliated to GSA (The Girls' School Association); and Monmouth Prep School is affiliated to IAPS (The Incorporated Association of Preparatory Schools). The Board of Governors is a member of AGBIS. The Schools follow many of the guidelines and policies set by the above organisations, although these will sometimes be adapted to suit the schools' particular needs when they are written into the schools' own procedures. Standards set by other bodies operating in the independent sector are also relevant, for example the ISC (Independent Schools Council). The Schools follow the rules accepted in the sector on setting dates for entrance exams (so as not to gain unfair advantage over other schools) and on fee debt (not accepting a pupil who has outstanding debt at another school).

The Schools were last inspected in full by Estyn (the Welsh Schools' Inspectorate) in 2023 (Monmouth Boys') and 2015 (Monmouth Girls'). The Schools won the highest praise possible from Estyn in the 2014 and 2015 inspections, being awarded the "excellent" rating across the board under the inspection framework introduced in 2010. The 2023 inspection of Monmouth Boys' was under a different framework and does not carry single word judgements. Estyn identified examples of sector-leading best practice at both Schools which are cited on their website. All the reports, of which the Schools are rightly proud, are available on the Estyn website. Boarding facilities are subject to inspection by the Care Inspectorate for Wales. Monmouth School for Boys boarding was last inspected in June 2019 and Monmouth School for Girls in February/March 2016. Both received positive reports, which are available on the Care Inspectorate for Wales' website.

All the schools have active Friends' Associations, which are run by parents on a voluntary basis, organising social and fundraising events. The Schools benefit greatly from the commitment, enthusiasm and gifts provided by these associations as well as the considerable generosity and support of former pupils.

Public Benefit

Since the William Jones's Schools Foundation and Monmouth School were established over 400 years ago in 1614, the Schools have been deeply committed to serving the local community, primarily through the provision of education, in accordance with the wishes of their founder. In addition, by providing affordable boarding facilities, they extend the facilities of the Schools to children from further afield who might not otherwise have access to such an education. The confidence, balance and achievements of pupils and former pupils as students, citizens and members of the wider community provide ample evidence of the

direct benefit to be gained from time spent at the Schools. The Schools also recognise their further responsibilities as charitable institutions, as summarised below. Throughout 2022/23, the Schools continued their educational partnerships, outreach and community service.

(i) Fee Support

A core part of the ethos of the William Jones's Schools Foundation has been, and will continue to be, to provide an education for those who could not otherwise afford the fees. The Schools also assist needy families in securing funding from other educational trusts for individual pupils who could not otherwise be at the schools. The Governors are committed to sustaining this level of awards as a proportion of school fees over the coming years.

Bursaries
In 2022/23 the value of means tested bursaries (including Assisted Places) totalled £2,044,277 (2021/22: £1,756,114) and represented 8.7% of gross fees (7.6% in 2021/22). The bursaries assisted 268 of our pupils (c.23% of pupils) of which 25 pupils (2021/22: 32) benefitted from a full remission of fees. A number of families required temporary help due to financial difficulties. A proportion of this help came from a hardship fund established for this purpose.

Scholarships
In addition, the Schools awarded scholarships to 197 pupils, based on their academic, sporting or creative ability and potential, totalling £445,583 (2022: £448,032) and representing 1.9% of gross fees. Of this number, many also qualified for means-tested bursary support and are included in the figures relating to bursary awards.

(ii) Educational partnerships

The Schools sustain relationships and undertake joint activities with maintained local schools. Examples of such partnerships in 2022/23 include:

- Monmouth School for Boys, Monmouth School for Girls and Monmouth Comprehensive School host talks by visiting speakers every term to which pupils form all three schools are invited.
- The senior Schools invite pupils from local state schools to attend MMI (multiple mini-interview) as preparation for interview for Oxbridge and medical/dental/vet school.
- Year 12 pupils volunteer at Osbaston Junior School each Wednesday afternoon, helping More Able and Talented pupils in Year 6 with English and Maths. Others assist pupils with reading in other local primary schools.
- Our Year 10 and 11 boys volunteer in local charity shops and with sports coaching in our Prep School and in local primary schools
- We help organise and provide the venue for Monmouth's Got Talent, involving pupils from Monmouth Comprehensive School and our senior pupils run Junior Monmouth's Got Talent, involving local primary schools.
- We allow local primary schools to use our facilities, including the Blake Theatre and our swimming pools, free of charge and where possible offer minibus transport to and from their schools to access these.

(iii) Outreach Activities

The Schools offer a wide variety of outreach activities throughout the year. Examples of activities run in 2022/23 include:

- Monmouth Science Initiative supports A level scientists from both of the Monmouth Schools and pupils from local comprehensives, and engages them in STEM activities stretching beyond the confines of the exam syllabi. 'MSI-ers' have studied wide-ranging topics including astrophysics, robotics, DNA and forensics. Recognised as sector leading practice, this exciting venture is run by HMS staff, supported by Cardiff University and uses the facilities of the Haberdashers' Schools.
- Monmouth School Boys' Prep hosts an annual science fair to promote innovation and presentation skills amongst Year 6 pupils. Local primary schools submit teams and use this to extend project work within their school curricula.

- Over 1,000 pupils from local state primary schools are hosted in the Blake Theatre for exciting Science workshops which are tied in with the KS2 curriculum.

(iv) Community Service and Partnerships

- Pupils are involved in a wide variety of community service activities, in many cases as part of/ the Schools' Duke of Edinburgh Awards programme. Examples include: volunteering in charity shops, befriending the elderly and lonely at the local 'Bridges' centre, helping at Brownies and Scouts, working on allotments and assisting with coaching at local sports clubs.
- Pupils collect food in our schools for the Raven House Trust foodbank in Newport, South Wales, and visit the foodbank during service module afternoons to assist in the labelling and sorting of donated food as well as the assembly of food parcels.
- Pupils have helped transfer and set up equipment and supplies between the local churches participating in a night shelter scheme for rough sleepers.
- Pupils record a newspaper for the blind every week.
- The schools support and provide facilities for annual town events such as the Remembrance service, Monmouth Mayor's Charity Concert, lantern parade and charity raft race.
- Our school Chaplain delivers assemblies at Osbaston Primary School and offers religious tutoring to pupils of primary schools in town.
- Monmouth Astronomical Research Society (MARS) is a joint venture between pupils at Monmouth School for Boys and members of the public drawn from a radius of 30 miles. The society membership is from 10 to 80 years of age and includes amateur astronomers, professionals and students. Monthly meetings involve lectures from experts, practical activities and observation work.
- A group of sixth form students regularly volunteer at a local dementia care home.
- Monmouth Boys', Monmouth Girls' and Monmouth Comprehensive School host Blood Donation sessions, at which pupils, staff, parents and members of the public can donate.
- Monmouth Girls' hosts CRY (Cardiac Risk in the Young) screening sessions.
- Fundraising events for local charities, e.g. Swim for Tom for Cancer Research Wales.
- Several members of academic staff serve as governors at local primary schools or at other Haberdashers' schools.

(v) Community Access

The Schools' facilities are well placed in Monmouth and are made available for a large number of community activities, including sports clubs, drama and music groups, and holiday activity programmes for local children. The sports facilities are used extensively by local primary schools and sports clubs each week. The performing Arts Centre and theatres are used regularly by amateur dramatics groups and musicians. Monmouth Pre-Prep and Nursery car parks are made available to church users for weekend functions and for visitors to other local events such as the Monmouthshire Show and Wye Swim. Regular events in 2022/23 included:

- Monmouth Schools Pre-Prep and Nursery hosts a fortnightly baby group which is open to local families and includes soft play, activities and snacks.
- The WRU Exiles programme use Monmouth School for Boys pavilion and sports fields for rugby training. The school has also hosted junior county cricket matches and a Welsh match during the summer.
- The schools regularly host the regional heats of school competitions and quizzes attended by local independent and maintained sector schools.
- The theatre at MG is regularly used by local theatre companies to stage their productions
- Monmouthshire County Council makes use of the Conference Room at Monmouth School for Boys for occasional meetings.
- Use of the Blake Theatre at Monmouth School for Boys for public performances.
- The Glover Music School is used twice weekly by outside community groups for rehearsals.

TRUSTEES' REPORT

Subsidiary company

The Foundation has a wholly owned subsidiary which is committed to pay all its taxable profits as Gift Aid donations to Haberdashers' Monmouth Schools within 9 months of each year-end. During the year, Haberdashers' Monmouth Schools Enterprises Limited (HMSEL) ran several operations for the benefit of the schools; two school shops selling school uniform and sports equipment, the Monmouth Schools Sports Club with gym and swimming facilities open to the public; the Blake Theatre offering a performing venue for use by both the school and the local community; and several other diverse lettings opportunities. HMSEL produced a profit in the year of £294,000 (2022: profit of £83,000).

Connected charities

Some pupils and activities at the Schools receive financial support from the Haberdashers' Foundation (HF), registered charity number 275067. Support is provided by HF for bursaries, scholarships and prizes at the schools. In addition, the Foundation partly funded the cost of a member of staff at the Schools.

Because the activities of HF are related to those of the Foundation and the Haberdashers' Company is trustee of HF, the Foundation and controls HMEL, they are regarded as connected charities. Neither HF nor the Foundation subordinates its interests to either of the others.

The Foundation's investment in the Haberdashers' Charities Investment Pool (Total Return), a common investment fund and part of the Haberdashers' Charities Investment Pool, registered charity number 1097691, represents 71.28% of the value of the Total Return Pool (2022: 72.04%). The Haberdashers' Company is trustee of the Haberdashers' Charities Investment Pool.

Investment powers, policy and performance

HMEL's investment powers are set out in its Articles of Association. Supervision of Investment Managers is exercised by the Securities Committee of the Haberdasher's Company.

HMEL has adopted the total return approach to investing. Under the total return approach, all investment returns are received into the permanent endowment fund, whether in the form of income or realised or unrealised gains. With full regard to the overriding duty to maintain a fair balance between the interests of current and all future beneficiaries, HMEL then makes transfers out of the accumulated unapplied total return in the endowment fund to a 'trust for application' to meet grants and other costs formerly paid out of net income. The remaining unapplied total return is retained within the permanent endowment fund. Transfers to the trust for application are guided by a withdrawal rate of 3.5% of invested capital.

The base date for the total return approach was 31 August 1976, at which point the value of the endowment was £6.3 million and the Schools had just become independent, having been formerly direct grant grammar schools. Preservation of real value of the endowment fund is monitored by indexing the base value to the greater of the Retail Price Index or an index of salaries in the service sector, as a proxy for the rate at which costs increase at the Schools. At 31 August 2023 the value of endowment fund investment assets was £25.8 million more than the indexed base value (2022: £37.4 million more), with the reduction in the year being due to a combination of withdrawals and inflation exceeding investment returns.

The permanent endowment fund investment is a holding in the Haberdashers' Charities Investment Pool (Total Return), a common investment fund with the Haberdashers' Company as Trustee. The investment objective is to maximise total return subject to tolerable levels of volatility. The investments in the Total Return Pool are managed by Partners Capital LLP.

Both before and after adoption of the total return approach, stability of distributions to the Schools has been maintained. Details of the movement on unapplied total return can be seen at note 8 to the accounts.

The Total Return Pool returned -1.3% in the year ended 31 August 2023 (2022: 6.3%). The long-term total return objective is 4.5% above CPIH, which amounted to 10.8% for the year ended 31 August 2023 (2022: 13.1%).

TRUSTEES' REPORT

Financial review

The Foundation's consolidated net expenditure for the year before gains and losses amounted to £5,670,000 (2022: net expenditure £3,055,000). Net losses on investments were £1,600,000 (2022: net gains £6,375,000), primarily arising within the Haberdashers' Charities Investment Pool (Total Return). Consolidated funds decreased by £7,353,000 to £133,957,000 (2022: increased by £3,406,000 to £141,310,000).

Reserves

The Foundation's total reserves of £133,957,000 at the year-end included £136,764,000 endowment capital, £1,009,000 unspent restricted funds and (£3,816,000) unrestricted funds.

The Schools do not have any free reserves. The Trustees consider that the level of unapplied total return in the endowment fund to be sufficient to cover unexpected short-term needs for which a reserve might otherwise be maintained. Therefore, the Trustees are content for the Schools to maintain no unrestricted general fund reserve.

Unrestricted Funds

Fund	Fund represents	Balance at 31 August 2023 £'000
Pensions reserve	The Pensions reserve fund is maintained to provide for the costs of maintaining the Jones Monmouth Schools Pension Scheme	112
	Total Schools designated funds	**112**
Schools' general funds	To maintain no reserve in these funds, subject to adequate cash flow for the schools' normal operations.	(3,931)
Pension scheme fund	This reflects the trustees' best estimate of the deficit on the pension scheme at 31 August 2023. An actuarial valuation to meet the requirements of Financial Reporting Standard 102 (FRS 102) was carried out by the scheme's actuary, Quantum Advisory as at 31 August 2023. This showed that a surplus of £182k compared to a surplus of £374k at 31 August 2022. In line with the Foundation's accounting policy and FRS 102, this surplus is not recognized in the balance sheet.	-
	Total Schools funds	**(3,819)**
Foundation income fund	The running costs of the Foundation are met from this fund. The reserves of the fund are periodically replenished via a transfer out of the unapplied total return of the endowment fund.	3
Non-charitable trading funds	Net reserves of trading subsidiaries at year end	-
	Total unrestricted funds	**(3,816)**

Fundraising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on any fundraising activities. The Foundation does not carry out any fundraising activity to raise funds from the general public, nor does it work directly with commercial sponsors or engage professional fundraisers. The Trustees are not aware of any complaints made in respect of fundraising during the year.

TRUSTEES' REPORT

Risk management

Each year, HMEL and HMSL examine the major risks faced by the Foundation, including those relating to the Schools. The Governors are responsible for overseeing the identification and management of the risks faced by the Schools. Detailed considerations of risk are delegated to the senior management of the Schools. A formal review of the Schools' risk management processes is undertaken on an annual basis by the Board and on an interim basis each term by the individual Committees.

Risks have been identified and assessed across all areas of the schools. Systems and controls have been established to mitigate the risks. The process is managed through the regular review and updating throughout the year of a very detailed matrix which covers the headings of political, legal, economic, social, environmental, technological, governance, operational, academic, financial and human resources.

The main risks identified by the Trustees, the Schools' management and Governors and the plans to manage those risks are:

- Breaches of statutory requirements e.g. health & safety. A serious breach of regulations could lead to fines or even closure. This risk is mitigated by having an extensive range of policies, clear job descriptions and regular staff training to help create a safe culture. We also commission external reviews of our practices, including unannounced visits by our Health & Safety advisers.
- Loss of reputation. The Schools' success is built on their reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and early intervention when problems are identified.
- Financial. Our ability to continue is reliant on maintaining pupil numbers and fee income which enables us to pay salaries and bills as they fall due. This risk is managed by marketing activity, having a reputation for educational excellence and active cash-flow management.
- Systems failure. The Schools are operationally dependent on their computer networks. Good systems, network documentation and robust back up procedures are in place. Disaster recovery is practised regularly and firewalls are tested monthly by an external company.

Key controls applied by the Foundation include:

- An established organisational structure with clear lines of reporting and individual job descriptions for all staff.
- Terms of reference for the Board of Governors and its executive committees.
- Regular training for governors and staff.
- Robust vetting procedures and safer recruitment of staff to protect the vulnerable.
- Comprehensive strategic planning, budgeting and management reporting.
- Regular monitoring of financial, investment and professional performance.
- Formal written policies and a financial procedures manual which are reviewed regularly.
- Annual external audits of the Schools' finances and health & safety procedures.
- Regular external reviews of our safeguarding policy and procedures.

Through the risk management processes and controls established for the Schools, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can provide reasonable but not absolute assurance that major risks have been adequately managed.

Future plans

The Governors of the Haberdashers' Monmouth Schools review the overall strategy and objectives of the Schools on a regular basis. During the year ended 31 August 2022 the Governors gave consideration to the future strategy for the schools. In October 2022, having consulted with stakeholders, including staff, pupils, parents and Haberdashers, the Governors made the decision to move ahead with the merger of Monmouth School for Boys and Monmouth School for Girls from September 2024, to create one school based on two sites, with the aim of delivering a clear and compelling co-educational offer to parents and pupils for this and future generations. This project has been named Project Alpha.

TRUSTEES' REPORT

Becoming fully co-educational will mean that from September 2024:

- Prep and Pre-prep will be based on the east side of the current Monmouth School for Girls site on the Hereford Road.
- Years 7, 8, 9, 10 and 11 will become fully co-educational, and will be based on the current Monmouth School for Boys site on Almshouse Street.
- Years 12 and 13 boys and girls, will be based on the west side of the Monmouth School for Girls site on the Hereford Road.

The Governors sought financial support for substantial capital investment on the School Estate from the Trustees of the William Jones's Schools Foundation and this was granted.

The Governors intend to uphold their current strategy of maintaining the Schools' position in a competitive market by continuing to provide an outstanding education for the pupils at an affordable price. Our bursary and scholarship awards are essential in widening access to the education the Schools provide and the Governors are committed to sustaining the current level of awards as a proportion of school fees over the coming years.

Finally, the Schools recognise their position in the town of Monmouth and surrounding areas and intend to continue with an extensive range of outreach activities to local primary schools and the local community, as well as further extending our collaboration with Monmouth Comprehensive School and West Monmouth School in Pontypool (which was founded in 1898 by the Haberdashers' Company in line with William Jones's wishes) where we offer scholarships to talented students into our Sixth Form.

Going concern

The Trustees have reviewed the Foundation's financial position including specific consideration of future plans (Project Alpha), the risks arising from a potential change of UK government and the prospect of VAT being added to school fees. Having completed this review, the Trustees are satisfied that there are sufficient resources to manage the identified operational and financial risks. They have a reasonable expectation that the organisation has adequate resources to continue operating for at least 12 months from the date of approval of the accounts. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

For and on behalf of the Trustees 27 June 2024

Rupert Elliott

Rupert Elliott
Master of the Haberdashers' Company (Corporate Director of Haberdashers' Monmouth Estates Limited)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of William Jones's Schools Foundation (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on pages 4-5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with informed management and representatives of the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charity by discussions with informed management and representatives of the trustees, communication with component auditors and updating our understanding of the sector in which the group and parent charity operates.

Laws and regulations of direct significance in the context of the group and parent charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales. Further the charitable group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable group's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

As group auditors, our assessment of matters relating to non-compliance with laws or regulations and fraud differed at group and component level according to their particular circumstances. Our communications with component auditors included a request to identify instances of non-compliance with laws and regulations and fraud that could give rise to a material misstatement of the group financial statements in addition to our risk assessment.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report
This report is made solely to the parent charity'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 parent charity 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 parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

Saffery LLP
Chartered Accountants
71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 28 June 2024

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

WILLIAM JONES'S SCHOOLS FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 August 2023

	Note	Unrestricted Funds Schools £'000	Unrestricted Funds Foundation Income £'000	Restricted Funds £'000	Permanent endowment fund £'000	Total 2023 £'000	Total 2022 £'000
Income and endowments from:							
Donations and legacies		-	-	80	-	80	180
Charitable activities:							
School fees	3	19,982	-	-	-	19,982	20,311
Ancillary trading income		1,220	-	-	-	1,220	863
Other income - Educational		51	-	-	-	51	61
Other trading activities:							
Trading income		1,183	-	-	-	1,183	866
Investments:							
Investment income	2	117	7	21	-	145	124
FRS102 pension scheme interest	2	105	-	-	-	105	45
Other income		434	-	-	-	434	443
		23,092	7	101	-	23,200	22,893
Expenditure on:							
Raising funds:							
Loan interest		359	-	-	-	359	298
Fees in advance discount		73	-	-	-	73	46
Trading costs of subsidiaries		888	-	-	-	888	783
Charitable activities:							
Schools		26,066	406	78	912	27,462	24,774
FRS 102 pension scheme interest cost		88	-	-	-	88	47
	4	27,474	406	78	912	28,870	25,948
Net (expenditure)/income before gains on investments		(4,382)	(399)	23	(912)	(5,670)	(3,055)
Net (losses)/gains on investments	7	(32)	(20)	(10)	(1,538)	(1,600)	6,375
Net (expenditure)/income		(4,414)	(419)	13	(2,450)	(7,270)	3,320
Transfers between funds	5	358	562	(50)	(870)	-	-
Other recognised gains:							
Actuarial (losses)/gains on defined benefit schemes	12	(83)	-	-	-	(83)	86
Net movement in funds		(4,139)	143	(37)	(3,320)	(7,353)	3,406
Reconciliation of Funds:							
Total funds brought forward		320	(140)	1,046	140,084	141,310	137,904
Total funds carried forward	5	(3,819)	3	1,009	136,764	133,957	141,310

Net (expenditure)/income all arose from continuing activities.

The notes on pages 23 to 46 form part of these financial statements.

WILLIAM JONES'S SCHOOLS FOUNDATION

BALANCE SHEETS
As at 31 August 2023

	Note	Group 2023 £'000	Group 2022 £'000	Foundation 2023 £'000	Foundation 2022 £'000
FIXED ASSETS					
Tangible assets	6	44,139	42,207	44,130	42,204
Investments	7	99,934	106,163	99,934	106,163
Investment in subsidiary company	16	-	-	90	90
Unsecured loan to William Jones's Almshouses Charity		-	1	-	1
		144,073	148,371	144,154	148,458
Current assets:					
Stocks		261	199	41	27
Debtors	9	1,077	1,322	1,129	1,489
Investments: cash on deposit		-	2,980	-	2,980
Cash at bank and in hand		3,417	3,841	3,340	3,679
		4,755	8,342	4,510	8,175
Liabilities:					
Creditors: amounts falling due within one year	10	(7,495)	(6,041)	(7,331)	(5,955)
Net current assets		(2,740)	2,301	(2,821)	2,220
Total assets less current liabilities		141,333	150,672	141,333	150,678
Creditors: amounts falling due after more than one year	11	(7,376)	(9,362)	(7,376)	(9,362)
		133,957	141,310	133,957	141,316
Defined benefit pension scheme liability	12	-	-	-	-
Total net assets		133,957	141,310	133,957	141,316
The Funds of the Charity:					
Permanent endowment fund		136,764	140,084	136,764	140,084
Restricted funds		1,009	1,046	1,009	1,046
Unrestricted funds:					
Designated funds		112	1,302	112	1,302
General funds		(3,928)	(1,116)	(3,928)	(1,116)
Non-charitable trading funds		-	(6)	-	-
Pension scheme fund		-	-	-	-
Total Charity Funds	5	133,957	141,310	133,957	141,316

The notes on pages 23 to 46 form part of these financial statements.

These financial statements were approved and authorised for issue and signed on behalf of the Trustees on 27 June 2024.

Rupert Elliott

Rupert Elliott
Master of the Haberdashers' Company (Corporate Director of Haberdashers' Monmouth Estates Limited).

WILLIAM JONES'S SCHOOLS FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2023

	2023 £'000	2023 £'000	2022 £'000	2022 £'000
Net cash used in operating activities		(3,319)		(2,415)
Cash flows from investing activities:				
Investment income received	145		124	
Purchase of tangible fixed assets	(3,217)		(352)	
Proceeds from sale of investments	964		13	
Purchase of investments	(35)		(49)	
Drawn from Charities Investment Pool (Total Return)	3,712		2,531	
Net cash provided by investing activities		1,569		2,267
Cash flows from financing activities:				
Repayments of borrowing	(1,654)		(1,627)	
		(1,654)		(1,627)
Change in cash and cash equivalents in the reporting period		(3,404)		(1,775)
Cash and cash equivalents at the beginning of the reporting period		6,821		8,596
Cash and cash equivalents at the end of the reporting period		3,417		6,821

WILLIAM JONES'S SCHOOLS FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2023

NET CASH USED IN OPERATING ACTIVITIES

	2023 £'000	2022 £'000
Net movement in funds (per Statement of Financial Activities)	(7,353)	3,406
Adjustments for:		
Losses/(gains) on investments	1,600	(6,375)
Investment income	(145)	(124)
Depreciation	1,285	1,367
Pension scheme adjustment	-	(150)
Increase in stocks	(62)	(12)
Increase/(decrease) in creditors and provisions	1,112	(22)
Increase/(decrease) in debtors	256	(507)
(Increase)/decrease in cash held for investment	(12)	2
Net cash used in operating activities	(3,319)	(2,415)

ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £'000	2022 £'000
Cash at bank	3,417	3,841
Investments	-	2,980
Total cash and cash equivalents	3,417	6,821

ANALYSIS OF CHANGES IN NET FUNDS/NET (DEBT)

	At 1 September 2022 £'000	Cash flows £'000	At 31 August 2023 £'000
Cash in hand	3,841	(424)	3,417
Cash equivalents	2,980	(2,980)	-
Loans falling due within one year	(1,659)	(36)	(1,695)
Loans falling due after more than one year	(6,243)	1,690	(4,553)
Total	(1,081)	(1,750)	(2,831)

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The financial statements are prepared in accordance with the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) which has been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £'000.

The Foundation constitutes a public benefit entity as defined by FRS 102. The Foundation is unincorporated. Its registered office is 18 West Smithfield, London, EC1A 9HQ.

The Trustees have reviewed the Foundation's financial position including specific consideration of future plans (Project Alpha), the risks arising from a potential change of UK government and the prospect of VAT being added to school fees. Having completed this review, the Trustees are satisfied that there are sufficient resources to manage the identified operational and financial risks. They have a reasonable expectation that the organisation has adequate resources to continue operating for at least 12 months from the date of approval of the accounts. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

Group accounts

The financial statements consolidate the results of the Foundation and its wholly-owned non-charitable subsidiary company on a line-by-line basis. A separate Statement of Financial Activities (SOFA) for the Foundation is not presented because this is not considered to be materially different from the consolidated statement of financial activities (SOFA). Further information on the subsidiary is disclosed at note 16.

The Schools' Governors appoint their own auditors and prepare separate financial statements for the Schools. The Trustees prepare financial statements for the Foundation which incorporates the results of the Schools, consolidated on a line by line basis.

Funds structure

A statement listing all funds is at note 5. The funds are categorised as follows:

Permanent endowment fund: Except to the extent permitted by the total return arrangements, this fund may not be expended and represents the land and buildings of the Foundation, plus investment assets used to generate income for application by the Schools' Governors.

Restricted funds: These funds were donated or created for specific purposes and may only be used for those purposes.

Designated funds: These are unrestricted funds set aside for particular purposes by the trustees but they are not subject to any formal restriction.

Unrestricted general funds: These funds are not subject to any restriction other than the objects of the Foundation and are applied in furtherance of the objects.

Income recognition

All income, including government grant income, is recognised when the Foundation is legally entitled to the income and there is reasonable assurance of receipt.

School fees receivable are accounted for in the period in which the service is provided. School fees are stated net of bursaries, scholarships and fee remission for children of school staff.

Dividend income is taken into account when dividends fall due for payment.

Expenditure recognition

Resources expended are recorded on an accruals basis and include support costs which may be allocated direct or apportioned on the basis of staff time.

Raising funds: Costs incurred in raising funds including managing the Foundation's investment assets and servicing loans are recorded under this heading.

Charitable activities: Expenditure incurred directly in meeting the objects of the Foundation is recorded under this heading.

Termination costs: severance and redundancy payments are recognised in the period in which the payment becomes binding.

Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. These include salaries and service charges relating to specific staff involved directly in facilitating charitable activities.

Governance costs relate to expenditure incurred in the general running of the Foundation and include salaries and service charges for specific staff involved in compliance with constitutional and statutory requirements and audit fees.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Pension schemes

The Schools contribute to the Teachers' Pension Scheme at rates set by the Scheme Actuary and advised by the Scheme Administrator. The Schools also contribute 10% of salary to a group personal pension plan for non-teaching staff.

The accounting policy adopted in respect of the closed defined benefit non-teaching staff pension scheme is that the amount charged to the statement of financial activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The expected return on scheme assets and the interest cost and interest on scheme liabilities are shown independently on the Statement of Financial Activities. Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the statement of financial activities.

The assets of the scheme are held separately from the Foundation in trustee-administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at the balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised in the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension liability is recognised to the extent that the group has a legal obligation to settle the liability.

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

Tangible fixed assets and depreciation

The Foundation's functional land and buildings at the schools are vested in HMEL as Estates Governor. New school buildings form part of the Estates and are assets of the permanent endowment fund. Funding of new buildings from schools' funds is recorded as a transfer from unrestricted funds to the permanent endowment fund and depreciation of school buildings is treated as expenditure from the permanent endowment fund. HMEL is responsible for maintaining the buildings in a fit and useful condition and these costs are written off as incurred.

Land and buildings dating from before 1945 are not capitalised or depreciated as historical cost information is no longer available and no reliable values can be attributed. If it were possible to base a provision for depreciation on historical cost of pre-1945 buildings, it is probable that the amount would not be material.

An estimate of expenditure on buildings between 1945 and 1983 was capitalised in 1999 under the transitional provisions of Financial Reporting Standard 15. It is now treated as deemed historic cost.

Expenditure on buildings since 1983 has been capitalised at historic cost. All other assets are capitalised at historic cost.

Depreciation is provided on fixed assets other than freehold land at rates calculated to write off the excess of cost over estimated residual amount evenly over the estimated useful economic lives of each class of asset, subject to annual review. These rates are currently as follows:

Freehold Buildings	25-50 years
Equipment and Furnishings	5-10 years
Computers	3-5 years
Motor Vehicles	5 years

Where estimated useful lives of buildings are in excess of 50 years, they are subject to an impairment review. This is formalised every five years with support from an external surveyor.

Fixed asset investments

(a) Quoted securities

Quoted securities comprise publicly quoted, listed securities including shares, bonds and units. Quoted securities are stated at market value at the balance sheet date. Investment shares and purchases are recognised at the date of trade.

(b) Unquoted investments

The vast majority of private equity and property fund investments are held through funds managed by private equity and property groups. No readily identifiable market price is available for these unquoted funds. These funds are included at the most recent valuations from their respective managers.

Stock

Stock is carried at the lower of cost or net realisable value.

Financial instruments

Financial instruments are recognised in the balance sheet of the Foundation when it becomes party to the contractual provisions of the instrument.

(a) Financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially recognised at transaction price including transaction costs and are subsequently carried at amortised cost.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. The impairment losses are recognised in the Statement of Financial Activities.

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Financial Activities.

Financial assets are derecognised when:

- the contractual rights to the cash flows from the asset expire or are settled, or
- substantially all the risks and rewards of the ownership are transferred to another party, or
- control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(b) Financial liabilities

Basic financial liabilities, which include trade and other creditors, bank loans, school fees in advance and confirmation deposits, are initially recognised at transaction price.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(c) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods where necessary.

The critical estimates and judgements made in preparing these accounts are explained in these accounting policies and relate particularly to:

- Valuation of unlisted investments
- The actuarial assumptions relating to the valuation of the pension deficit

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

2. INVESTMENT INCOME

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Endowment Fund £'000	Total 2023 £'000	Total 2022 £'000
Interest from bank deposits	39	-	-	39	6
Income from listed investments	86	20	-	106	118
	125	20	-	145	124
FRS102 pension scheme interest	105	-	-	105	45
	230	20	-	250	169

3. TUITION FEES

	2023 £'000	2022 £'000
Gross Fees	23,439	23,502
Less		
Scholarships	(446)	(448)
Bursaries	(2,042)	(1,721)
Assisted places (a bursary scheme replacing a former State-funded scheme)	(1)	(35)
Staff fee remission	(968)	(987)
	19,982	20,311
Numbers of pupils benefiting from:		
Scholarships	197	221
Bursaries	266	287
Assisted places	2	5

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

4. TOTAL RESOURCES EXPENDED

	Staff costs £'000	Other direct costs £'000	Depreciation £'000	Total 2023 £'000	Total 2022 £'000
Raising funds:					
Loan interest	-	359	-	359	298
Fees in advance discount	-	73	-	73	46
Trading costs of subsidiaries	161	725	3	889	783
	161	1,157	3	1,321	1,127
Charitable expenditure:					
Teaching costs	11,130	3,027	344	14,501	13,931
School welfare	1,393	1,160	26	2,579	2,595
School premises costs	1,664	4,168	912	6,744	5,351
Support costs	1,944	1,540	-	3,484	2,772
Governance costs	64	89	-	153	125
FRS102 pension scheme interest costs	-	88	-	88	47
	16,195	10,072	1,282	27,549	24,821
Total resources expended	16,356	11,229	1,285	28,870	25,948

	2023 £'000	2022 £'000
Charitable expenditure includes:		
Remuneration of Schools' auditors for audit services	35	30
Remuneration of Foundation's auditors for audit services - current year	21	14
- prior year	12	-
Payment to the Haberdashers' Company for service charges	22	15

Service charges are paid by the Foundation to the Haberdashers' Company and the Haberdashers Operating Company for accommodation and office facilities provided by and shared with those companies and with other connected charities. The service charges do not exceed the cost to those companies of providing the services.

Support costs include administration and grounds staff, establishment costs, professional fees, travel and general costs.

	2023 £'000	2022 £'000
Staff costs comprised:		
Wages and salaries	12,841	12,397
Social security costs	1,243	1,224
Pension contributions	2,125	2,120
Payment of Haberdashers' Company staff under paymaster arrangement	147	111
	16,356	15,852

4. TOTAL RESOURCES EXPENDED (continued)

Under joint contracts of employment and a paymaster arrangement, salary costs for the Haberdashers' Company and its charities are paid by Haberdashers' Operating Company and allocated to the various entities on the basis of time spent.

No remuneration or reimbursed expenses were paid to the Trustees (2022: £Nil). The Schools' Governors received no remuneration (2022: £Nil). Expenses of £12,158 (2022: £10,209) were reimbursed during the year.

	2023 £'000	2022 £'000
Aggregate employee-benefits of key management personnel	872	820

See page 2 for the list of Key Management Personnel.

Termination payments of £40,311 (2022: £28,719), covering staff across the schools, were made in the year.

Average numbers of employees in the year were:

	2023 No.	2022 No.
Teaching staff	281	284
Other staff	267	268
	548	552

The numbers of higher paid employees earning in excess of £60,000 were:

	2023 No.	2022 No.
£60,001 to £70,000	7	3
£70,001 to £80,000	3	6
£80,001 to £90,000	1	-
£100,001 to £110,000	1	3
£110,001 to £120,000	1	-
£240,001 to £250,000	-	1
£270,001 to £280,000	1	-

Eleven higher paid employees were members of the defined benefit pension schemes detailed at note 12. Contributions of £31,394 were paid to defined contribution schemes for two higher-paid employees (2022: £32,691 – 3 employees).

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

5. STATEMENT OF FUND MOVEMENTS AND TRANSFERS

(a) **Fund movements**

	Balance 1 September 2022 £'000	Income £'000	Expenditure £'000	Other recognised gains/ (losses) £'000	Net Transfers £'000	Balance 31 August 2023 £'000
Designated funds:						
Schools cyclical repairs	371	-	-	-	(371)	-
Assisted places reserve	666	-	-	-	(666)	-
Prospectus reserve	134	-	-	-	(134)	-
Recruitment reserve	58	-	-	-	(58)	-
Pensions reserve (Note 1)	73	-	(61)	-	100	112
	1,302	-	(61)	-	(1,129)	112
General funds – Foundation:						
Schools	(976)	21,803	(26,436)	(32)	1,710	(3,931)
Foundation Income Fund (Note 2)	(140)	7	(406)	(20)	562	3
Pension scheme fund	-	105	(88)	(83)	66	-
Total unrestricted funds – Foundation	186	21,915	(26,991)	(135)	1,209	(3,816)
Non-charitable trading funds	(6)	1,184	(889)	-	(289)	-
Total unrestricted funds – Group	180	23,099	(27,880)	(135)	920	(3,816)
Restricted funds						
Schools scholarship funds	239	57	(56)	-	(50)	190
Pre-Prep & Nursery grant	3	-	-	-	-	3
Agincourt bursary	-	20	(20)	-	-	-
Girls school other	47	4	(2)	-	-	49
Blake Legacy Fund	67	-	-	-	-	67
Extraordinary repair fund	674	20	-	(10)	-	684
Stephenson awards	16	-	-	-	-	16
Walker Memorial Fund	-	-	-	-	-	-
Total restricted funds	1,046	101	(78)	(10)	(50)	1,009
Permanent endowment fund (Note 3)	140,084	-	(912)	(1,538)	(870)	136,764
Total Funds	141,310	23,200	(28,870)	(1,683)	-	133,957

Notes:

1. The Pensions reserve fund is maintained to provide for the costs of maintaining the Jones Monmouth Schools Pension Scheme.

2. The running costs of the Foundation are met from this fund. The reserves of the fund are periodically replenished via a transfer out of the unapplied total return of the endowment fund.

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

5. STATEMENT OF FUND MOVEMENTS AND TRANSFERS (continued)

3. The permanent endowment fund at 31 August 2023 consisted of £6,314,000 base value of endowment at 31 August 1976, £91,712,000 unapplied total return and £38,738,000 land and buildings at the Schools, net of bank loans used to fund school buildings.

(b) Transfers between funds	Non-charitable trading funds £'000	Charitable unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Permanent endowment fund £'000
Transfer from unapplied Total Return	-	3,902	-	-	(3,902)
Funding from schools for new buildings	-	(3,594)	-	-	3,594
Transfer to cover Foundation expenditure	-	562	-	-	(562)
Additions to cyclical maintenance reserves	-	371	(371)	-	-
Recruitment reserve	-	58	(58)	-	-
Prospectus reserve	-	134	(134)	-	-
Scholarship awards	-	50	-	(50)	-
Addition to governors' general reserve	-	(100)	100	-	-
Assisted places	-	666	(666)		
Trading companies payment under gift aid	(289)	289	-	-	-
	(289)	2,338	(1,129)	(50)	(870)

A transfer of £3,902,000 was made from the investment in the Haberdashers Charities Investment Pool (Total Return) to the Monmouth Schools. Of this, £2,000,000 was the annual transfer from the unapplied total return on the endowment for 2022/23, £1,712,000 was for Project Alpha and £190,000 was funding towards Aspire and West Monmouth bursaries.

A further transfer of £3,594,000 was made from the Schools' General Fund to the Permanent Endowment Fund reflecting the investment in land and buildings during the year.

A transfer of £562,000 was made to the Foundation Income Fund from the unapplied total return of the endowment fund.

In addition, a transfer of £371,000 was made from the Schools' Cyclical Repairs to the Schools' General Fund.

The Trustees approved the release of the Schools' designated funds with the exception of the Pensions reserve. The Trustees do not require the Schools to maintain any unrestricted fund reserve as they consider that the level of unapplied total return in the endowment fund is sufficient to cover unexpected short-term needs for which a reserve might otherwise be maintained.

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

6. TANGIBLE FIXED ASSETS

Foundation and Group	Freehold land and buildings £'000	Equipment and furnishings £'000	Motor vehicles £'000	Charity total £'000	Subsidiary companies equipment £'000	Group Total £'000
Cost						
1 September 2022	57,317	5,047	321	62,685	116	62,801
Additions	2,940	197	71	3,207	9	3,216
Disposals	-	(103)	-	(103)	-	(103)
31 August 2023	60,257	5,141	392	65,790	125	65,915
Depreciation						
1 September 2022	17,110	3,079	292	20,481	113	20,594
Charge for year	912	349	21	1,282	3	1,285
Disposals	-	(103)	-	(103)	-	(103)
31 August 2023	18,022	3,325	313	21,660	116	21,776
Net book value						
31 August 2023	42,235	1,816	79	44,130	9	44,139
31 August 2022	40,207	1,968	29	42,204	3	42,207

Expenditure on buildings between 1945 and 1983 is capitalised at a Trustees' valuation of £6,095,000.

Historical assets, being land and buildings dating from before 1945, are not capitalised. The value of non-capitalised buildings for insurance purposes is £19.2 million. Expenditure on refurbishing historical assets, amounting to £3,134,000 is included in fixed assets.

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

7. INVESTMENTS

Foundation and Group		2023 £'000	2022 £'000
(a)	Listed investments	2,417	3,375
(b)	Haberdashers' Charities Investment Pool (Total Return)	97,415	102,665
(c)	Investment cash	102	123
		99,934	106,163

(a) Listed investments

Foundation and Group	Extraordinary repair fund £'000	Governors Investment fund £'000	Total £'000
Market value at 1 September 2022	712	2,663	3,375
Acquisitions at cost	-	-	-
Reinvestment	21	14	35
Disposals	-	(951)	(951)
Net loss on revaluation	(10)	(32)	(42)
Market value at 31 August 2023	723	1,694	2,417

The extraordinary repair fund investments are held in the form of common investment funds.

The Governors investment fund investments are held in the Sarasin & Co endowment funds which are predominantly equities.

(b) Investment in Haberdashers' Charities Investment Pool (Total Return)

Foundation and Group	2023 £'000	2022 £'000
Market value at 1 September 2022	102,665	98,526
Withdrawals	(3,712)	(2,531)
Net (loss)/gain on revaluation	(1,538)	6,670
Market value at 31 August 2023	97,415	102,665

The units held by the Foundation in the Haberdashers' Charities Investment Pool (Total Return) represent 71.28% of the Pool units in issue.

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

8. MOVEMENT ON UNAPPLIED TOTAL RETURN

Unapplied total return is calculated relative to the value of the trust for investment at 31 August 1976 (base value), that being the base date determined by the Trustees as appropriate for the Foundation's endowment fund. No new endowment gifts have been received since the base date.

	Trust for investment £'000	Unapplied Total Return £'000	Total 2023 £'000	Total 2022 £'000
Trust for investment at 1 September 2022	6,314	97,714	104,028	99,358
Investment returns:				
Realised and unrealised investment (losses)/ gains	-	(1,538)	(1,538)	6,670
Transfer to trust for application	-	(4,464)	(4,464)	(2,000)
Trust for investment at 31 August 2023	6,314	91,712	98,026	104,028

9. DEBTORS AND PREPAYMENTS

	Group		Foundation	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Prepayments	373	436	373	436
Other debtors	415	585	188	474
School fees	289	300	289	300
Due from subsidiary companies	-	-	279	279
	1,077	1,322	1,129	1,489

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Foundation	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Bank loans	1,695	1,659	1,695	1,659
School fees in advance and confirmation deposits	2,899	2,861	2,899	2,861
Taxation and social security	390	293	390	293
Other creditors	1,774	1,033	1,610	947
Accruals and deferred income	737	195	737	195
	7,495	6,041	7,331	5,955

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Foundation	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Bank loans	4,553	6,243	4,553	6,243
School fees in advance and confirmation deposits	2,823	3,119	2,823	3,119
	7,376	9,362	7,376	9,362
Maturity of debt:				
Between 1 and 2 years	2,540	2,534	2,540	2,534
Between 2 and 5 years	4,226	5,608	4,226	5,608
After 5 years	610	1,220	610	1,220
	7,376	9,362	7,376	9,362

Bank loans for school building projects, all unsecured, are:

(i) £5.0 million from Lloyds Bank plc drawn in 2007/08, interest fixed at 4.75 repayable in March 2029

(ii) £0.8 million from Lloyds Bank plc drawn in 2010/11, interest at variable rate, repayable over 15 years from September 2011.

(iii) £3.0 million from Lloyds Bank plc drawn in 2011/12, interest at base rate plus 2.51% with 75% of the loan required to be at a fixed rate from July 2014, repayable over 15 years from July 2012.

(iv) £1.5 million from Lloyds Bank plc drawn in 2012/13, interest fixed at 5.766%, repayable over 15 years from July 2013.

A £5.0 million CBIL loan from Lloyds Bank was taken out in May 2020, at a rate of 1.21% over base with no interest in the first year. The loan is secured over existing buildings and is repayable in 2026.

Bank loan repayments of £1,695,000 due before 31 August 2024 are shown at note 10.

12. PENSION COSTS

(a) Defined contribution schemes

The Schools operate a defined contribution scheme for non-teaching staff. The assets of the non-teaching staff scheme are held separately from those of the Schools in a fund independently administered by Scottish Widows. Additional voluntary contributions for teachers are paid into a fund independently administered by the Prudential Assurance Company Limited. The pension cost charge represents contributions payable by the Schools to the funds and amounted to £496,752 (2022: £517,160)

(b) Master trust scheme – teaching staff

During the year the School introduced an optional APTIS master trust scheme for teaching staff. The assets of this scheme are held separately from those of the School in a fund independently administered by AVIVA. The pension charge for the year includes contributions payable by the School to the funds and amounted to £227,366 (2022: £232,246)

12. PENSION COSTS (continued)

(c) Defined benefit scheme – teaching staff

The Schools participate in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff.

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Schools have accounted for their contributions to the scheme as if it were a defined contribution scheme.

The pension charge for the year includes contributions payable to the TPS of £1,406,754 (2022: £1,462,503) and at the year-end £160,973 (2022: £172,451) was accrued in respect of contributions to this scheme.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The 2020 valuation has now been published and the employer contributions are due to rise by 5% to 28.68% from 1 April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pension website: https://www.teacherspensions.co.uk/members/faqs/valuation.aspx.

(d) Defined benefit scheme – non-teaching staff

Haberdashers' Monmouth Schools operate a defined benefit scheme in the UK administered by the Prudential Assurance Company Limited.

An actuarial valuation to meet the requirements of Financial Reporting Standard 102 (FRS 102) was carried out by the scheme's actuary, Quantum Advisory as at 31 August 2023. The reporting requirements for FRS 102 have been followed and consequently the following valuations have been incorporated into the Statement of Financial Activities and the Balance Sheet. The scheme was closed for future accrual on 5 December 2022.

The major assumptions used in valuing the liabilities are given below with earlier year comparatives:

Assumptions	As at 31 August 2023	As at 31 August 2022
Discount rate	5.4%	4.2%
Inflation	3.6%	4.0%
Increases to deferred pensions (statutory revaluation) before retirement	3.0%	3.4%
Rate of increase to pensions in payment (fixed)	3.0%	3.0%
Rate of increase to pensions in payment (CPI to 5%)	2.9%	3.3%

12. PENSION COSTS (continued)

Mortality

Based on the assumptions, on the balance sheet date the average future life expectancies at age 65 are summarised below:

Life expectancy from age 65 years		As at 31 August 2023	As at 31 August 2022
Retiring today	Male	22.2	22.2
	Female	24.7	24.6
Retiring in 20 years	Male	23.9	23.8
	Female	26.4	26.3

The amounts recognised in the statement of financial position	**2023 £'000**	**2022 £'000**
Present value of funded obligations	1,894	2,169
Fair value of plan funds	(2,450)	(2,543)
Net defined benefit asset	(556)	(374)
Surplus on the scheme not accounted for	556	374
Net defined benefit asset as recognised in the Balance Sheet	-	-

12. PENSION COSTS (continued)

The amounts recognised in the income statement	2023 £'000	2022 £'000
Net interest (income)/expense	(17)	2
Total pension (income)/expense	(17)	2

The amounts in the statement of other recognised gains and losses	2023 £'000	2022 £'000
Actuarial loss on plan assets	(104)	(436)
Actuarial gain on defined benefit obligation	203	896
Surplus on the scheme not accounted for	(182)	(374)
Total (loss)/gain in statement of other recognised gains and losses	(83)	86

Changes in the present value of the defined benefit obligation	2023 £'000	2022 £'000
Liabilities at the start of the period	2,169	3,191
Interest cost	88	47
Actuarial gain	(203)	(896)
Benefits paid	(160)	(173)
Liabilities at the end of the period	1,894	2,169

Changes in the fair value of plan assets	2023 £'000	2022 £'000
Fair value of plan assets at the start of the period	2,543	3,041
Interest income	105	45
Actuarial loss	(104)	(436)
Contributions by the employer	66	66
Benefits paid	(160)	(173)
Fair value of plan assets at the end of the period	2,450	2,543

Analysis of return on plan assets	2023 £'000	2022 £'000
Interest income	105	45
Actuarial loss on plan assets	(104)	(436)
Return on plan assets	1	(391)

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

12. PENSION COSTS (continued)

Movement in deficit during the year	2023 £'000	2022 £'000
Deficit in scheme at beginning of year	-	(150)
Movement in year:		
Employer's contribution	66	66
Pension expense	-	(2)
Interest income	17	-
Actuarial gain	99	460
Surplus in scheme at end of year	182	374
Surplus on the scheme not accounted for	(182)	(374)
Net defined benefit liability as recognised in the Balance Sheet	-	-

There is no service cost as the Scheme is fully paid up, no further benefits accrue.

The valuation at 31 August 2023 showed a surplus of £556,000 compared to the deficit of £374,000 at 31 August 2022. The surplus is not recognised in the balance sheet.

A triennial valuation was performed at 31 March 2021 resulting in a deficit of £16,000 and a Recovery Plan was agreed. The schools also agreed to continue with annual employer's contributions of £66,000 per annum, to be paid in equal monthly instalments until 31 March 2026. The next triennial valuation will be at 31 March 2024.

Major categories of plan assets as a percentage of total assets

	Proportion of portfolio 31 August 2023 %	Value of assets 31 August 2023 £'000	Proportion of portfolio 31 August 2022 %	Value of assets 31 August 2022 £'000
Equity	-	-	45.2	1,150
Annuities	16.7	409	17.9	456
Bonds	-	-	9.9	251
Alternative	-	-	17.7	449
Property	83.3	2,041	4.6	117
Cash	-	-	4.7	120
Total market value of assets	100.0	2,450	100.0	2,543

13. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000
Tangible fixed assets	1,904	-	42,235	44,139
Fixed asset investments	1,796	723	97,415	99,934
Net current (liabilities)/assets	(2,943)	286	(83)	(2,740)
Creditors due after more than one year	(4,573)	-	(2,803)	(7,376)
Defined benefit pension scheme	-	-	-	-
	(3,816)	1,009	136,764	133,957

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

14. RELATED PARTIES

The Haberdashers' Company, a City Livery Company incorporated by royal charter, is the sole member of HMEL. HMEL is a Trustee of the Foundation. Details of transactions between the Foundation, the Haberdashers' Company and connected entities are set out below:

- The Haberdashers' Company and its subsidiary were reimbursed for certain expenses incurred in the year on behalf of the Foundation. Further details are set out in note 4.

- The Foundation's endowment funds are invested predominantly in the Haberdashers' Total Return Pool, a common investment fund which has the Haberdashers' Company as Trustee. Note 7 provides further details of relevant transactions and balances.

- In the year, the Foundation received £47,000 of grant funding from the Haberdashers' Educational Foundation to primarily support bursaries (2022: £28,000). The Haberdashers' Company is the Trustee of the Haberdashers' Educational Foundation.

Details of transactions and balances between the Foundation's schools and its subsidiaries are set out in notes 9, 10 and 16.

No remuneration or reimbursed expenses were paid to the Trustees or to any of the Schools' Governors.

15. CAPITAL COMMITMENTS

The value of capital expenditure contracted for but not yet incurred was £1,081,696 (2022: £Nil).

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

16. TRADING SUBSIDIARY

The Foundation owns the whole beneficial interest in the share capital of a non-charitable trading subsidiary, Haberdashers' Monmouth School Enterprises Limited ("HMSEL"), for which the results are summarised below. Taxable profits are donated to the Foundation by deed of covenant (DoC).

During the year, the Foundation reimbursed HMSEL for costs and payments incurred on its behalf totalling £791,604 (2022: £499,294). HMSEL reimbursed the Foundation for costs and payments incurred on its behalf totalling £257,005 (2022: £188,106).

	HMSEL	
	2023 £'000	**2022 £'000**
Turnover	1,183	866
Cost of sales	(577)	(492)
Administration expenses	(312)	(291)
Operating profit/(loss)	294	83
Interest receivable	1	-
Transfer to the Foundation (DoC)	(289)	(83)
Retained profit/(loss) for the year	6	-
Share capital issued	-	90
Reserves b/f	84	(6)
Reserves c/f	90	84
Fixed assets	9	2
Current assets	523	447
Creditors falling due within one year	(442)	(365)
Net assets	90	84

	Share capital £	**Activities**
Haberdashers' Monmouth School Enterprises Limited (Company number: 01727038)	90,000	Sale of school clothing and sports equipment at Monmouth School for Boys. Running the Monmouth School Sports Centre.

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

17. GROUP STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 AUGUST 2022

	Unrestricted Funds			Permanent	Total
	Schools £'000	Foundation Income £'000	Restricted Funds £'000	Endowment fund £'000	2022 £'000
Income and endowments from:					
Donations	-	-	180	-	180
Charitable activities:					
School fees	20,311	-	-	-	20,311
Ancilliary trading income	863	-	-	-	863
Other income – educational	61	-	-	-	61
Other trading activities:					
Trading income	866	-	-	-	866
Investments:					
Investment income	98	6	20	-	124
FRS102 pension scheme interest	45	-	-	-	45
Other income	443	-	-	-	443
	22,687	6	200	-	22,893
Expenditure on:					
Raising funds:					
Loan interest	298	-	-	-	298
Fees in advance discount	46				46
Trading costs of subsidiaries	783	-	-	-	783
Charitable expenditure:					
Schools	23,421	260	181	912	24,774
FRS 102 pension scheme interest cost	47	-	-	-	47
	24,595	260	181	912	25,948
Net (expenditure)/income before gains on investments	(1,908)	(254)	19	(912)	(3,055)
Net gains on investments	(252)	24	(67)	6,670	6,375
Net (expenditure)/income	(2,160)	(230)	(48)	5,758	3,320
Transfers between funds	1,453	-	(81)	(1,372)	-
Other recognised gains:					
Actuarial gains on defined benefit schemes	86	-	-	-	86
Net movement in funds	(621)	(230)	(129)	4,386	3,406
Reconciliation of Funds:					
Total funds brought forward	941	90	1,175	135,698	137,904
Total funds carried forward	320	(140)	1,046	140,084	141,310

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

18. INVESTMENT INCOME FOR THE YEAR ENDED 31 AUGUST 2022

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Endowment Fund £'000	Total 2022 £'000
Interest from bank deposits	6	-	-	6
Income from listed investments	98	20	-	118
Distributions from Haberdashers' Charities Investment Pool (Total Return)	-	-	-	-
	104	20	-	124
FRS102 pension scheme interest	45	-	-	45
	149	20	-	169

19. TOTAL RESOURCES EXPENDED FOR THE YEAR ENDED 31 AUGUST 2022

	Staff costs £'000	Other direct costs £'000	Depreciation £'000	Total 2022 £'000
Raising funds:				
Loan interest	-	298	-	298
Fees in advance discount	-	46	-	46
Trading costs of subsidiaries	165	613	5	783
	165	957	5	1,127
Charitable expenditure:				
Teaching costs	10,851	2,656	424	13,931
School welfare	1,384	1,185	26	2,595
School premises costs	1,595	2,844	912	5,351
Support costs	1,832	940	-	2,772
Governance costs	25	100	-	125
FRS102 pension scheme interest costs	-	47	-	47
	15,687	7,772	1,362	24,821
Total resources expended	15,852	8,729	1,367	25,948

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

20. STATEMENT OF FUND MOVEMENTS AND TRANSFERS YEAR ENDED 31 AUGUST 2022

(a) **Fund movements**

	Balance 1 September 2021 £'000	Income £'000	Expenditure £'000	Other recognised gains/ (losses) £'000	Net Transfers £'000	Balance 31 August 2022 £'000
Designated funds:						
Schools cyclical repairs	371	-	(399)	-	399	371
Assisted places reserve	666	-	-	-	-	666
Prospectus reserve	124	-	-	-	10	134
Recruitment reserve	42	-	(4)	-	20	58
Pensions reserve	34	-	(61)	-	100	73
	1,237	-	(464)	-	529	1,302
General funds – Foundation:						
Schools	(140)	21,776	(23,301)	(252)	941	(976)
Foundation Income Fund	90	6	(260)	24	-	(140)
Pension scheme fund	(150)	45	(47)	86	66	-
	(200)	21,827	(23,608)	(142)	1,007	(1,116)
Total unrestricted funds – Foundation	1,037	21,827	(24,072)	(142)	1,536	186
Non-charitable trading funds	(6)	866	(783)	-	(83)	(6)
Total unrestricted funds – Group	1,031	22,693	(24,855)	(142)	1,453	180
Restricted funds						
Schools scholarship fund	274	49	(3)	-	(81)	239
Pre-Prep & Nursery grant	3	-	-	-	-	3
Girls school other	43	6	(2)	-	-	47
Blake Legacy Fund	118	65	(116)	-	-	67
Extraordinary repair fund	721	20	-	(67)	-	674
Stephenson awards	16	-	-	-	-	16
Walker Memorial Fund	-	60	(60)			
Total restricted funds	1,175	200	(181)	(67)	(81)	1,046
Permanent endowment fund	135,698	-	(912)	6,670	(1,372)	140,084
Total Funds	137,904	22,893	(25,948)	6,461	-	141,310

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

20. STATEMENT OF FUND MOVEMENTS AND TRANSFERS (continued)

(b) Transfers between funds

	Non-charitable trading funds £'000	Charitable unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Permanent endowment fund £'000
Transfer from unapplied Total Return	-	2,000	-	-	(2,000)
Funding from schools for new buildings	-	(628)	-	-	628
Additions to cyclical maintenance reserves	-	(399)	399	-	-
Recruitment reserve	-	(20)	20	-	-
Prospectus reserve		(10)	10	-	
Scholarship awards		81	-	(81)	
Addition to governors' general reserve	-	(100)	100	-	-
Trading companies payment under gift aid	(83)	83	-	-	-
	(83)	1,007	529	(81)	(1,372)

21. MOVEMENT ON UNAPPLIED TOTAL RETURN FOR THE YEAR ENDED 31 AUGUST 2022

Unapplied total return is calculated relative to the value of the trust for investment at 31 August 1976 (base value), that being the base date determined by the Trustees as appropriate for the Foundation's endowment fund. No new endowment gifts have been received since the base date.

	Trust for investment £'000	Unapplied Total Return £'000	Total 2022 £'000
Trust for investment at 1 September 2021	6,314	93,044	99,358
Investment returns:			
Realised and unrealised investment gains	-	6,670	6,670
Transfer to trust for application	-	(2,000)	(2,000)
Trust for investment at 31 August 2022	6,314	97,714	104,028

NOTES TO THE ACCOUNTS
Year ended 31 August 2023

22. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS
YEAR ENDED 31 AUGUST 2022

	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000
Tangible fixed assets	2,000	-	40,207	42,207
Fixed asset investments	2,785	713	102,665	106,163
Loan to William Jones's Almshouse Charity	-	-	1	1
Net current assets	1,795	333	173	2,301
Creditors due after more than one year	(5,869)	-	(3,493)	(9,362)
	711	1,046	139,553	141,310

WILLIAM JONES'S SCHOOLS FOUNDATION

England & Wales - Charity number 525616

Accounts

Charity Registration No. 525616

WILLIAM JONES'S SCHOOLS FOUNDATION

Trustees' report and accounts for the year ended 31 August 2022

WILLIAM JONES'S SCHOOLS FOUNDATION

CONTENTS PAGE

Legal and administrative details	1
Trustees' report	3
Independent auditors' report	16
Consolidated statement of financial activities	19
Balance sheets	20
Consolidated cash flow statement	21
Notes to the accounts	23

WILLIAM JONES'S SCHOOLS FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

REGISTERED CHARITY NUMBER 525616

TRUSTEES AND GOVERNORS

The William Jones's Schools Foundation ("the Foundation") has two corporate trustees: Haberdashers' Monmouth Estates Limited (HMEL), Company number 09177858 and Haberdashers' Monmouth Schools Limited (HMSL), Company number 09177946. The Haberdashers Company is the sole member of HMEL and HMSL.

PRINCIPAL OFFICES

Haberdashers' Monmouth Estates Limited and the Foundation
Haberdashers' Hall, 18 West Smithfield, London, EC1A 9HQ

Haberdashers' Monmouth Schools Limited
St Catherine's House, 17 Hereford Street, Monmouth, NP25 3HG

OFFICERS OF THE HABERDASHERS' COMPANY

Clerk	Brigadier H A Watson MBE
Director of Finance & Information	E D Bayley
Director of Schools	A Chambers (resigned 12 March 2021)
Director for Schools and Estates	A Gonzalez (appointed 6 September 2021)

DIRECTORS OF HABERDASHERS' MONMOUTH ESTATES LIMITED

The Haberdashers' Company

Mr Richard Glover, Chairman of the Haberdashers' Company Education Committee

DIRECTORS OF HABERDASHERS' MONMOUTH SCHOOLS LIMITED AND SCHOOLS' GOVERNORS

* Lord Moynihan (Chairman) # (appointed 10 December 2021)
* P M Alderman (resigned 31 August 2022)
Mrs E Ashford
* Mrs J M Booth
Prof R J Carwardine
* Mrs S Clayton (resigned 31 December 2021)
* Prof A Davies (appointed 8 July 2022)
* Councillor S P Garratt (appointed 5 May 2022)
T Haden-Scott #
A Lock (appointed 16 February 2023)
* Dr S Honeywill (appointed 1 October 2021)
J A McLaren (appointed 16 February 2023)
A Mohindru QC (appointed 1 October 2021)
* N G H Manns
* R P Miners #
* Mrs H Moriarty (resigned 31 December 2022)
* Councillor R G Roden (resigned 5 May 2022)
* Mrs R F Rose (resigned 31 December 2022)
* Mrs L A Russen (resigned 31 December 2022)
* A W Twiston-Davies # (resigned 31 December 2021)
* N A J Waters
* Dr R A Weeks
* I A de Weymarn
Mrs R Williams

* appointed by the Haberdashers' Company
\# member of the Court of Assistants of the Haberdashers' Company

Of the seven governor appointments not made by the Haberdashers' Company, one was appointed by Monmouthshire County Council and the other six were co-opted by the Governors, including three current or former members of the academic staff from the Universities of Oxford, Cambridge and Cardiff.

WILLIAM JONES'S SCHOOLS FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

CLERK TO THE SCHOOLS' GOVERNORS

Mrs C Stansfield

THE SCHOOLS

Monmouth School for Boys, Almshouse Street, Monmouth, NP25 3XP
Monmouth School for Girls, Hereford Road, Monmouth, NP25 5XT
Monmouth Prep School, The Grange, Hadnock Road, Monmouth, NP25 3NG

Website: www.habsmonmouth.org

KEY MANAGEMENT PERSONNEL

J Murphy-O'Connor	Principal, Haberdashers' Monmouth Schools
S H Dorman	Head, Monmouth School for Boys
Mrs J Miles	Head, Monmouth School for Girls
N Shaw	Head, Monmouth Prep School
Mrs T A Norgrove	Foundation Bursar

PRINCIPAL ADVISERS TO THE FOUNDATION

Bankers
C Hoare & Co, 37 Fleet Street, London, EC4P 4DQ
Allied Irish (GB), 26 Finsbury Square, London, EC2A 1DS

Independent Auditors
Saffery Champness LLP, 71 Queen Victoria Street, London, EC4V 4BE

Solicitors
Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

PRINCIPAL ADVISERS TO THE SCHOOLS

Bankers
Lloyds Bank plc, 18 Monnow Street, Monmouth, NP25 3XH

Auditors
Crowe UK LLP, 4th floor, St James House, St James Square, Cheltenham, GL50 3PR

Solicitors
Veale Wasbrough Vizards, Narrow Quay House, Narrow Quay, Bristol, BS1 4QA

TRUSTEES' REPORT

The Trustees present the annual report and financial statements of the Foundation for the year ended 31 August 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the accounts and comply with 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 (FRS 102). Legal and administrative information set out on pages 1 to 2 forms part of this report.

The Foundation and Corporate Trustees

In his will, William Jones, Liveryman of the Haberdashers' Company, made a bequest to establish a "free school" at Monmouth and the Foundation was established by letters patent of King James I dated 19 March 1614, which authorised the founding of a "Free Grammar School".

William Jones's Schools Foundation ("the Foundation") is now constituted as an unincorporated registered charity, governed by Schemes of the Charity Commission dated 12 November 1987, 21 July 1998, 25 May 2000, 30 April 2009 and 23 November 2009. The Haberdashers' Company was the Trustee of the Foundation and was also the Estates Governor until 1 April 2016. On 1 April 2016, the Haberdashers' Company passed a resolution and appointed two new companies, Haberdashers' Monmouth Estates Limited and Haberdashers' Monmouth Schools Limited, to act as Trustees and Estates Governor and Schools' Governor respectively.

The Haberdashers' Company

The Haberdashers' Company is a City Livery Company incorporated by royal charter and is the sole member of Haberdashers' Monmouth Estates Limited and Haberdashers' Monmouth Schools Limited. The full name under which the Company is incorporated is 'The Master and Four Wardens of the Fraternity of the Art or Mystery of Haberdashers in the City of London'. The Company is in the fortunate position of being able to admit a steady stream of able and committed new members known as Freemen who, when they have gathered experience in their chosen careers, may be selected to become Liverymen and may undergo further rigorous selection procedures to become eligible for duties within the Company. Some will be selected to join a pool of potential school governors from which the Company makes nominations to governing bodies.

Haberdashers' Monmouth Estates Limited (HMEL)

HMEL is a company, limited by guarantee, which as the Estates Governor is the sole trustee of the land and buildings of the Foundation. The Company's responsibilities, as Trustee, are undertaken by its Directors, assisted by the Education Committee of the Haberdashers' Company and activities are managed on a day-to-day basis by the Clerk and Haberdashers' Company staff. Members of the Education Committee are selected by the Haberdashers' Company to provide a broad range of expertise, particularly in the areas of governance and management. The Chairman of the Education Committee is a director of HMEL and, usually, a former chairman of governors of a Haberdashers' Company school or schools. Members of the Education Committee all have experience as school governors. The Education Committee is advised on financial matters by the Haberdashers' Company Finance Committee. Training for members of the Education Committee builds on their previous experience as school governors and includes an induction process for new members, provision of relevant reading material, training days and regular reports and advice from the Educational Adviser. Neither the Trustee nor any of the Directors receive any remuneration for services performed in their capacity as Trustee or Directors.

Haberdashers' Monmouth Schools Limited (HMSL)

HMSL is a company, limited by guarantee, which is the Schools' Governor of the Foundation.

The Schools' Governors ("the Governors"), who are directors of HMSL, play an important strategic role in the life of the schools and are responsible for determining the aims and overall conduct of the schools. The Governors have shaped the overall strategy for the schools with the Principal, and review and approve the implementation of the individual strategies, policies and procedures developed by the Executive Team, to ensure the best possible education for present and future pupils. The Governors are also responsible for

TRUSTEES' REPORT

ensuring the proper control of the schools' finances and compliance with relevant regulation, particularly the safeguarding of pupils.

Governors give their time voluntarily, receive no payment and for continuity are generally expected to serve at least four years on the Board. They offer a blend of skills and experience to help guide and direct the schools and the Board would normally include individuals with experience in business, law, accountancy, education, public health or the medical profession and property. When selecting replacement governors, the aim is to retain this balance of professional expertise, as well as making every effort to ensure that the diversity of the school community is reflected on the Board. Governors are appointed by the bodies listed on page 1. The Chair of Governors is a senior Haberdasher nominated by the Company and elected annually by the Governors.

The Governors operate across the Haberdashers' Monmouth Schools but divide responsibility for key areas into smaller executive committees covering the individual schools, academic matters, finance, audit and estates, pastoral care and governance. The schools each have a nominated governor (Vice Chair) who plays a valuable supporting role for the respective Head. Nominated Safeguarding Governors have been appointed for each school; they work closely with the Designated Senior Persons (DSPs) in each school to ensure that the Board's safeguarding responsibilities are fulfilled.

On joining the Board, all Governors undergo a thorough induction programme, comprising extensive written material in the form of a briefing pack and at least a day's familiarisation visit to the schools. Governors also receive regular updates of the schools' literature throughout their tenure and have the opportunity to attend training sessions on a variety of subjects, either at Haberdashers' Hall, or run by external bodies such as AGBIS (Association of Governing Bodies of Independent Schools).

Organisational Management

The day-to-day running of the schools was delegated to the Principal until August 2022, and then to the Heads and Foundation Bursar, as key management personnel, who in turn are supported by their Senior Leadership Team.

The remuneration of key management personnel is set by the remuneration sub-committee, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the schools' success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the schools remain sensitive to the broader issues of pay and employment conditions elsewhere.

Delivery of the Foundation's charitable vision and purpose is primarily dependent on the key management personnel and staff costs are the largest single element of our charitable expenditure.

Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom generally accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of the resources of the Foundation 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Foundation will continue in business.

TRUSTEES' REPORT

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the Foundation and which enable the Trustees to ascertain its financial position and to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the Foundation's constitution. The Trustees are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HMEL is responsible for compliance with these statutory obligations on behalf of the Foundation.

Charitable Object

The object of the Foundation, as set out in the 1998 Scheme, is "the provision and conduct in or near Monmouth of a day and boarding school for boys and a day and boarding school for girls and a day pre-preparatory school for boys and girls."

Aims and Objectives

The charitable object is specific, so the primary activity of the Foundation is to provide and operate the named schools. The aims of the Foundation are as follows:

(i) **The Schools** are constituted as independent schools and share the following mission:

"To extend the educational facilities and opportunities provided to children living in or near Monmouth so as to maximise educational choice and opportunity. This is to be done by providing schools of the highest quality for infant, primary and secondary education on a fee-paying basis, whilst enabling access to those who could not otherwise afford to attend through the provision of financial support from bursaries and fee remission.

The Schools welcome joiners from both the Maintained and Independent sectors at all stages. These include, but are not limited to, joiners at age 16+ wishing to take advantage of the outstanding opportunities provided in the Sixth Form, children with particular talents or special needs and those who will benefit from a more personalised education, and pupils with the ability to reach more challenging levels and benefit from a wider range of choice than would otherwise be available to them. Others are motivated to join not just for the academic attainments but because they wish to participate in the thriving sport, drama, music and other extracurricular activities.

The schools also seek to maximise the public benefit provided by them in other ways, such as by sharing facilities with the local community and through links to other schools."

(ii) **HMEL** has adopted the following aims for its own role as Trustee. These also reflect the aims of the Company's Education Committee:

Vision
To be seen as offering sustained commitment to excellence in education through excellence in governance, trusteeship and sponsorship.

Mission statement

- To discharge properly the role of Trustee
- To provide highest quality governance
- To develop the influence of the Haberdashers' Company in the field of education
- To enable the Haberdasher schools to take an independent view on the students' educational needs
- To promote common values in Haberdasher Schools:

Attributable to pupils:	Attributable to schools:
Open minded / intellectually curious	Aspirational / stretching
Good citizens	Accessible
Culturally diverse	Academic equality of opportunity
Rounded	Ethical and humane
Innovative	Exciting
Co-operative	Supportive of Christian values

TRUSTEES' REPORT

The Trustees have taken into account the Charity Commission's general guidance on public benefit and more specific guidance for charities whose aims include advancement of education and whose activities involve charging fees, in reviewing aims and objectives for the Foundation.

Review of activities and achievements

The schools have articulated their vision, purpose, philosophy and values as below.

Inspiring excellence; encouraging confidence; nurturing creativity; optimising potential

HMS will provide an inspiring, nurturing and rounded education of the highest quality.

HMS will focus on the **quality of its teaching and learning (excellence)**, its **pastoral care (nurturing)** and its **co- curricular provision (opportunity).** Boarding will continue to be central to the school, offering the opportunity of an HMS education to those across the United Kingdom and the world beyond, and creative a diverse and vibrant community.

Academic excellence: HMS teachers will be passionate about their subjects and teaching and learning. They will be outstanding, inspirational and committed practitioners with access to training on best practice throughout their careers. Pupils of all ability levels will be nurtured, challenged and inspired. Expectations will be high, and pupils will be encouraged to take advantage of the wide range of opportunities available for academic enrichment outside the classroom, through intellectual clubs and societies, educational visits and outside speakers on academic and careers-related subjects. We will value academic rigour, a traditional school curriculum and a scholarly approach, but creativity and intellectual curiosity will be as important. We will foster independence in learning and our pupils' confidence to take intellectual risks and ownership of their own learning. Although academically selective, we will recognise that results in public examinations are not the only measure of the excellence of our educational provision. Our pupils will become lifelong learners, well prepared for further study and a wide variety of careers.

Pastoral care of the highest quality will be at the heart of all our work with HMS pupils, recognising that no pupil will fulfil their potential unless they are happy and feel understood, respected and supported. HMS teachers will know their pupils well and will care deeply about their welfare. All staff have pastoral responsibilities and will be supported in these by an expert team of pastoral leaders. Pastoral support will be sensitive and proactive, so that no pupil in need falls through the net. We recognise that diverse and inclusive communities are stronger and happier ones and will celebrate achievement of all types. Our pupils will develop resilience through a wide range of school-led experience by stepping out of their comfort zones. HMS pupils will support each other and will develop empathy through service to others, both within and outside of the HMS community.

Sport will continue to be a central part of school life, whether played competitively at a high level or on a more recreational basis to support fitness and provide enjoyment. We recognise the resilience and tolerance sport engenders in team environments, and the unique relationships it forges between team mates and the staff that coach them. Working together is a key skill for success as young people move into adult life, and lifelong physical activity will ensure healthy outcomes. All pupils will have the opportunity to represent their school in competitive fixtures and to take pride in doing so, whatever their ability.

Performing arts: Opportunities for pupils in music, drama and dance, both for those who are confident, skilled performers and for those who have little experience, will foster confidence and presentation skills. There will be concerts and productions every year, giving opportunities for pupils from all key stages and abilities the chance to perform in front of an audience.

Co-curriculum: An integral part of pupils' education will be a rich diet of co- and extra-curricular activities for all key stages to challenge pupils physically, mentally and creatively. All pupils will experience adventurous activities in the outdoors at various stages in their school career, including through involvement in the Combined Cadet Force and/or the Duke of Edinburgh scheme. Our wonderful local landscapes will be used to provide opportunities for outdoor adventures, where pupils will be pushed beyond their comfort zones and learn new skills and life lessons through outdoor education.

TRUSTEES' REPORT

Ultimately, HMS will be a community where pupils from all backgrounds feel at home. We will continue to provide generous bursary support, in line with the Christian vision of our founder William Jones, to enable young people from families of modest means to benefit from a life-changing education. As a Haberdashers' school we will contribute to and benefit from the wider Haberdashers' family, offering our pupils mentoring and wider educational experiences. HMS pupils will leave our school as confident, ambitious and empathetic young men and women.

The Schools

Each school has a Head responsible for the day-to-day running of their school, including teaching, pastoral care and co-curricular activities. The Heads, Foundation Bursar and Director of Marketing & PR work together as an Executive Committee to develop and deliver the schools' strategy, share best practice and ensure an equality of experience across the schools.

In September 2021, we introduced a fully co-educational Prep School for boys and girls aged 3 to 11. Boys and girls often spend all their school years in the Haberdashers' 'family', starting in the Nursery or Reception at our Prep School, moving on through the senior schools, before completing their educational journey in our Sixth Form. In June 2022 the Chair of Governors announced that consideration would be given to a proposed merger of Monmouth School for Boys and Monmouth School for Girls with the aim of delivering a clear and compelling co- educational offer to parents and pupils for this and future generations.

On 31 August 2022, the schools had 1,171 pupils (September 2021: 1,235). Recruitment of new boarders from overseas remains challenging but our Admissions Teams have worked hard to maintain relationships with the key agents and holiday camps have been available to boarders unable to return home. Pupil numbers in the Prep School have declined by 28 due to lower numbers of younger children in the local area, spaces being available in local primaries and pressures on family finances.

Monmouth Prep School
Day and boarding girls and boys thrive and flourish with inspired and engaging subject-specialist teaching delivered across two sites. Children are motivated to learn with a sense of fun, enjoyment and excitement, both in and out of the classroom. The school's modern and contemporary teaching spaces encapsulate the very best of a traditional, independent education. Boys and girls can also immerse themselves in a breadth and range of educational opportunities, trips and expeditions, social and co-curricular events and shared which brought together the pupils and staff of our former co-ed community projects. Our co-educational foundation recognises talent and nurtures excellence, providing the best possible springboard for our pupils' future and confident step up to our senior schools. On 31 August 2022, there were 218 children on roll (September 2021: 246).

Senior Schools
Through the Monmouth Model, pupils in Years 7 to 11 at the two senior schools benefit from their positive, constructive and inspiring single-sex communities within which they thrive and flourish. Education is carefully planned to motivate and challenge all pupils. The academic curricula are specifically tailored to each gender, enabling boys and girls to engage in a broad choice of subjects free from any gender stereotyping. Pupils also benefit from the invaluable interaction with their sibling school, sharing many trips and expeditions, events and community projects. They also make the most of the area's wonderful natural resources and the excellent facilities on offer for sports, culture and the arts.

Monmouth School for Boys was founded in 1614 by William Jones, a member of the Haberdashers' Company of London and has been independent since 1973. On 31 August 2022, the school roll was 512, of whom 151 were boarders (2021: 529 of whom 149 were boarders).

Monmouth School for Girls was founded in 1892 and it has also been independent since 1973. On 31 August 2022, 104 of its 441 pupils were boarders (2021: 460 of whom 105 were boarders).

Sixth Form
Fully co-educational teaching in the Sixth Form was introduced in September 2018, which enhances the preparation of our students for university and their future careers. Sixth Form students at Monmouth School for Boys (167 students on 31 August 2022) and Monmouth School for Girls (116) are taught at both sites in co-educational classes. This encourages a wider range of views in lessons and allows for more flexible

subject combinations. Students also benefit from a wide-ranging enrichment programme including opportunities for volunteering, drama, sports leadership, academic courses and life skills. Pastoral care is delivered by their 'home' school, with Sixth Formers continuing to act as leaders and role models for younger pupils.

The schools' strategic intentions are underpinned by dedicated and hardworking staff and all the schools focus on encouraging their staff to develop their professional skills during their period of employment.

Results in public examinations are consistently excellent (table below) and the vast majority of students take up places at their first-choice universities and subsequently go on to make their mark in diverse areas including engineering, medicine, languages, business and the arts.

	A level 2022			GCSE 2022
	Pass rate	A*-B grades		9-4 grades
Monmouth School for Girls	100%	79.3%		98.9%
Monmouth School for Boys	100%	76.2%		95.7%
Monmouth Schools Sixth Form (Boys and Girls combined)	100%	77.8%		-

The close relationship between the schools is apparent in the co-ordination of their objectives and strategies above, in their own sections of their joint website and in the range of activities available to both boys and girls, including a truly Combined Cadet Force, joint orchestras and joint trips. Alumni from both schools also joined together for the annual joint carol service in London which is now regarded as a 'city tradition'.

Faced with declining numbers of children of school age within our catchment area, the schools have developed strategies to maintain pupil numbers. Marketing is generally focused on the main entry points at Pre-Prep (Nursery and reception) and Years 3, 7, 9 and 12. Over recent years, the schools have developed their marketing strategy to maximise the potential of social media to reach parents and revolutionise our outreach to local schools. Admission to our schools is based on a child's potential as well as their performance in our formal assessments.

Although Covid-19 impacted boarding, numbers are generally steady and include a number of children from Forces families and a strong contingent from West Wales. Some overseas recruitment is taking place with our staff visiting a number of countries in 2022. As conditions further allow, we will continue to target countries with a large expatriate community such as the United Arab Emirates, Saudi Arabia and Hong Kong, as well as developing links with emerging markets.

Haberdashers' Monmouth Schools are affiliated to HMC (The Headmasters' and Headmistresses' Conference); Monmouth School for Girls is affiliated to GSA (The Girls' School Association); and Monmouth Prep School is affiliated to IAPS (The Incorporated Association of Preparatory Schools). The Board of Governors is a member of AGBIS (Association of Governing Bodies of Independent Schools). The schools follow many of the guidelines and policies set by the above organisations, although these will sometimes be adapted to suit the schools' particular needs when they are written into the schools' own procedures. Standards set by other bodies operating in the independent sector are also relevant, for example ISC (Independent Schools Council). The schools follow the rules accepted in the sector on setting dates for entrance exams (so as not to gain unfair advantage over other schools) and on fee debt (not accepting a pupil who has outstanding debt at another school).

The schools were last inspected in full by Estyn (the Welsh Schools' Inspectorate) between 2013 and 2015. The schools won the highest praise possible from Estyn, being awarded the "excellent" rating across the board under the inspection framework introduced in 2010. Estyn identified examples of sector-leading best practice at both schools which are cited on their website. All the reports, of which the schools are rightly proud, are available on the Estyn website. Boarding facilities are subject to inspection by the Care Inspectorate for Wales. Monmouth School for Boys boarding was last inspected in June 2019 and Monmouth School for Girls in February/March 2016. Both received positive reports, which are available on the Care Inspectorate for Wales' website.

TRUSTEES' REPORT

All the schools have active Friends' Associations, which are run by parents on a voluntary basis, organising social and fundraising events. The schools benefit greatly from the commitment, enthusiasm and gifts provided by these associations as well as the considerable generosity and support of former pupils.

(b) Public Benefit

Since the William Jones's Schools Foundation and Monmouth School were established over 400 years ago in 1614, the schools have been deeply committed to serving the local community, primarily through the provision of education, in accordance with the wishes of their founder. In addition, by providing affordable boarding facilities, they extend the facilities of the Schools to children from further afield who might not otherwise have access to such an education. The confidence, balance and achievements of pupils and former pupils as students, citizens and members of the wider community provide ample evidence of the direct benefit to be gained from time spent at the schools. The schools also recognise their further responsibilities as charitable institutions, as summarised below. Throughout 2021/22, with Covid restrictions being lifted, the schools made every effort to continue their educational partnerships, outreach and community service.

(i) Fee Support

A core part of the ethos of the William Jones's Schools Foundation has been, and will continue to be, to provide an education for those who could not otherwise afford the fees. The schools also assist needy families in securing funding from other educational trusts for individual pupils who could not otherwise be at the schools. The Governors are committed to sustaining this level of awards as a proportion of school fees over the coming years.

Bursaries

In 2021/22 the value of means tested bursaries (including Assisted Places) totalled £1,756,114 (2020/21: £1,733,304) and represented 7.6% of gross fees (8.3% in 2020/21). The bursaries assisted 292 of our pupils (c.25% of pupils) of which 32 pupils (2020/21: 23) benefitted from a full remission of fees. A number of families required temporary help due to financial difficulties. A proportion of this help came from a hardship fund established for this purpose.

Scholarships

In addition, the schools awarded scholarships to 221 pupils, based on their academic, sporting or creative ability and potential, totalling £448,032 (2021: £468,743) and representing 1.9% of gross fees. Of this number, many also qualified for means-tested bursary support and are included in the figures relating to bursary awards.

(ii) Educational partnerships

The schools sustain relationships and undertake joint activities with maintained local schools and it was pleasing to be able to resume this in person in 2021/22. Examples of such partnerships include:

- Joint Schools Council – regular meetings of pupils from each of Monmouth School for Boys, Monmouth School for Girls and Monmouth Comprehensive School. The JSC espouses "community, cooperation, collaboration".
- Monmouth School for Girls and Monmouth Comprehensive School both hosted talks on mental health awareness on World Mental Health Day, which were open to parents and staff from all the Monmouth Schools.
- The senior schools invite pupils from WyeDean School, Chepstow to attend MMI (multiple mini interview) as preparation for interview for Oxbridge and medical/dental/vet school.
- Year 12 pupils volunteer at Osbaston Junior School each Wednesday afternoon, helping More Able and Talented pupils in Year 6 with English and Maths. Others assist pupils with reading in other local primary schools.
- We help organise and provide the venue for Monmouth's Got Talent, involving pupils from Monmouth Comprehensive School and our senior pupils run Junior Monmouth's Got Talent, involving local primary schools.

TRUSTEES' REPORT

(iii) Outreach Activities

The schools offer a wide variety of outreach activities throughout the year and these are being re-established in person since the pandemic. Examples of activities run in 2021/22 include:

- Monmouth Science Initiative supports A level scientists from both of the Monmouth Schools and pupils from local comprehensives and engages them in STEM activities stretching beyond the confines of the exam syllabi. 'MSI-ers' have studied wide-ranging topics including astrophysics, robotics, DNA and forensics. Recognised as sector leading practice, this exciting venture is run by HMS staff, supported by Cardiff University and uses the facilities of the Haberdashers' Schools.
- Monmouth School for Boys' Computer Science department organises and hosts a 'Wyehack' event or workshop around twice per term open to anyone interested in using hardware and software to build an app, website or game.
- Monmouth School for Boys' Computer Science department has hosted a Computer Science fair, open to pupils from other schools
- Monmouth School Boys' Prep hosts an annual science fair to promote innovation and presentation skills amongst Year 6 pupils. Raglan Primary school submits a team and has used this to extend project work within its school curriculum.
- Over 1,000 pupils from local state primary schools are hosted in the Blake Theatre for exciting Science workshops which are tied in with the KS2 curriculum.

(iv) Community Service and Partnerships

Most activities have restarted in 2021/22:

- Pupils are involved in a wide variety of community service activities, in many cases as part of/ the schools' Duke of Edinburgh Awards programme. Examples include: volunteering in charity shops, befriending the elderly and lonely at the local 'Bridges' centre, helping at Brownies and Scouts, working on allotments and assisting with coaching at local sports clubs.
- During the first lockdown, staff and pupils made hundreds of PPE masks which were donated to local hospitals.
- Pupils collect food in our schools for the Raven House Trust foodbank in Newport, South Wales, and visit the foodbank during service module afternoons to assist in the labelling and sorting of donated food as well as the assembly of food parcels.
- Pupils have helped transfer and set up equipment and supplies between the local churches participating in a night shelter scheme for rough sleepers.
- Pupils record a newspaper for the blind every week.
- The schools support and provide facilities for annual town events such as the Remembrance service, Monmouth Mayor's Charity Concert, lantern parade and charity raft race.
- Our school Chaplain delivers assemblies at Osbaston Primary School and offers religious tutoring to pupils of primary schools in town.
- Monmouth Astronomical Research Society (MARS) is a joint venture between pupils at Monmouth School for Boys and members of the public drawn from a radius of 30 miles. The society membership is from 10 to 80 years of age and includes amateur astronomers, professionals and students. Monthly meetings involve lectures from experts, practical activities and observation work.
- A group of sixth form students regularly volunteer at a local dementia care home.
- MG hosts Blood Donation sessions, at which pupils, staff, parents and members of the public can donate.
- MG hosts CRY (Cardiac Risk in the Young) screening sessions.
- Lending of equipment and staff time to support the annual charity Santa Fun Run, which is organised by Spirit of Monmouth running club.
- Fundraising events for local charities, e.g. Swim for Tom for Cancer Research Wales.
- Several members of academic staff serve as governors at local primary schools.

TRUSTEES' REPORT

(v) Community Access

The schools' facilities are well placed in Monmouth and are made available for a large number of community activities, including sports clubs, drama and music groups, and holiday activity programmes for local children. The sports facilities are used extensively by local primary schools and sports clubs each week. The performing Arts Centre and theatres are used regularly by amateur dramatics groups and musicians. Monmouth Pre-Prep and Nursery car parks are made available to church users for weekend functions and for visitors to other local events such as the Monmouthshire Show and Wye Swim. Regular events in 2021/22 included:

- Monmouth Schools Pre-Prep and Nursery hosts a fortnightly baby group which is open to local families and includes soft play, activities and snacks.
- The WRU Exiles programme use Monmouth School for Boys pavilion and sports fields for rugby training. The school has also hosted junior county cricket matches and a Welsh match during the summer.
- The schools regularly host the regional heats of school competitions and quizzes attended by local independent and maintained sector schools.
- The theatre at MG is regularly used by local theatre companies to stage their productions
- Monmouthshire County Council makes use of the Conference Room at Monmouth School for Boys for occasional meetings.
- Use of the Blake Theatre at Monmouth School for Boys for public performances.
- The Music School is (in normal times) used twice weekly by outside community groups for rehearsals.

(c) Subsidiary companies

The two former Enterprise Companies Monmouth School Enterprises Limited and HMSG Enterprises Limited were merged at 1 September 2021 and during 2021/22, there was a single non-charitable subsidiary company which was controlled by HMSL to provide services for the benefit of the schools and to provide access for the local community to the schools' facilities.

Haberdashers' Monmouth Schools Enterprises Limited (HMSEL) ran several operations for the benefit of the schools; two school shops selling school uniform and sports equipment, the Monmouth Schools Sports Club with gym and swimming facilities open to the public; the Blake Theatre offering a performing venue for use by both the school and the local community; and several other diverse lettings opportunities. The Enterprise Company employs its own staff but receives administrative support from the Foundation Bursar's department.

Income streams remained badly affected by COVID-19 restrictions during 2020/21 for a second year. In 2021/22 the end of regulated COVID restrictions and a move towards greater normality allowed a gradual return to pre-pandemic conditions resulting in an overall profit available for gift aid of £83k which was £55k better than in 2020/21.

Merging the two Enterprise Companies into one trading company has allowed more flexible use of facilities and resources on all sites and has improved opportunities to increase hire income.

Connected charities

Some pupils and activities at the schools receive financial support from the Haberdashers' Educational Foundation (HEF), registered charity number 1093108. HEF funds support bursaries, scholarships and prizes at the schools. In addition, a member of staff at the schools has been funded partly by a grant from the Haberdashers' Foundation, registered charity number 275067.

Because the activities of HEF and the Haberdashers' Foundation are related to those of William Jones's Schools Foundation and the Haberdashers' Company is trustee of two of these and controls HMEL, they are regarded as connected charities. None of the three foundations subordinates its interests to either of the others.

The Foundation's investment in the Haberdashers' Charities Investment Pool (Total Return), a common investment fund and subsidiary of the Haberdashers' Charities Investment Pool, registered charity number

1079691, represents 72.04% of the value of the Total Return Pool (2021: 75.2%). The Haberdashers' Company is trustee of both pools.

Investment powers, policy and performance

HMEL's investment powers are set out in its Articles of Association. Supervision of Investment Managers is exercised by the Securities Committee of the Haberdasher's Company.

HMEL has adopted the total return approach to investing. Under the total return approach, all investment returns are received into the permanent endowment fund, whether in the form of income or realised or unrealised gains. With full regard to the overriding duty to maintain a fair balance between the interests of current and all future beneficiaries, HMEL then makes transfers out of the accumulated unapplied total return in the endowment fund to a 'trust for application' to meet grants and other costs formerly paid out of net income. The remaining unapplied total return is retained within the permanent endowment fund. Transfers to the trust for application are guided by a withdrawal rate of 3.5% of invested capital.

The base date for the total return approach was 31 August 1976, at which point the value of the endowment was £6.3 million and the Schools had just become independent, having been formerly direct grant grammar schools. Preservation of real value of the endowment fund is monitored by indexing the base value to the greater of the Retail Price Index or an index of salaries in the service sector, as a proxy for the rate at which costs increase at the Schools. At 31 August 2022 the value of endowment fund investment assets was £37.4 million more than the indexed base value (2021: £28.0 million).

The permanent endowment fund investment is a holding in the Haberdashers' Charities Investment Pool (Total Return), a common investment fund with the Haberdashers' Company as Trustee. The investment objective is to maximise total return subject to tolerable levels of volatility. The investments in the Total Return Pool are managed by Partners Capital LLP.

Both before and after adoption of the total return approach, stability of distributions to the schools has been maintained. Details of the movement on unapplied total return can be seen at note 8 to the accounts.

The Total Return Pool returned 6.3% in the year ended 31 August 2022 (2021: 22.0%). The long-term total return objective is 4.5% above RPI, which amounted to 13.1% for the year ended 31 August 2022.

Financial review

The Foundation's consolidated net expenditure for the year before gains and losses amounted to £3,055,000 (2021: net expenditure £3,913,000). Net gains on investments were £6,375,000 (2021: £19,096,000), primarily arising from continued good performance of investments within the Haberdashers' Charities Investment Pool (Total Return). Consolidated funds increased by £3,406,000 to £141,310,000. See pages 13-14 for further details.

Reserves

The Foundation's total reserves of £141,310,000 at the year-end included £139,553,000 endowment capital, £1,046,000 unspent restricted funds and £711,000 unrestricted funds.

The Schools do not have any free reserves. The Trustees consider that the level of unapplied total return in the endowment fund is sufficient to cover unexpected short-term needs for which a reserve might otherwise be maintained. Therefore the Trustees are content for the schools to maintain no unrestricted general fund reserve.

TRUSTEES' REPORT

Unrestricted Funds

Fund	Fund represents	Balance at 31 August 2022 £'000
Schools' Cyclical Repair Fund	To provide for scheduled major cyclical maintenance	371
Assisted Places Reserve and Monmouth School for Girls Bursary Fund	To provide bursaries and assisted places	666
Governors' pension reserve	To enable the Governors to maintain regular funding for the closed non-teaching staff pension scheme.	73
Prospectus and recruitment reserves	To provide for cyclical expenditure on these items	192
	Total Schools designated funds	**1,302**
Schools' general funds	To maintain no reserve in these funds, subject to adequate cash flow for the schools' normal operations.	(976)
Pension scheme fund	This reflects the trustees' best estimate of the deficit on the pension scheme at 31 August 2022. An actuarial valuation to meet the requirements of Financial Reporting Standard 102 (FRS 102) was carried out by the scheme's actuary, Quantum Advisory as at 31 August 2022. This showed that a surplus of £374k compared to a deficit of £150k at 31 August 2021. In line with the Foundation's accounting policy and FRS 102, this surplus is not recognized in the balance sheet.	-
	Total Schools funds	**326**
Foundation income fund	Net income is distributed to the Schools Governors during the year. The fund is in deficit at year end as funds were transferred to the school in advance for the 2022/2023 year. The deficit will be addressed via a transfer	(140)
Non-charitable trading funds	Net reserves of trading subsidiaries at year end	(6)
	Total unrestricted funds	**180**

Fundraising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on any fundraising activities. The Foundation does not carry out any fundraising activity in order to raise funds from the general public, nor does it work directly with commercial sponsors or engage professional fundraisers. The Trustees are not aware of any complaints made in respect of fundraising during the year.

Post COVID-19

During the 2021/22 academic year, the charitable activities continued to be impacted by the Covid-19 pandemic but with a gradual reintroduction of activities towards the end of the period, including sports fixtures, Speech Days and school trips. For the first time since 2019 pupils were able to sit external exams instead of receiving Teacher Assessed Grades.

Risk management

Each year, HMEL and HMSL examine the major risks faced by the Foundation, including those relating to the schools. The Governors are responsible for overseeing the identification and management of the risks faced by the schools. Detailed considerations of risk are delegated to the senior management of the

TRUSTEES' REPORT

Risks have been identified and assessed across all areas of the schools. Systems and controls have been established to mitigate the risks. The process is managed through the regular review and updating throughout the year of a very detailed matrix which covers the headings of political, legal, economic, social, environmental, technological, governance, operational, academic, financial and human resources.
The main risks identified by the Trustees, the schools' management and Governors and the plans to manage those risks are:

- Breaches of statutory requirements e.g. health & safety. A serious breach of regulations could lead to fines or even closure. This risk is mitigated by having an extensive range of policies, clear job descriptions and regular staff training to help create a safe culture. We also commission external reviews of our practices, including unannounced visits by our Health & Safety advisers.
- Loss of reputation. The schools' success is built on their reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and early intervention when problems are identified.
- Financial. Our ability to continue is reliant on maintaining pupil numbers and fee income which enables us to pay salaries and bills as they fall due. This risk is managed by marketing activity, having a reputation for educational excellence and active cash-flow management.
- Systems failure. The schools are operationally dependent on their computer networks. Good systems, network documentation and robust back up procedures are in place. Disaster recovery is practised regularly and firewalls are tested monthly by an external company.

Key controls applied by the Foundation include:

- An established organisational structure with clear lines of reporting and individual job descriptions for all staff.
- Terms of reference for the Board of Governors and its executive committees.
- Regular training for governors and staff.
- Robust vetting procedures and safer recruitment of staff to protect the vulnerable.
- Comprehensive strategic planning, budgeting and management reporting.
- Regular monitoring of financial, investment and professional performance.
- Formal written policies and a financial procedures manual which are reviewed regularly.
- Annual external audits of the schools' finances and health & safety procedures.
- Regular external reviews of our safeguarding policy and procedures.

Through the risk management processes and controls established for the schools, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can provide reasonable but not absolute assurance that major risks have been adequately managed.

Future plans

The Governors of the Haberdashers' Monmouth Schools review the overall strategy and objectives of the Schools on a regular basis. During the year ending 31 August 2022 the Governors gave consideration to the future strategy for the schools. In October 2022, having consulted with stakeholders, including staff, pupils, parents and Haberdashers, the Governors made the decision to move ahead with the merger of Monmouth School for Boys and Monmouth School for Girls from September 2024, to create one school based on two sites, with the aim of delivering a clear and compelling co-educational offer to parents and pupils for this and future generations. This project has been named Project Alpha.

Becoming fully co-educational would mean that from September 2024:

- Prep and Pre-prep will be based on the east side of the current Monmouth School for Girls site on the Hereford Road.
- Years 7, 8, 9 and 10 will become fully co-educational, and will be based on the current Monmouth School for Boys site on Almshouse Street.
- Years 12 and 13 boys and girls, will be based on the west side of the Monmouth School for Girls site on the Hereford Road.

TRUSTEES' REPORT

The Governors decided to seek financial support for substantial capital investment on the School Estate from the Trustees' of the William Jones's Schools Foundation who are considering the proposition.

The Governors also intend to uphold their current strategy of maintaining the schools' position in a competitive market by continuing to provide an outstanding education for the pupils at an affordable price. Our bursary and scholarship awards are essential in widening access to the education the schools provide and the Governors are committed to sustaining the current level of awards as a proportion of school fees over the coming years.

Finally, the Schools recognise their position in the town of Monmouth and surrounding areas and intend to continue with an extensive range of outreach activities to local primary schools and the local community, as well as further extending our collaboration with Monmouth Comprehensive School and West Monmouth School in Pontypool (which was founded in 1898 by the Haberdashers' Company in line with William Jones's wishes) where we offer scholarships to talented students into our Sixth Form.

Going concern

The Trustees have reviewed the Foundation's financial position including specific consideration of future plans (Project Alpha). The Trustees are satisfied that there are sufficient resources to manage the identified operational and financial risks. They have a reasonable expectation that the organisation has adequate resources to continue operating for at least 12 months from the date of approval of the accounts. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

For and on behalf of the Trustees on 27 June 2023

Mr Christopher Hardie
Master of the Haberdashers' Company (Corporate Director of Haberdashers' Monmouth Estates Limited)

WILLIAM JONES'S SCHOOLS FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of William Jones's Schools Foundation (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 August 2022 and of the group's and the parent charity's incoming resources and application of resources 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 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with informed management and representatives of the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charity by discussions with informed management and representatives of the trustees, communication with component auditors and updating our understanding of the sector in which the group and parent charity operates.

Laws and regulations of direct significance in the context of the group and parent charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales. Further the charitable group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable group's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

As group auditors, our assessment of matters relating to non-compliance with laws or regulations and fraud differed at group and component level according to their particular circumstances. Our communications with component auditors included a request to identify instances of non-compliance with laws and regulations and fraud that could give rise to a material misstatement of the group financial statements in addition to our risk assessment.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

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

Saffery Champness LLP

Saffery Champness LLP
Chartered Accountants
71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 28 June 2023

Use of our report

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

WILLIAM JONES'S SCHOOLS FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 August 2022

	Note	Unrestricted Funds: Schools £'000	Unrestricted Funds: Foundation Income £'000	Restricted Funds £'000	Permanent endowment fund £'000	Total 2022 £'000	Total 2021 £'000
Income and endowments from:							
Donations and legacies		-	-	180	-	180	498
Charitable activities:							
School fees	3	20,311	-	-	-	20,311	18,323
Ancillary trading income		863	-	-	-	863	499
Other income - Educational		61	-	-	-	61	351
Other trading activities:							
Trading income		866	-	-	-	866	589
Investments:							
Investment income	2	98	6	20	-	124	131
FRS102 pension scheme interest	2	45	-	-	-	45	44
Other income		443	-	-	-	443	209
		22,687	6	200	-	22,893	20,644
Expenditure on:							
Raising funds:							
Loan interest		298	-	-	-	298	317
Fees in advance discount		46	-	-	-	46	65
Trading costs of subsidiaries		783	-	-	-	783	803
Charitable activities:							
Schools		23,421	260	181	912	24,774	23,322
FRS 102 pension scheme interest cost		47	-	-	-	47	50
	4	24,595	260	181	912	25,948	24,557
Net (expenditure)/income before gains on investments		(1,908)	(254)	19	(912)	(3,055)	(3,913)
Net gains on investments	7	(252)	24	(67)	6,670	6,375	19,096
Net (expenditure)/income		(2,160)	(230)	(48)	5,758	3,320	15,183
Transfers between funds	5	1,453	-	(81)	(1,372)	-	-
Other recognised gains:							
Actuarial gains on defined benefit schemes	12	86	-	-	-	86	198
Net movement in funds		(621)	301	(129)	4,386	3,406	15,381
Reconciliation of Funds:							
Total funds brought forward		941	90	1,175	135,698	137,904	122,523
Total funds carried forward	5	320	(140)	1,046	140,084	141,310	137,904

Net (expenditure)/income all arose from continuing activities.

The notes on pages 23 to 46 form part of these financial statements.

WILLIAM JONES'S SCHOOLS FOUNDATION

BALANCE SHEETS
As at 31 August 2022

	Note	Group 2022 £'000	Group 2021 £'000	Foundation 2022 £'000	Foundation 2021 £'000
FIXED ASSETS					
Tangible assets	6	42,207	43,222	42,204	43,214
Investments	7	106,163	102,285	106,163	102,285
Investment in subsidiary company	16	-	-	90	90
Unsecured loan to William Jones's Almshouses Charity		1	1	1	1
Unsecured loans to connected trading companies		-	-	-	62
		148,371	145,508	148,458	145,652
Current assets:					
Stocks		199	187	27	26
Debtors	9	1,557	1,050	1,724	1,151
Investments: cash on deposit		2,980	4,788	2,980	4,788
Cash at bank and in hand		3,841	3,808	3,679	3,623
		8,577	9,833	8,410	9,588
Liabilities:					
Creditors: amounts falling due within one year	10	(6,276)	(5,730)	(6,190)	(5,623)
Net current assets		2,301	4,103	2,220	3,965
Total assets less current liabilities		150,672	149,611	150,678	149,617
Creditors: amounts falling due after more than one year	11	(9,362)	(11,557)	(9,362)	(11,557)
		141,310	138,054	141,316	138,060
Defined benefit pension scheme liability	12	-	(150)	-	(150)
Total net assets		141,310	137,904	141,316	137,910
The Funds of the Charity:					
Permanent endowment fund		140,084	135,698	140,084	135,698
Restricted funds		1,046	1,175	1,046	1,175
Unrestricted funds:					
Designated funds		1,302	1,237	1,302	1,237
General funds		(1,116)	(50)	(1,116)	(50)
Non-charitable trading funds		(6)	(6)	-	-
Pension scheme fund		-	(150)	-	(150)
Total Charity Funds	5	141,310	137,904	141,316	137,910

The notes on pages 23 to 46 form part of these financial statements.

These financial statements were approved and authorised for issue and signed on behalf of the Trustees on 27/6/23

Mr Christopher Hardie
Master of the Haberdashers' Company (Corporate Director of Haberdashers' Monmouth Estates Limited).

WILLIAM JONES'S SCHOOLS FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2022

	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Net cash used in operating activities		(2,415)		(2,897)
Cash flows from investing activities:				
Investment income received	124		131	
Purchase of tangible fixed assets	(352)		(317)	
Proceeds from sale of investments	13		834	
Purchase of investments	(49)		(1,367)	
Drawn from Charities Investment Pool (Total Return)	2,531		2,500	
Net cash provided by investing activities		2,267		1,781
Cash flows from financing activities:				
Repayments of borrowing	(1,627)		(891)	
		(1,627)		(891)
Change in cash and cash equivalents in the reporting period		(1,775)		(2,007)
Cash and cash equivalents at the beginning of the reporting period		8,596		10,603
Cash and cash equivalents at the end of the reporting period		6,821		8,596

WILLIAM JONES'S SCHOOLS FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2022

NET CASH USED IN OPERATING ACTIVITIES

	2022 £'000	2021 £'000
Net movement in funds (per Statement of Financial Activities)	3,406	15,381
Adjustments for:		
Gains on investments	(6,375)	(19,096)
Investment income	(124)	(131)
Depreciation	1,367	1,407
Pension scheme adjustment	(150)	(258)
(Increase)/decrease in stocks	(12)	45
Decrease in creditors and provisions	(22)	(235)
Decrease in debtors	(507)	-
Decrease in cash held for investment	2	(10)
Net cash used in operating activities	(2,415)	(2,897)

ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £'000	2021 £'000
Cash at bank	3,841	3,808
Investments	2,980	4,788
Total cash and cash equivalents	6,821	8,596

ANALYSIS OF CHANGES IN NET FUNDS/NET (DEBT)

	At 1 September 2021 £'000	Cash flows £'000	At 31 August 2022 £'000
Cash in hand	3,808	33	3,841
Cash equivalents	4,788	(1,808)	2,980
Loans falling due within one year	(1,628)	(31)	(1,659)
Loans falling due after more than one year	(7,901)	1,658	(6,243)
Total	(933)	(148)	(1,081)

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The financial statements are prepared in accordance with the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) which has been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £'000.

The Foundation constitutes a public benefit entity as defined by FRS 102. The Foundation is unincorporated. Its registered office is 18 West Smithfield, London, EC1A 9HQ.

The Trustees have reviewed the Foundation's financial position including specific consideration of the impact of COVID-19 on the Foundation's cashflows, operations and future plans. With the CBIL facility in place, the Trustees are satisfied that there are sufficient resources to manage the identified operational and financial risks. They have a reasonable expectation that the organisation has adequate resources to continue operating for at least 12 months from the date of approval of the accounts. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

Group accounts

The financial statements consolidate the results of the Foundation and its three wholly-owned non-charitable subsidiary companies on a line-by-line basis. A separate Statement of Financial Activities (SOFA) for the Foundation is not presented because this is not considered to be materially different from the consolidated statement of financial activities (SOFA). Further information on the subsidiaries is disclosed at note 16.

The Schools' Governors appoint their own auditors and prepare separate financial statements for the Schools. The Trustees prepare financial statements for the Foundation which incorporates the results of the Schools, consolidated on a line by line basis.

Funds structure

A statement listing all funds is at note 5. The funds are categorised as follows:

Permanent endowment fund: Except to the extent permitted by the total return arrangements, this fund may not be expended and represents the land and buildings of the Foundation, plus investment assets used to generate income for application by the Schools' Governors.

Restricted funds: These funds were donated or created for specific purposes and may only be used for those purposes.

Designated funds: These are unrestricted funds set aside for particular purposes by the trustees but they are not subject to any formal restriction.

Unrestricted general funds: These funds are not subject to any restriction other than the objects of the Foundation and are applied in furtherance of the objects.

Income recognition

All income, including government grant income, is recognised when the Foundation is legally entitled to the income and there is reasonable assurance of receipt.

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

School fees receivable are accounted for in the period in which the service is provided. School fees are stated net of bursaries, scholarships and fee remission for children of school staff.

Dividend income is taken into account when dividends fall due for payment.

Expenditure recognition

Resources expended are recorded on an accruals basis and include support costs which may be allocated direct or apportioned on the basis of staff time.

Raising funds: Costs incurred in raising funds including managing the Foundation's investment assets and servicing loans are recorded under this heading.

Charitable activities: Expenditure incurred directly in meeting the objects of the Foundation is recorded under this heading.

Termination costs: severance and redundancy payments are recognised in the period in which the payment becomes binding.

Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. These include salaries and service charges relating to specific staff involved directly in facilitating charitable activities.

Governance costs relate to expenditure incurred in the general running of the Foundation and include salaries and service charges for specific staff involved in compliance with constitutional and statutory requirements and audit fees.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Pension schemes

The Schools contribute to the Teachers' Pension Scheme at rates set by the Scheme Actuary and advised by the Scheme Administrator. The Schools also contribute 10% of salary to a group personal pension plan for non-teaching staff.

The accounting policy adopted in respect of the closed defined benefit non-teaching staff pension scheme is that the amount charged to the statement of financial activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The expected return on scheme assets and the interest cost and interest on scheme liabilities are shown independently on the Statement of Financial Activities. Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the statement of financial activities.

The assets of the scheme are held separately from the Foundation in trustee-administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at the balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised in the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension liability is recognised to the extent that the group has a legal obligation to settle the liability.

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

Tangible fixed assets and depreciation

The Foundation's functional land and buildings at the schools are vested in HMEL as Estates Governor. New school buildings form part of the Estates and are assets of the permanent endowment fund. Funding of new buildings from schools' funds is recorded as a transfer from unrestricted funds to the permanent endowment fund and depreciation of school buildings is treated as expenditure from the permanent endowment fund. HMEL is responsible for maintaining the buildings in a fit and useful condition and these costs are written off as incurred.

Land and buildings dating from before 1945 are not capitalised or depreciated as historical cost information is no longer available and no reliable values can be attributed. If it were possible to base a provision for depreciation on historical cost of pre-1945 buildings, it is probable that the amount would not be material.

An estimate of expenditure on buildings between 1945 and 1983 was capitalised in 1999 under the transitional provisions of Financial Reporting Standard 15. It is now treated as deemed historic cost.

Expenditure on buildings since 1983 has been capitalised at historic cost. All other assets are capitalised at historic cost.

Depreciation is provided on fixed assets other than freehold land at rates calculated to write off the excess of cost over estimated residual amount evenly over the estimated useful economic lives of each class of asset, subject to annual review. These rates are currently as follows:

	To 31 August 2014	From 1 September 2014
Freehold Buildings	8-100 years	25-50 years
Equipment and Furnishings	5-10 years	5-10 years
Computers	3-5 years	3-5years
Motor Vehicles	5 years	5 years

Where estimated useful lives of buildings are in excess of 50 years, they are subject to an impairment review. This is formalised every five years with support from an external surveyor.

Fixed asset investments

(a) Quoted securities
Quoted securities comprise publicly quoted, listed securities including shares, bonds and units. Quoted securities are stated at market value at the balance sheet date. Investment shares and purchases are recognised at the date of trade.

(b) Unquoted investments
The vast majority of private equity and property fund investments are held through funds managed by private equity and property groups. No readily identifiable market price is available for these unquoted funds. These funds are included at the most recent valuations from their respective managers.

Stock

Stock is carried at the lower of cost or net realisable value.

Financial instruments

Financial instruments are recognised in the balance sheet of the Foundation when it becomes party to the contractual provisions of the instrument.

(a) Financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially recognised at transaction price including transaction costs and are subsequently carried at amortised cost.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. The impairment losses are recognised in the Statement of Financial Activities.

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Financial Activities.

Financial assets are derecognised when:

- the contractual rights to the cash flows from the asset expire or are settled, or
- substantially all the risks and rewards of the ownership are transferred to another party, or
- control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(b) Financial liabilities

Basic financial liabilities, which include trade and other creditors, bank loans, school fees in advance and confirmation deposits, are initially recognised at transaction price.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(c) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods where necessary.

The critical estimates and judgements made in preparing these accounts are explained in these accounting policies and relate particularly to:

- Valuation of unlisted investments
- The actuarial assumptions relating to the valuation of the pension deficit

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

2. INVESTMENT INCOME

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Endowment Fund £'000	Total 2022 £'000	Total 2021 £'000
Interest from bank deposits	6	-	-	6	7
Income from listed investments	98	20	-	118	124
	104	20	-	124	131
FRS102 pension scheme interest	45	-	-	45	44
	149	20	-	169	175

3. TUITION FEES

	2022 £'000	2021 £'000
Gross Fees	23,502	21,459
Less		
Scholarships	(448)	(469)
Bursaries	(1,721)	(1,686)
Assisted places (a bursary scheme replacing a former State-funded scheme)	(35)	(48)
Staff fee remission	(987)	(934)
	20,311	18,323
Numbers of pupils benefiting from:		
Scholarships	221	227
Bursaries	287	304
Assisted places	5	48

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

4. TOTAL RESOURCES EXPENDED

	Staff costs £'000	Other direct costs £'000	Depreciation £'000	Total 2022 £'000	Total 2021 £'000
Raising funds:					
Loan interest	-	298	-	298	317
Fees in advance discount	-	46	-	46	65
Trading costs of subsidiaries	165	613	5	783	803
	165	957	5	1,127	1,185
Charitable expenditure:					
Teaching costs	10,851	2,656	424	13,931	12,713
School welfare	1,384	1,185	26	2,595	2,272
School premises costs	1,595	2,844	912	5,351	5,526
Support costs	1,832	940	-	2,772	2,692
Governance costs	25	100	-	125	119
FRS102 pension scheme interest costs	-	47	-	47	50
	15,687	7,772	1,362	24,821	23,372
Total resources expended	15,852	8,729	1,367	25,948	24,557

	2022 £'000	2021 £'000
Charitable expenditure includes:		
Remuneration of Schools' auditors for audit services	30	30
Remuneration of Foundation's auditors for audit services	14	14
Payment to the Haberdashers' Company for service charges	15	15

Service charges are paid by the Foundation to the Haberdashers' Company and the Haberdashers Operating Company for accommodation and office facilities provided by and shared with those companies and with other connected charities. The service charges do not exceed the cost to those companies of providing the services.

Support costs include administration and grounds staff, establishment costs, professional fees, travel and general costs.

	2022 £'000	2021 £'000
Staff costs comprised:		
Wages and salaries	12,397	12,152
Social security costs	1,224	1,152
Pension contributions	2,120	2,039
Payment of Haberdashers' Company staff under paymaster arrangement	111	110
	15,852	15,453

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

4. TOTAL RESOURCES EXPENDED (continued)

Under joint contracts of employment and a paymaster arrangement, salary costs for the Haberdashers' Company and its charities are paid by Haberdashers' Operating Company and allocated to the various entities on the basis of time spent.

No remuneration or reimbursed expenses were paid to the Trustees or to any of the Schools' Governors.

	2022 £'000	2021 £'000
Aggregate employee-benefits of key management personnel	820	916

See page 2 for the list of Key Management Personnel.

Termination payments of £28,719 (2021: £73,041), covering staff across the schools, were made in the year.

Average numbers of employees in the year were:

	2022 No.	2021 No.
Teaching staff	284	265
Other staff	268	289
	552	554

The numbers of higher paid employees earning in excess of £60,000 were:

	2022 No.	2021 No.
£60,001 to £70,000	3	5
£70,001 to £80,000	6	3
£100,001 to £110,000	3	2
£110,001 to £120,000	-	1
£240,001 to £250,000	1	1

Nine higher paid employees were members of the defined benefit pension schemes detailed at note 12. Contributions of £32,691 were paid to defined contribution schemes for three higher-paid employees (2021: £29,509 – 4 employees).

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

5. STATEMENT OF FUND MOVEMENTS AND TRANSFERS

(a) Fund movements

	Balance 1 September 2021 £'000	Income £'000	Expenditure £'000	Other recognised gains/ (losses) £'000	Net Transfers £'000	Balance 31 August 2022 £'000
Designated funds:						
Schools cyclical repairs	371	-	(399)	-	399	371
Assisted places reserve	666	-	-	-	-	666
Prospectus reserve	124	-	-	-	10	134
Recruitment reserve	42	-	(4)	-	20	58
Pensions reserve	34	-	(61)	-	100	73
	1,237	-	(464)	-	529	1,302
General funds – Foundation:						
Schools	(140)	21,776	(23,301)	(252)	941	(976)
Foundation Income Fund	90	6	(260)	24	-	(140)
Pension scheme fund	(150)	45	(47)	86	66	-
Total unrestricted funds – Foundation	1,037	21,827	(24,072)	(142)	1,536	186
Non-charitable trading funds	(6)	866	(783)	-	(83)	(6)
Total unrestricted funds – Group	1,031	22,693	(24,855)	(142)	1,453	180
Restricted funds						
Schools scholarship funds	274	49	(3)	-	(81)	239
Pre-Prep & Nursery grant	3	-	-	-	-	3
Girls school other	43	6	(2)	-	-	47
Blake Legacy Fund	118	65	(116)	-	-	67
Extraordinary repair fund	721	20	-	(67)	-	674
Stephenson awards	16	-	-	-	-	16
Walker Memorial Fund	-	60	(60)	-	-	-
Total restricted funds	1,175	200	(181)	(67)	(81)	1,046
Permanent endowment fund	135,698	-	(912)	6,670	(1,372)	140,084
Total Funds	137,904	22,893	(25,948)	6,461	-	141,310

The permanent endowment fund at 31 August 2022 consisted of £6,314,000 base value of endowment at 31 August 1976, £97,714,000 unapplied total return and £36,056,000 land and buildings at the Schools, net of bank loans used to fund school buildings.

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

5. STATEMENT OF FUND MOVEMENTS AND TRANSFERS (continued)

(b) Transfers between funds

	Non-charitable trading funds £'000	Charitable unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Permanent endowment fund £'000
Transfer from unapplied Total Return	-	2,000	-	-	(2,000)
Funding from schools for new buildings	-	(628)	-	-	628
Additions to cyclical maintenance reserves	-	(399)	399	-	-
Recruitment reserve	-	(20)	20	-	-
Prospectus reserve	-	(10)	10	-	-
Scholarship awards	-	81	-	(81)	-
Addition to governors' general reserve	-	(100)	100	-	-
Trading companies payment under gift aid	(83)	83	-	-	-
	(83)	841	529	(81)	(1,372)

A transfer of £2,000,000 was made from the investment in the Haberdashers Charities Investment Pool (Total Return) to the Monmouth Schools. Of this, £2,000,000 was the annual transfer from the unapplied total return on the endowment for 2021/22.

A further transfer of £628,000 was made from the Schools' General Fund to the Permanent Endowment Fund reflecting the investment in land and buildings during the year.

In addition, a transfer of £399,000 was made from the Schools' General Fund to the Schools' Cyclical Repairs for scheduled major maintenance.

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

6. TANGIBLE FIXED ASSETS

Foundation and Group	Freehold land and buildings £'000	Equipment and furnishings £'000	Motor vehicles £'000	Charity total £'000	Subsidiary companies equipment £'000	Group Total £'000
Cost						
1 September 2021	57,317	4,747	299	62,363	128	62,491
Additions	-	330	22	352	-	352
Disposals	-	(30)	-	(30)	(12)	(42)
31 August 2022	57,317	5,047	321	62,685	116	62,801
Depreciation						
1 September 2021	16,198	2,673	278	19,149	120	19,269
Charge for year	912	436	14	1,362	5	1,367
Disposals	-	(30)	-	(30)	(12)	(42)
31 August 2022	17,110	3,079	292	20,481	113	20,594
Net book value 31 August 2022	40,207	1,968	29	42,204	3	42,207
31 August 2021	41,119	2,074	21	43,214	8	43,222

Expenditure on buildings between 1945 and 1983 is capitalised at a Trustees' valuation of £6,095,000.

Historical assets, being land and buildings dating from before 1945, are not capitalised. The value of non-capitalised buildings for insurance purposes is £19.2 million. Expenditure on refurbishing historical assets, amounting to £3,134,000 is included in fixed assets.

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

7. INVESTMENTS

Foundation and Group		2022 £'000	2021 £'000
(a)	Listed investments	3,375	3,658
(b)	Haberdashers' Charities Investment Pool (Total Return)	102,665	98,526
(c)	Investment cash	123	101
		106,163	102,285

(a) Listed investments

Foundation and Group	Extraordinary repair fund £'000	Governors Investment fund £'000	Total £'000
Market value at 1 September 2021	757	2,901	3,658
Acquisitions at cost	2	-	2
Reinvestment	20	27	47
Disposals	-	(13)	(13)
Net loss on revaluation	(67)	(252)	(319)
Market value at 31 August 2022	712	2,663	3,375

The extraordinary repair fund investments are held in the form of common investment funds.

The Governors investment fund investments are held in the Sarasin & Co endowment funds which are predominantly equities.

(b) Investment in Haberdashers' Charities Investment Pool (Total Return)

Foundation and Group	2022 £'000	2021 £'000
Market value at 1 September 2021	98,526	82,247
Withdrawals	(2,531)	(2,500)
Net gain on revaluation	6,670	18,779
Market value at 31 August 2022	102,665	98,526

The units held by the Foundation in the Haberdashers' Charities Investment Pool (Total Return) represent 72.04% of the Pool units in issue.

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

8. MOVEMENT ON UNAPPLIED TOTAL RETURN

Unapplied total return is calculated relative to the value of the trust for investment at 31 August 1976 (base value), that being the base date determined by the Trustee as appropriate for the Foundation's endowment fund. No new endowment gifts have been received since the base date.

	Trust for investment £'000	Unapplied Total Return £'000	Total 2022 £'000	Total 2021 £'000
Trust for investment at 1 September 2021	6,314	93,044	99,358	83,279
Investment returns:				
Realised and unrealised investment gains	-	6,670	6,670	18,779
Transfer to trust for application	-	(2,000)	(2,000)	(2,700)
Trust for investment at 31 August 2022	6,314	97,714	104,028	99,358

9. DEBTORS AND PREPAYMENTS

	Group		Foundation	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Prepayments	436	242	436	242
Other debtors	585	244	474	205
School fees	535	564	535	564
Due from subsidiary companies	-	-	279	140
	1,557	1,050	1,724	1,151

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Foundation	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Bank loans	1,659	1,628	1,659	1,628
School fees in advance and confirmation deposits	3,096	2,678	3,096	2,678
Taxation and social security	293	276	293	276
Other creditors	1,033	873	947	766
Accruals and deferred income	195	275	195	275
	6,276	5,730	6,191	5,623

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Foundation	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Bank loans	6,243	7,901	6,243	7,901
School fees in advance and confirmation deposits	3,119	3,656	3,119	3,656
	9,362	11,557	9,362	11,557
Maturity of debt:				
Between 1 and 2 years	2,534	2,573	2,534	2,573
Between 2 and 5 years	5,608	6,682	5,608	6,682
After 5 years	1,220	2,302	1,220	2,302
	9,362	11,557	9,362	11,557

Bank loans for school building projects, all unsecured, are:

(i) £5.0 million from Lloyds Bank plc drawn in 2007/08, interest fixed at 4.75 repayable in March 2029

(ii) £0.8 million from Lloyds Bank plc drawn in 2010/11, interest at variable rate, repayable over 15 years from September 2011.

(iii) £3.0 million from Lloyds Bank plc drawn in 2011/12, interest at base rate plus 2.51% with 75% of the loan required to be at a fixed rate from July 2014, repayable over 15 years from July 2012.

(iv) £1.5 million from Lloyds Bank plc drawn in 2012/13, interest fixed at 5.766%, repayable over 15 years from July 2013.

A £5.0 million CBIL loan from Lloyds Bank was taken out in May 2020, at a rate of 1.21% over base with no interest in the first year. The loan is secured over existing buildings and is repayable in 2026.

Bank loan repayments of £1,659,000 due before 31 August 2022 are shown at note 10.

12. PENSION COSTS

(a) Defined contribution schemes

The Schools operate a defined contribution scheme for non-teaching staff. The assets of the non-teaching staff scheme are held separately from those of the Schools in a fund independently administered by Scottish Widows. Additional voluntary contributions for teachers are paid into a fund independently administered by the Prudential Assurance Company Limited. The pension cost charge represents contributions payable by the Schools to the funds and amounted to £517,160 (2021: £448,780)

(b) Master trust scheme – teaching staff

During the year the School introduced an optional APTIS master trust scheme for teaching staff. The assets of this scheme are held separately from those of the School in a fund independently administered by AVIVA. The pension charge for the year includes contributions payable by the School to the funds and amounted to £232,246 (2021: £179,110)

12. PENSION COSTS (continued)

(c) Defined benefit scheme – teaching staff

The Schools participate in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff.

The pension charge for the year includes contributions payable to the TPS of £1,462,503 (2021: £1,464,433) and at the year-end £172,451(2021: £169,680) was accrued in respect of contributions to this scheme.
The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 (as amended) and, from 1 April 2014, the Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

(d) Defined benefit scheme – non-teaching staff

Haberdashers' Monmouth Schools operate a defined benefit scheme in the UK administered by the Prudential Assurance Company Limited.

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

12. PENSION COSTS (continued)

A triennial valuation was performed as at 31 March 2021 resulting in a scheme deficit of £16,000. A Recovery Plan was agreed. The schools agreed to continue with annual employer's contributions of £66k to be paid in equal monthly instalments until 31 March 2026. The next triennial valuation will be as at 31 March 206. The next triennial valuation will be as at 31 March 2024.

An actuarial valuation to meet the requirements of Financial Reporting Standard 102 (FRS 102) was carried out by the scheme's actuary, Quantum Advisory as at 31 August 2022. This showed that a surplus of £374k compared to a deficit of £150k at 31 August 2021. In line with the Foundation's accounting policy and FRS 102, this surplus is not recognized in the balance sheet.

Movement in deficit during the year

	Year ended 31 August 2022 £'000	Year ended 31 August 2021 £'000
(Deficit) in scheme at beginning of year as previously reported	(150)	(408)
Movement in year:		
Employer's contributions	66	66
Pension expense	(2)	(6)
Actuarial (loss)/gain	460	198
Surplus/(Deficit) in scheme at end of year	374	(150)
Surplus on the scheme not accounted for	(374)	-
Net defined benefit liability as recognised in the Balance Sheet	-	150

There is no service cost because the Scheme is fully paid-up, i.e. no further benefits are being accrued.

The major assumptions used in valuing the liabilities are given below with earlier year comparatives:

Assumptions	As at 31 August 2022	As at 31 August 2021
Discount rate	4.2%	1.5%
Inflation	4.0%	3.7%
Increases to deferred pensions (statutory revaluation) before retirement	3.4%	3.0%

Mortality

Based on the assumptions, on the balance sheet date the average future life expectancies at age 65 are summarised below:

Life expectancy from age 65 years		As at 31 August 2022	As at 31 August 2021
Retiring today	Male	22.2	22.3
	Female	24.6	24.3
Retiring in 20 years	Male	23.8	24.1
	Female	26.3	26.1

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

12. PENSION COSTS (continued)

The amounts recognised in the statement of financial position	2022 £'000	2021 £'000
Present value of funded obligations	2,169	3,191
Fair value of plan funds	(2,543)	(3,041)
Net defined benefit (asset) / liability	(374)	150
Surplus on the scheme not accounted for	374	-
Net defined benefit (asset) / liability as recognised in the Balance Sheet	-	150

The amounts recognised in the income statement	2022 £'000	2021 £'000
Net interest cost	2	6
Total pension expense	2	6

The amounts in the statement of other recognised gains and losses	2022 £'000	2021 £'000
Actuarial (loss) / gain on plan assets	(436)	295
Actuarial gain / (loss) on defined benefit obligation	896	(97)
Surplus on the scheme not accounted for	(374)	-
Total gain in statement of other recognised gains and losses	86	198

Changes in the present value of the defined benefit obligation	2022 £'000	2021 £'000
Liabilities at the start of the period	3,191	3,210
Interest cost	47	50
Actuarial (gain) / loss	(896)	97
Benefits paid	(173)	(166)
Liabilities at the end of the period	2,169	3,191

Changes in the fair value of plan assets	2022 £'000	2021 £'000
Fair value of plan assets at the start of the period	3,041	2,802
Interest income	45	44
Actuarial (loss) / gain	(436)	295
Contributions by the employer	66	66
Benefits paid	(173)	(166)
Fair value of plan assets at the end of the period	2,543	3,041

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

12. PENSION COSTS (continued)

Analysis of return on plan assets	2022 £'000	2021 £'000
Interest income	45	44
Actuarial (loss) / gain on plan assets	(436)	295
Return on plan assets	(391)	339

Major categories of plan assets as a percentage of total assets

	Proportion of portfolio 31 August 2022 %	Value of assets 31 August 2022 £'000	Proportion of portfolio 31 August 2021 %	Value of assets 31 August 2021 £'000
Equity	45.2	1,150	59.0	1,794
Annuities	17.9	456	21.8	662
Bonds	9.9	251	10.4	316
Alternative	17.7	449	3.5	105
Property	4.6	117	-	-
Cash	4.7	120	5.3	164
Total market value of assets	100.0	2,543	100.0	3,041

13. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000
Tangible fixed assets	2,000	-	40,207	42,207
Fixed asset investments	2,785	713	102,665	106,163
Loan to William Jones's Almshouse Charity			1	1
Net current assets	1,795	333	173	2,301
Creditors due after more than one year	(5,869)	-	(3,493)	(9,362)
Defined benefit pension scheme	-	-	-	-
	711	1,046	139,553	141,310

14. RELATED PARTIES

The Haberdashers' Company, a City Livery Company incorporated by royal charter, is the sole member of HMEL. HMEL is a Trustee of the Foundation. Details of transactions between the Foundation, the Haberdashers' Company and connected entities are set out below:

- The Haberdashers' Company and its subsidiary were reimbursed for certain expenses incurred in the year on behalf of the Foundation. Further details are set out in note 4.

- The Foundation's endowment funds are invested predominantly in the Haberdashers' Total Return Pool, a common investment fund which has the Haberdashers' Company as Trustee. Notes 2 and 7 provide further details of relevant transactions and balances.

- In the year, the Foundation received £28,000 of grant funding from the Haberdashers' Educational Foundation to primarily support bursaries (2021: £46,000). The Haberdashers' Company is the Trustee of the Haberdashers' Educational Foundation.

Details of transactions and balances between the Foundation's schools and its subsidiaries are set out in notes 9, 10 and 16.

No remuneration or reimbursed expenses were paid to the Trustees or to any of the Schools' Governors.

15. CAPITAL COMMITMENTS

The value of capital expenditure contracted for but not yet incurred was £Nil (2021: £Nil).

The Foundation owns the whole beneficial interest in the share capital of three non-charitable trading subsidiaries for which the results are summarised below. Taxable profits are donated to the Foundation by deed of covenant (DoC).

	Share capital £	Activities
Monmouth School Enterprises Limited (Company number: 01727038)	90,000	Sale of school clothing and sports equipment at Monmouth School for Boys. Running the Monmouth School Sports Centre.
HMSG Enterprises Limited (formerly Haberdashers' Monmouth Girls School Shop Limited) (Company number: 02219841)	2	Sale of school clothing and sports equipment at Monmouth School for Girls.
Haberdashers' Monmouth Schools Bus Company Limited (Company number: 03031536)	2	Provision of bus transportation for pupils of Monmouth School for Boys and Monmouth School for Girls.

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

16. TRADING SUBSIDIARIES (continued)

A summary of trading results and balance sheets for the trading subsidiaries is shown below:

	MSEL		HMSGEL		Bus Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Turnover	866	258	-	121	-	211
Cost of sales	(492)	(176)	-	(73)	-	(446)
Administration expenses	(291)	(78)	-	(28)	-	(2)
Operating profit/(loss)	83	4	-	20	-	(237)
Subsidy from schools	-	-			-	237
Interest receivable	-	-	-	-	-	-
Transfer to the Foundation (Deed of Covenant)	(83)	-	-	(28)	-	-
Retained profit/(loss) for the year	-	4	-	(8)	-	-
Share capital issued	90	90	-	-	-	-
Reserves b/f	(6)	(10)	-	8	-	-
Reserves c/f	84	84	-	-	-	-
Fixed assets	2	8	-	-	-	-
Current assets	447	379	-	4	-	2
Creditors falling due within one year	(365)	(303)	-	58	-	(2)
Unsecured loan	-	-	-	(62)	-	-
Net assets	84	84	-	-	-	-

*Note as of 2022 HMSGEL and Bus Company were dormant in year and have now been wound up. HMSG transferred its trade and assets to MSEL on 31 August 2021

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

17. GROUP STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 AUGUST 2021

	Unrestricted Funds		Restricted Funds	Permanent Endowment fund	Total
	Schools £'000	Foundation Income £'000	£'000	£'000	2021 £'000
Income and endowments from:					
Donations	-	-	498	-	498
Charitable activities:					
School fees	18,323	-	-	-	18,323
Ancilliary trading income	499	-	-	-	499
Other income – coronavirus job retention scheme	351	-	-	-	351
Other trading activities:					
Trading income	589	-	-	-	589
Investments:					
Investment income	104	6	21	-	131
FRS102 pension scheme interest	44	-	-	-	44
Other income	209	-	-	-	209
	20,119	6	519	-	20,644
Expenditure on:					
Raising funds:					
Loan interest	317	-	-	-	317
Fees in advance discount	65				65
Trading costs of subsidiaries	803	-	-	-	803
Charitable expenditure:					
Schools	21,900	248	266	908	23,322
FRS 102 pension scheme interest cost	50	-	-	-	50
	23,135	248	266	908	24,557
Net (expenditure)/income before gains on investments	(3,016)	(242)	253	(908)	(3,913)
Net gains on investments	235	8	74	18,779	19,096
Net (expenditure)/income	(2,781)	(234)	327	17,871	15,183
Transfers between funds	1,814	200	(150)	(1,864)	-
Other recognised gains:					
Actuarial gains on defined benefit schemes	198	-	-	-	198
Net movement in funds	(769)	(34)	177	16,007	15,381
Reconciliation of Funds:					
Total funds brought forward	1,710	124	998	119,691	122,523
Total funds carried forward	941	90	1,175	135,698	137,904

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

18. INVESTMENT INCOME FOR THE YEAR ENDED 31 AUGUST 2021

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Endowment Fund £'000	Total 2021 £'000
Interest from bank deposits	7	-	-	7
Income from listed investments	103	21	-	124
Distributions from Haberdashers' Charities Investment Pool (Total Return)	-	-	-	-
	110	21	-	131
FRS102 pension scheme interest	44	-	-	44
	154	21	-	175

19. TOTAL RESOURCES EXPENDED FOR THE YEAR ENDED 31 AUGUST 2021

	Staff costs £'000	Other direct costs £'000	Depreciation £'000	Total 2021 £'000
Raising funds:				
Loan interest	-	317	-	317
Fees in advance discount	-	65	-	65
Trading costs of subsidiaries	57	737	9	803
	57	1,119	9	1,185
Charitable expenditure:				
Teaching costs	10,573	1,678	462	12,713
School welfare	1,387	857	28	2,272
School premises costs	1,538	3,080	908	5,526
Support costs	1,874	818	-	2,692
Governance costs	24	95	-	119
FRS102 pension scheme interest costs	-	50	-	50
	15,396	6,578	1,398	23,372
Total resources expended	15,453	7,697	1,407	24,557

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

20. STATEMENT OF FUND MOVEMENTS AND TRANSFERS YEAR ENDED 31 AUGUST 2021

(a) **Fund movements**

	Balance 1 September 2020 £'000	Income £'000	Expenditure £'000	Other recognised gains/ (losses) £'000	Net Transfers £'000	Balance 31 August 2021 £'000
Designated funds:						
Schools cyclical repairs	371	-	(630)	-	630	371
Assisted places reserve	666	-	-	-	-	666
Prospectus reserve	114	-	-	-	10	124
Recruitment reserve	22	-	-	-	20	42
Pensions reserve	64	-	(55)	-	25	34
	1,237	-	(685)	-	685	1,237
General funds – Foundation:						
Schools	882	19,486	(21,597)	235	854	(140)
Foundation Income Fund	124	6	(248)	8	200	90
Pension scheme fund	(408)	44	(50)	198	66	(150)
	598	19,536	(21,895)	441	1,120	(200)
Total unrestricted funds – Foundation	1,835	19,536	(22,580)	441	1,805	1,037
Non-charitable trading funds	(1)	589	(803)	-	209	(6)
Total unrestricted funds – Group	1,834	20,125	(23,383)	441	2,014	1,031
Restricted funds						
Schools scholarship fund	319	32	(27)	-	(50)	274
Pre-Prep & Nursery grant	3	-	-	-	-	3
Pre-Prep & Nursery bursary	-	7	(7)	-	-	-
Girls school other	33	10	-	-	-	43
Boys Pavilion Fund	-	320	(202)	-	-	118
Boys Wellness Fund	-	100	-		(100)	
Covid Support Fund	-	30	(30)	-	-	-
Extraordinary repair fund	627	20	-	74	-	721
Stephenson awards	16	-	-	-	-	16
Total restricted funds	998	519	(266)	74	(150)	1,175
Permanent endowment fund	119,691	-	(908)	18,779	(1,864)	135,698
Total Funds	122,523	20,644	(24,557)	19,294	-	137,904

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

20. STATEMENT OF FUND MOVEMENTS AND TRANSFERS (continued)

(b) **Transfers between funds**

	Non-charitable trading funds £'000	Charitable unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Permanent endowment fund £'000
Transfer from unapplied Total Return	-	2,700	-	-	(2,700)
Funding from schools for new buildings	-	(836)	-	-	836
Additions to cyclical maintenance reserves-	-	(630)	630	-	-
Recruitment reserve	-	(20)	20	-	-
Wellness reserve	-	100	-	(100)	-
Prospectus reserve		(10)	10	-	
Scholarship awards		50	-	(50)	
Provision for assisted places	-	(47)	47	-	-
Assisted places provision used	-	47	(47)	-	-
Addition to governors' pension reserve	-	(25)	25	-	-
Bus company supplement	237	(237)	-	-	-
Trading companies payment under gift aid	(28)	28	-	-	-
	209	1,120	685	(150)	(1,864)

21. MOVEMENT ON UNAPPLIED TOTAL RETURN FOR THE YEAR ENDED 31 AUGUST 2021

Unapplied total return is calculated relative to the value of the trust for investment at 31 August 1976 (base value), that being the base date determined by the Trustee as appropriate for the Foundation's endowment fund. No new endowment gifts have been received since the base date.

	Trust for investment £'000	Unapplied Total Return £'000	Total 2021 £'000
Trust for investment at 1 September 2020	6,314	76,965	83,279
Investment returns:			
Realised and unrealised investment gains	-	18,779	18,779
Transfer to trust for application	-	(2,700)	(2,700)
Trust for investment at 31 August 2021	6,314	93,044	99,358

NOTES TO THE ACCOUNTS
Year ended 31 August 2022

22. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS
YEAR ENDED 31 AUGUST 2021

	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000
Tangible fixed assets	2,103	-	41,119	43,222
Fixed asset investments	3,000	759	98,526	102,285
Loan to William Jones's Almshouse Charity	-	-	1	1
Net current assets/(liabilities)	3,484	416	203	4,103
Creditors due after more than one year	(7,406)	-	(4,151)	(11,557)
Defined benefit pension scheme	(150)	-	-	(150)
	1,031	1,175	135,698	137,904

WILLIAM JONES'S SCHOOLS FOUNDATION

England & Wales - Charity number 525616

Accounts

Charity Registration No. 525616

WILLIAM JONES'S SCHOOLS FOUNDATION

Trustees' report and accounts for the year ended 31 August 2021

WILLIAM JONES'S SCHOOLS
FOUNDATION

CONTENTS PAGE

Legal and administrative details	1
Trustees' report	3
Independent auditors' report	18
Consolidated statement of financial activities	21
Balance sheets	22
Consolidated cash flow statement	23
Notes to the accounts	25

WILLIAM JONES'S SCHOOLS FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

REGISTERED CHARITY NUMBER 525616

TRUSTEES AND GOVERNORS

The William Jones's Schools Foundation ("the Foundation") has two corporate trustees: Haberdashers' Monmouth Estates Limited (HMEL), Company number 09177858 and Haberdashers' Monmouth Schools Limited (HMSL), Company number 09177946. The Haberdashers Company is the sole member of HMEL and HMSL.

PRINCIPAL OFFICES

Haberdashers' Monmouth Estates Limited and the Foundation
Haberdashers' Hall, 18 West Smithfield, London, EC1A 9HQ

Haberdashers' Monmouth Schools Limited
St Catherine's House, 17 Hereford Street, Monmouth, NP25 3HG

OFFICERS OF THE HABERDASHERS' COMPANY

Clerk	Commodore P J Thicknesse RN (resigned 31 October 2020) Brigadier H A Watson MBE (appointed 31 October 2020)
Director of Finance & Information	E D Bayley
Director of Schools Director for Schools and Estates	A Chambers (resigned 12 March 2021) A Gonzalez (appointed 6 September 2021)

DIRECTORS OF HABERDASHERS' MONMOUTH ESTATES LIMITED

The Haberdashers' Company

Mr Richard Glover, Chairman of the Haberdashers' Company Education Committee

DIRECTORS OF HABERDASHERS' MONMOUTH SCHOOLS LIMITED AND SCHOOLS' GOVERNORS

* A W Twiston-Davies (Chairman) # (resigned 31 December 2021)
* P M Alderman
Mrs E Ashford
* Mrs J M Booth
Prof R J Carwardine
* Mrs S Clayton (resigned 31 December 2021)
* T Haden-Scott #
* M Kerrigan (resigned 31 August 2021)
Dr S Honeywill (appointed 1 October 2021)
A Mohindru QC (appointed 1 October 2021)
* N G H Manns
* R P Miners #
Mrs H Moriarty
* Lord Moynihan # (appointed 10 December 2021)
Councillor R G Roden (resigned 5 May 2022)
* Mrs R F Rose
* Mrs L A Russen
* N A J Waters
* Dr R A Weeks
* I A de Weymarn
Mrs R Williams

* appointed by the Haberdashers' Company
\# member of the Court of Assistants of the Haberdashers' Company

Of the seven governor appointments not made by the Haberdashers' Company, one was appointed by Monmouthshire County Council and the other six were co-opted by the Governors, including two current or former members of the academic staff from the Universities of Oxford, Cambridge and Cardiff.

WILLIAM JONES'S SCHOOLS FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

CLERK AND TREASURER TO THE SCHOOLS' GOVERNORS

Mrs F S Creasey

THE SCHOOLS

Monmouth School for Boys, Almshouse Street, Monmouth, NP25 3XP
Monmouth School for Girls, Hereford Road, Monmouth, NP25 5XT
Monmouth Prep School, The Grange, Hadnock Road, Monmouth, NP25 3NG

Website: www.habs-monmouth.org

KEY MANAGEMENT PERSONNEL

J Murphy-O'Connor	Principal, Haberdashers' Monmouth Schools
S H Dorman	Head, Monmouth School for Boys
Mrs J Miles	Head, Monmouth School for Girls
N Shaw	Head, Monmouth Prep School
Mrs T A Norgrove	Foundation Bursar

PRINCIPAL ADVISERS TO THE FOUNDATION

Bankers
C Hoare & Co, 37 Fleet Street, London, EC4P 4DQ
Allied Irish (GB), 26 Finsbury Square, London, EC2A 1DS

Independent Auditors
Saffery Champness LLP, 71 Queen Victoria Street, London, EC4V 4BE

Solicitors
Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

PRINCIPAL ADVISERS TO THE SCHOOLS

Bankers
Lloyds Banking Group, 5 Cathedral Road, Cardiff, CF11 9RH
Barclays Bank plc, 121 Queen Street, Cardiff, CF10 2XU

Auditors
Crowe UK LLP, Carrick House, Lypiatt Road, Cheltenham, GL50 2QJ

Solicitors
Veale Wasbrough Vizards, Narrow Quay House, Narrow Quay, Bristol, BS1 4QA

TRUSTEES' REPORT

The Trustees present the annual report and financial statements of the Foundation for the year ended 31 August 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the accounts and comply with 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 (FRS 102). Legal and administrative information set out on pages 1 to 2 forms part of this report.

The Foundation and Corporate Trustees

In his will, William Jones, Liveryman of the Haberdashers' Company, made a bequest to establish a "free school" at Monmouth and the Foundation was established by letters patent of King James I dated 19 March 1614, which authorised the founding of a "Free Grammar School".

William Jones's Schools Foundation ("the Foundation") is now constituted as an unincorporated registered charity, governed by Schemes of the Charity Commission dated 12 November 1987, 21 July 1998, 25 May 2000, 30 April 2009 and 23 November 2009. The Haberdashers' Company was the Trustee of the Foundation and was also the Estates Governor until 1 April 2016. On 1 April 2016, the Haberdashers' Company passed a resolution and appointed two new companies, Haberdashers' Monmouth Estates Limited and Haberdashers' Monmouth Schools Limited, to act as Trustees and Estates Governor and Schools' Governor respectively.

The Haberdashers' Company

The Haberdashers' Company is a City Livery Company incorporated by royal charter and is the sole member of Haberdashers' Monmouth Estates Limited and Haberdashers' Monmouth Schools Limited. The full name under which the Company is incorporated is 'The Master and Four Wardens of the Fraternity of the Art or Mystery of Haberdashers in the City of London'. The Company is in the fortunate position of being able to admit a steady stream of able and committed new members known as Freemen who, when they have gathered experience in their chosen careers, may be selected to become Liverymen and may undergo further rigorous selection procedures to become eligible for duties within the Company. Some will be selected to join a pool of potential school governors from which the Company makes nominations to governing bodies.

Haberdashers' Monmouth Estates Limited (HMEL)

HMEL is a company, limited by guarantee, which as the Estates Governor is the sole trustee of the land and buildings of the Foundation. The Company's responsibilities, as Trustee, are undertaken by its Directors, assisted by the Education Committee of the Haberdashers' Company and activities are managed on a day-to-day basis by the Clerk and Haberdashers' Company staff. Members of the Education Committee are selected by the Haberdashers' Company to provide a broad range of expertise, particularly in the areas of governance and management. The Chairman of the Education Committee is a director of HMEL and, usually, a former chairman of governors of a Haberdashers' Company school or schools. Members of the Education Committee all have experience as school governors. The Education Committee is advised on financial matters by the Haberdashers' Company Finance Committee. Training for members of the Education Committee builds on their previous experience as school governors and includes an induction process for new members, provision of relevant reading material, training days and regular reports and advice from the Educational Adviser. Neither the Trustee nor any of the Directors receive any remuneration for services performed in their capacity as Trustee or Directors.

Haberdashers' Monmouth Schools Limited (HMSL)

HMSL is a company, limited by guarantee, which is the Schools' Governor of the Foundation.

The Schools' Governors ("the Governors"), who are directors of HMSL, play an important strategic role in the life of the schools and are responsible for determining the aims and overall conduct of the schools. The Governors shape the overall strategy for the schools with the Principal, and review and approve the implementation of the individual strategies, policies and procedures developed by the Principal and the Executive Team, to ensure the best possible education for present and future pupils. The Governors are

TRUSTEES' REPORT

also responsible for ensuring the proper control of the schools' finances and compliance with relevant regulation, particularly the safeguarding of pupils.

Governors give their time voluntarily, receive no payment and for continuity are generally expected to serve at least four years on the Board. They offer a blend of skills and experience to help guide and direct the schools and the Board would normally include individuals with experience in business, law, accountancy, education, public health or the medical profession and property. When selecting replacement governors, the aim is to retain this balance of professional expertise, as well as making every effort to ensure that the diversity of the school community is reflected on the Board. Governors are appointed by the bodies listed on page 1. The Chair of Governors is a senior Haberdasher nominated by the Company and elected annually by the Governors.

The Governors operate across the Haberdashers' Monmouth Schools but divide responsibility for key areas into smaller executive committees covering the individual schools, academic matters, finance, audit and estates, pastoral care and governance. The schools each have a nominated governor (Vice Chair) who plays a valuable supporting role for the respective Head. Nominated Safeguarding Governors have been appointed for each school; they work closely with the Designated Senior Persons (DSPs) in each school to ensure that the Board's safeguarding responsibilities are fulfilled.

On joining the Board, all Governors undergo a thorough induction programme, comprising extensive written material in the form of a briefing pack and at least a day's familiarisation visit to the schools. Governors also receive regular updates of the schools' literature throughout their tenure and have the opportunity to attend training sessions on a variety of subjects, either at Haberdashers' Hall, or run by external bodies such as AGBIS (Association of Governing Bodies of Independent Schools).

Organisational Management

The day-to-day running of the schools is delegated to the Principal, Heads and Foundation Bursar, as key management personnel, who in turn are supported by their Senior Leadership Team.

The remuneration of key management personnel is set by the remuneration sub-committee, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the schools' success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the schools remain sensitive to the broader issues of pay and employment conditions elsewhere.

Delivery of the Foundation's charitable vision and purpose is primarily dependent on the key management personnel and staff costs are the largest single element of our charitable expenditure.

Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom generally accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of the resources of the Foundation 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Foundation will continue in business.

TRUSTEES' REPORT

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the Foundation and which enable the Trustees to ascertain its financial position and to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the Foundation's constitution. The Trustees are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HMEL is responsible for compliance with these statutory obligations on behalf of the Foundation.

Charitable Object

The object of the Foundation, as set out in the 1998 Scheme, is "the provision and conduct in or near Monmouth of a day and boarding school for boys and a day and boarding school for girls and a day pre-preparatory school for boys and girls."

Aims and Objectives

The charitable object is specific, so the primary activity of the Foundation is to provide and operate the named schools. The aims of the Foundation are as follows:

(i) **The Schools** are constituted as independent schools and share the following mission:

"To extend the educational facilities and opportunities provided to children living in or near Monmouth so as to maximise educational choice and opportunity. This is to be done by providing schools of the highest quality for infant, primary and secondary education on a fee-paying basis, whilst enabling access to those who could not otherwise afford to attend through the provision of financial support from bursaries and fee remission.

The Schools welcome joiners from both the Maintained and Independent sectors at all stages. These include, but are not limited to, joiners at age 16+ wishing to take advantage of the outstanding opportunities provided in the Sixth Form, children with particular talents or special needs and those who will benefit from a more personalised education, and pupils with the ability to reach more challenging levels and benefit from a wider range of choice than would otherwise be available to them. Others are motivated to join not just for the academic attainments but because they wish to participate in the thriving sport, drama, music and other extracurricular activities.

The schools also seek to maximise the public benefit provided by them in other ways, such as by sharing facilities with the local community and through links to other schools."

(ii) HMEL has adopted the following aims for its own role as Trustee. These also reflect the aims of the Company's Education Committee:

Vision
To be seen as offering sustained commitment to excellence in education through excellence in governance, trusteeship and sponsorship.

Mission statement

- To discharge properly the role of Trustee
- To provide highest quality governance
- To develop the influence of the Haberdashers' Company in the field of education
- To enable the Haberdasher schools to take an independent view on the students' educational needs
- To promote common values in Haberdasher Schools:

Attributable to pupils:
- Open minded / intellectually curious
- Good citizens
- Culturally diverse
- Rounded
- Innovative
- Co-operative

Attributable to schools:
- Aspirational / stretching
- Accessible
- Academic equality of opportunity
- Ethical and humane
- Exciting
- Supportive of Christian values

TRUSTEES' REPORT

The Trustees have taken into account the Charity Commission's general guidance on public benefit and more specific guidance for charities whose aims include advancement of education and whose activities involve charging fees, in reviewing aims and objectives for the Foundation.

Review of activities and achievements

The schools have articulated their vision, purpose, philosophy and values as below.

Our Vision
Haberdashers' Monmouth Schools offer an innovative diamond education, known as the Monmouth Model. The family of schools that makes up the Monmouth Model aspires towards national and international respect for delivering an exceptional all-round education for girls and boys. The schools are renowned for developing talented young men and women with a refreshingly grounded attitude to life and a belief in the importance of community.

Our Purpose
To provide an inspirational educational journey for girls and boys aged 3 to 18. To develop rounded, grounded and self-confident young men and women equipped to excel in their chosen paths, who aspire to make a positive difference to society.

Our Philosophy
We know that parents seek the best all-round education for their children. They also want their sons and daughters to be self-confident, socially assured and to become a force for good. We believe we fulfil these aspirations by providing outstanding education combined with inter-school collaboration throughout our family of schools.

We provide co-education between the ages of 3-11 in our prep school. Between the ages of 11 and 16, pupils benefit from the best single-sex teaching tailored to differences in their maturity and interests. We combine this with joint social and co-curricular activities for both girls and boys. Then, at Sixth Form, we offer joint teaching and extensive joint social and co-curricular activities to ensure a successful transition from school to university life.

Throughout the schools, we provide extensive opportunities for girls and boys to be together, participating in drama, music, sport and clubs, on combined school trips and expeditions, at social events and on shared community projects.

Our family of schools provides the best mix of both single sex and co-education, delivered at the optimum stages of development, ensuring that girls and boys achieve their full academic potential while being completely at ease with one another.

United by their shared values, our schools are located together in the town of Monmouth – a community that creates the ideal environment to offer this diamond journey in education. We believe in an educational experience that equips young people to succeed in life whilst encouraging them to contribute to the wider community. We call it the Monmouth Model: our customised, united system of education.

Our competitive positioning statement (what makes us different)
Haberdashers' Monmouth Schools attract parents who want their children to achieve excellent academic standards with co-curricular activities while developing strong social skills, responsibility and a sense of community.

Unlike other schools that offer either single sex or co-education, we provide the perfect balance of both, with inter-school collaboration throughout our family of schools.

This is the Monmouth Model: the diamond-shaped educational system delivered by our family of schools that is an intrinsic part of the Monmouth community.

TRUSTEES' REPORT

Our Values
Our values are at the heart of everything we do.

- They define the behaviours we expect everyone to engage with and live by.
- They drive our performance as individuals, as teams and as an organisation.
- They inspire the way we work together.
- They inspire us in the way we communicate and present ourselves, both inward and outward facing.
    - **Community**
      We value the community and recognise the difference that an individual can make in benefiting others, as exemplified by our founder William Jones.
    - **Integrity**
      We act with integrity in everything we do. We believe in honesty and a principled approach, with ethical and social responsibility.
    - **Opportunity**
      We believe in the power of opportunity for pupils, and inspire them to participate in a wide range of academic subjects, interests and activities.
      We aim to develop young men and women who are:
        - Rounded – for their life ahead by their journey through the unique Monmouth Model
        - Grounded – down-to-earth, unassuming and principled
        - Unbounded – with the inspiration and self-belief to feel that anything is possible

The Schools

The Schools are led by the Principal, whose role is mainly strategic with an emphasis on academic and co-curricular provision, marketing, fund-raising, outreach and community relations. Each school has a Head responsible for the day-to-day running of their school, including teaching, pastoral care and co-curricular activities. The Principal, Heads, Foundation Bursar and Director of Marketing & PR work together as an Executive Committee to develop and deliver the schools' strategy, share best practice and ensure an equality of experience across the schools.

Boys and girls often spend all their school years in the Haberdashers' 'family', starting in the Nursery or Reception at our Prep School, moving on through the senior schools, before completing their educational journey in our Sixth Form.

In September 2021, we refined our innovative system of education, known as the Monmouth Model, by introducing a fully co-educational Prep School for boys and girls aged three to 11, Pre-Prep and girls' and boys' Prep Schools. Boys and girls often spend all their school years in the Haberdashers' 'family', starting in the Nursery or Reception at our Prep School, moving on through the senior schools, before completing their educational journey in our Sixth Form.

In September 2021, the schools had 1,235 pupils (September 2020: 1,241). Overall, pupil numbers have remained constant, which is pleasing against the backdrop of the continuing Covid-19 pandemic and restrictions on overseas travel. Recruitment of new boarders from overseas remains challenging but our Admissions Teams have worked hard to maintain relationships with the key agents and holiday camps have been available to boarders unable to return home. Day pupil numbers in the Prep School have declined by 33 due to lower numbers of younger children in the local area, spaces being available in local primaries and pressures on family finances. However, interest in our new co-ed Prep School is growing and nineteen pupils have accepted places during the academic year since September 2021 and waiting lists are now in place for some year groups. There has been an offsetting increase in numbers of day pupils in the senior schools.

<u>Monmouth Prep School</u>
Day and boarding girls and boys thrive and flourish with inspired and engaging subject-specialist teaching delivered across two sites. Children are motivated to learn with a sense of fun, enjoyment and excitement, both in and out of the classroom. The school's modern and contemporary teaching spaces encapsulate the very best of a traditional, independent education. Boys and girls can also immerse themselves in a breadth and range of educational opportunities, trips and expeditions, social and co-curricular events and shared which brought together the pupils and staff of our former co-ed community projects. Our co-educational foundation recognises talent and nurtures excellence, providing the best possible springboard for our pupils'

future and confident step up to our senior schools. In September 2021, there were 246 children on roll (September 2020: 279).

Senior Schools

Through the Monmouth Model, pupils in Years 7 to 11 at the two senior schools benefit from their positive, constructive and inspiring single-sex communities within which they thrive and flourish. Education is carefully planned to motivate and challenge all pupils. The academic curricula are specifically tailored to each gender, enabling boys and girls to engage in a broad choice of subjects free from any gender stereotyping. Pupils also benefit from the invaluable interaction with their sibling school, sharing many trips and expeditions, events and community projects. They also make the most of the area's wonderful natural resources and the excellent facilities on offer for sports, culture and the arts.

Monmouth School for Boys was founded in 1614 by William Jones, a member of the Haberdashers' Company of London and has been independent since 1973. In September 2021, the school roll was 529, of whom 149 were boarders (2020: 498 of whom 138 were boarders).

Monmouth School for Girls was founded in 1892 and it has also been independent since 1973. In September 2021, 105 of its 460 pupils were boarders (2019: 464 of whom 115 were boarders).

Sixth Form

Fully co-educational teaching in the Sixth Form was introduced in September 2018, which enhances the preparation of our students for university and their future careers. Sixth Form students at Monmouth School for Boys (160 students in September 2021) and Monmouth School for Girls (105) are taught at both sites in co-educational classes. This encourages a wider range of views in lessons and allows for more flexible subject combinations. Students also benefit from a wide-ranging enrichment programme including opportunities for volunteering, drama, sports leadership, academic courses and life skills. Pastoral care is delivered by their 'home' school, with Sixth Formers continuing to act as leaders and role models for younger pupils.

The schools' strategic intentions are underpinned by dedicated and hardworking staff and all the schools focus on encouraging their staff to develop their professional skills during their period of employment.

Results in public examinations are consistently excellent (table below) and the vast majority of students take up places at their first-choice universities and subsequently go on to make their mark in diverse areas including engineering, medicine, languages, business and the arts.

	A level 2021		GCSE 2021
	Pass rate	A*-B grades	9-4 grades
Monmouth School for Girls	100%	92.0%	98.5%
Monmouth School for Boys	100%	82.6%	99.7%
Monmouth Schools Sixth Form (Boys and Girls combined)	100%	86.8%	-

The close relationship between the schools is apparent in the co-ordination of their objectives and strategies above, in their own sections of their joint website and in the range of activities available to both boys and girls, including a truly Combined Cadet Force, joint orchestras and joint trips. Alumni from both schools also joined together for the annual joint carol service in London which is now regarded as a 'city tradition'.

Faced with declining numbers of children of school age within our catchment area, the schools have developed strategies to maintain pupil numbers. Marketing is generally focused on the main entry points at Pre-Prep (Nursery and reception) and Years 3, 7, 9 and 12. Over recent years, the schools have developed their marketing strategy to maximise the potential of social media to reach parents and revolutionise our outreach to local schools. Admission to our schools is based on a child's potential as well as their performance in our formal assessments.

TRUSTEES' REPORT

Although Covid-19 has impacted boarding, numbers are generally steady and include a large number of children from Forces families and a strong contingent from West Wales. Some overseas recruitment has started with our senior Heads visiting Spain and Germany in January 2022. When conditions further allow, we will continue to target countries with a large expatriate community such as the United Arab Emirates, Saudi Arabia and Hong Kong, as well as developing links with emerging markets.

Haberdashers' Monmouth Schools are affiliated to HMC (The Headmasters' and Headmistresses' Conference); Monmouth School for Girls is affiliated to GSA (The Girls' School Association); and Monmouth Prep School is affiliated to IAPS (The Incorporated Association of Preparatory Schools). The Board of Governors is a member of AGBIS (Association of Governing Bodies of Independent Schools). The schools follow many of the guidelines and policies set by the above organisations, although these will sometimes be adapted to suit the schools' particular needs when they are written into the schools' own procedures. Standards set by other bodies operating in the independent sector are also relevant, for example ISC (Independent Schools Council). The schools follow the rules accepted in the sector on setting dates for entrance exams (so as not to gain unfair advantage over other schools) and on fee debt (not accepting a pupil who has outstanding debt at another school).

The schools were last inspected by Estyn (the Welsh Schools' Inspectorate) between 2013 and 2015. The schools have won the highest praise possible from Estyn, being awarded the "excellent" rating across the board under the inspection framework introduced in 2010. Estyn identified examples of sector-leading best practice at both schools which are cited on their website. All the reports, of which the schools are rightly proud, are available on the Estyn website. Boarding facilities are subject to inspection by the Care Inspectorate for Wales. Monmouth School for Boys boarding was last inspected in June 2019 and Monmouth School for Girls in February/March 2016. Both received positive reports, which are available on the Care Inspectorate for Wales' website.

All the schools have active Friends' Associations, which are run by parents on a voluntary basis, organising social and fundraising events. The schools benefit greatly from the commitment, enthusiasm and gifts provided by these associations as well as the considerable generosity and support of former pupils.

(b) Public Benefit

Since the William Jones's Schools Foundation and Monmouth School were established over 400 years ago in 1614, the schools have been deeply committed to serving the local community, primarily through the provision of education, in accordance with the wishes of their founder. In addition, by providing affordable boarding facilities, they extend the facilities of the Schools to children from further afield who might not otherwise have access to such an education. The confidence, balance and achievements of pupils and former pupils as students, citizens and members of the wider community provide ample evidence of the direct benefit to be gained from time spent at the schools. The schools also recognise their further responsibilities as charitable institutions, as summarised below. Whilst activities remained restricted throughout 2020/21 due to the pandemic, the schools made every effort to continue their educational partnerships, outreach and community service, either by using technology to connect online or in a Covid-safe way.

(i) Fee Support

A core part of the ethos of the William Jones's Schools Foundation has been, and will continue to be, to provide an education for those who could not otherwise afford the fees. The schools also assist needy families in securing funding from other educational trusts for individual pupils who could not otherwise be at the schools. The Governors are committed to sustaining this level of awards as a proportion of school fees over the coming years.

Bursaries

In 2020/21 the value of means tested bursaries (including Assisted Places) totalled £1,734,300 (2019/20: £1,474,000) and represented 8.3% of gross fees (7.6% in 2019/20), demonstrating an increase in assistance for families affected by a loss of income due to the pandemic. The bursaries assisted 309 of our pupils (c.25% of pupils) of which 23 pupils (2019/20: 26) benefitted from a full remission of fees. A number of families required temporary help due to financial difficulties resulting from the pandemic. A proportion of this help came from a hardship fund established for this purpose.

Scholarships

In addition, the schools awarded scholarships to 232 pupils, based on their academic, sporting or creative ability and potential, totalling £469,000 (2020: £414,000) and representing 2.2% of gross fees. Of this number, many also qualified for means-tested bursary support and are included in the figures relating to bursary awards.

(ii) Educational partnerships

The schools sustain relationships and undertake joint activities with maintained local schools. Although many of these had to be curtailed during 2020/2021 due to Covid-19 restrictions, we continued with activities online wherever possible and look forward to fully re-establishing these partnerships soon. Examples of such partnerships include:

- Joint Schools Council – regular meetings of pupils from each of Monmouth School for Boys, Monmouth School for Girls and Monmouth Comprehensive School. The JSC espouses "community, cooperation, collaboration".
- The senior schools invite pupils from WyeDean School, Chepstow to attend MMI (multiple mini interview) as preparation for interview for Oxbridge and medical/dental/vet school.
- Year 12 pupils volunteer at Osbaston Junior School each Wednesday afternoon, helping More Able and Talented pupils in Year 6 with English and Maths. Others assist pupils with reading in other local primary schools.
- We help organise and provide the venue for Monmouth's Got Talent, involving pupils from Monmouth Comprehensive School and our senior pupils run Junior Monmouth's Got Talent, involving local primary schools. This took place online in 2020/21 and is due to be held in person in March 2022.

(iii) Outreach Activities

The schools offer a wide variety of outreach activities throughout the year. As above, we continued with activities online wherever possible and plan to re-establish in person activities soon when restrictions are removed. Examples of activities run in 2020/21 include:

- Online activity mornings were run by both Senior Schools open to all children in Year 6. The 'Mission Impossible' type activity was hugely popular, culminating in a live cake baking session.
- Prep School science teachers delivered live virtual outreach lessons to local primary schools.
- 'Whizz Bang Chemistry', 'Numbers are Everywhere' and 'Music and Technology' online lessons delivered to local primary schools by Senior School Chemistry, Maths and Music teachers respectively.
- Monmouth School Boys' Prep hosts an annual science fair to promote innovation and presentation skills amongst Year 6 pupils. Raglan Primary school submits a team and has used this to extend project work within its school curriculum. This took place virtually during the first lockdown in the Summer term 2020.

Examples of regular activities which took place pre-pandemic and will resume when possible, include:

- The Monmouth Science Initiative engages A level students in STEM activities stretching beyond the confines of the exam syllabi. Recognised as sector leading practice, this exciting venture is run by HMS staff, supported by Cardiff University and uses the facilities of the Haberdashers' Schools.
- Monmouth School for Boys' Computer Science department organises and hosts regular 'Wyehack' workshops open to anyone interested in using hardware and software to build an app, website or game, as well as hosting Computer Science fairs open to pupils from other schools
- Over 1,000 pupils from local state primary schools are hosted annually in the Blake Theatre for exciting Chemistry or Percussion workshops tied in with the KS2 curriculum.

TRUSTEES' REPORT

(iv) Community Service and Partnerships

Many of the examples given below were curtailed in 2020/21, but continued in a reduced format where possible within the restrictions. Most activities have restarted in 2021/22:

- Pupils are involved in a wide variety of community service activities, in many cases as part of the schools' Duke of Edinburgh Awards programme. Examples include: volunteering in charity shops, befriending the elderly and lonely, helping at Brownies and Scouts, working on allotments and assisting with coaching at local sports clubs.
- Pupils collect food in our schools for the Raven House Trust foodbank in Newport, South Wales, and visit the foodbank during service module afternoons to assist in the labelling and sorting of donated food as well as the assembly of food parcels.
- A group of pupils work at Bridges Community Centre on Wednesday afternoons.
- A small group of pupils work at the Bees for Development shop on Wednesday afternoons.
- A group of pupils help with maintenance of the grounds at St Mary's church on Wednesday afternoons.
- The schools support and provide facilities for annual town events such as the Remembrance service, Monmouth Mayor's Charity Concert, lantern parade and charity raft race.
- Our school Chaplain delivers assemblies at Osbaston Primary School and offers religious tutoring to pupils of primary schools in town.
- Monmouth Girls hosts a regular Blood Donation session, at which pupils, staff, parents and members of the public may donate.
- School minibuses are provided to local primary schools to enable children to attend local events.
- Several members of academic staff serve as governors at local primary schools.

(v) Community Access

The schools' facilities are well placed in Monmouth and are made available for a large number of community activities, including sports clubs, drama and music groups, and holiday activity programmes for local children. In normal times, the sports facilities are used extensively by local primary schools and sports clubs each week. The Performing Arts Centre, Music School and two theatres are used regularly by amateur dramatics groups and musicians. School car parks are made available to church users for weekend functions and for visitors to other local events such as the Monmouthshire Show and Wye Swim. Usage in 2020/21 included:

- The WRU Exiles programme used Monmouth School for Boys pavilion and sports fields for rugby training in September 2021.
- The Blake Theatre hosted a week of free to attend screenings of several climate focussed documentaries as part of the ACE Monmouth Climate Future Festival in July 2021.
- Monmouthshire County Council makes use of the Conference Room at Monmouth School for Boys for occasional meetings.
- Use of the Blake Theatre at Monmouth School for Boys for public performances.
- The MG Performing Arts Centre is used as a venue for major productions by local primary schools, which included a socially distanced Covid-compliant production of Mary Poppins by St Joseph's RC Primary School from Ross on Wye.
- Wales Lacrosse use our pitches for Lacrosse training on a weekly basis.
- The Grange plays host to the local Brownie Pack free of charge.
- The schools host the regional heats of school competitions and quizzes attended by local independent and maintained sector schools.

(c) Subsidiary companies

In 2020/21, three non-charitable subsidiary companies were controlled by HMSL, to provide services for the benefit of the schools and to provide access for the local community to the schools' facilities.

Monmouth School Enterprises Limited (MSEL) and HMSG Enterprises Limited (HMSGEL) ran school shops selling school uniform and sports equipment. MSEL also ran the Monmouth School Sports Complex and the Blake Theatre, which are used by both the school and the local community. The Enterprise

TRUSTEES' REPORT

Companies employ their own staff but receive administrative support from the Foundation Bursar's department.

Income streams were badly affected by COVID-19 restrictions during 2020/21 for a second year. Only the shops were able to open for any significant period. The Theatre and the Sports Club reopened in Autumn 2021, with some restrictions, and lettings are picking up. We anticipate that in the absence of further pandemic restrictions we should be able to gradually return back to pre-pandemic levels of activities and profits over the next two years.

At 1 September 2021, HMSGEL ceased trading and its assets were transferred to MSEL, which has been renamed Haberdashers' Monmouth Schools Enterprises Ltd.

Haberdashers' Monmouth Schools' Bus Company Limited provides an extensive transport service to enable pupils from a wide area to attend the schools. Pre-Christmas firebreaks and lockdown conditions during the Lent 2021 term meant that bus usage and associated costs were reduced for a second year. The subsidy of £238k required from the Schools was £62k more than the previous year which had a longer lockdown period. Haberdashers' Bus Company Limited ceased trading on 1 September 2021 after which bus transport started being accounted for and reported in the Schools accounts.

Connected charities

Some pupils and activities at the schools receive financial support from the Haberdashers' Educational Foundation (HEF), registered charity number 1093108. HEF funds support bursaries, scholarships and prizes at the schools. In addition, a member of staff at the schools has been funded partly by a grant from the Haberdashers' Foundation, registered charity number 275067.

Because the activities of HEF and the Haberdashers' Foundation are related to those of William Jones's Schools Foundation and the Haberdashers' Company is trustee of two of these and controls HMEL, they are regarded as connected charities. None of the three foundations subordinates its interests to either of the others.

The Foundation's investment in the Haberdashers' Charities Investment Pool (Total Return), a common investment fund and subsidiary of the Haberdashers' Charities Investment Pool, registered charity number 1079691, represents 75.2% of the value of the Total Return Pool (2020: 75.0%). The Haberdashers' Company is trustee of both pools.

Investment powers, policy and performance

HMEL's investment powers are set out in its Articles of Association. Supervision of Investment Managers is exercised by the Securities Committee of the Haberdasher's Company.

HMEL has adopted the total return approach to investing. Under the total return approach, all investment returns are received into the permanent endowment fund, whether in the form of income or realised or unrealised gains. With full regard to the overriding duty to maintain a fair balance between the interests of current and all future beneficiaries, HMEL then makes transfers out of the accumulated unapplied total return in the endowment fund to a 'trust for application' to meet grants and other costs formerly paid out of net income. The remaining unapplied total return is retained within the permanent endowment fund. Transfers to the trust for application are guided by a withdrawal rate of 3.5% of invested capital.

The base date for the total return approach was 31 August 1976, at which point the value of the endowment was £6.3 million and the Schools had just become independent, having been formerly direct grant grammar schools. Preservation of real value of the endowment fund is monitored by indexing the base value to the greater of the Retail Price Index or an index of salaries in the service sector, as a proxy for the rate at which costs increase at the Schools. At 31 August 2021 the value of endowment fund investment assets was £28.0 million more than the indexed base value (2020: £18.0 million).

The permanent endowment fund investment is a holding in the Haberdashers' Charities Investment Pool (Total Return), a common investment fund with the Haberdashers' Company as Trustee. The investment objective is to maximise total return subject to tolerable levels of volatility. The investments in the Total Return Pool are managed by Partners Capital LLP.

TRUSTEES' REPORT

Both before and after adoption of the total return approach, stability of distributions to the schools has been maintained. Details of the movement on unapplied total return can be seen at note 8 to the accounts.

The Total Return Pool returned 22.0% in the year ended 31 August 2021 (2020: 4.1%). The long-term total return objective is 4.5% above RPI, which amounted to 8.5% for the year ended 31 August 2021.

Financial review

The Foundation's consolidated net expenditure for the year before gains and losses amounted to £3,913,000 (2020: net expenditure £3,666,000). Net gains on investments were £19,096,000 (2020: £2,216,000), primarily arising from continued good performance of investments within the Haberdashers' Charities Investment Pool (Total Return). Consolidated funds increased by £15,381,000 to £122,523,000. See pages 13-14 for further details.

Reserves

The Foundation's total reserves of £137,904,000 at the year-end included £135,698,000 endowment capital, £1,175,000 unspent restricted funds and £1,031,000 unrestricted funds.

The Schools do not have any free reserves. The Trustees consider that the level of unapplied total return in the endowment fund is sufficient to cover unexpected short-term needs for which a reserve might otherwise be maintained. Therefore the Trustees are content for the schools to maintain no unrestricted general fund reserve.

Unrestricted Funds

Fund	Fund represents	Balance at 31 August 2021 £'000
Schools' Cyclical Repair Fund	To provide for scheduled major cyclical maintenance	371
Assisted Places Reserve and Monmouth School for Girls Bursary Fund	To provide bursaries and assisted places	666
Governors' pension reserve	To enable the Governors to maintain regular funding for the closed non-teaching staff pension scheme.	34
Prospectus and recruitment reserves	To provide for cyclical expenditure on these items	166
	Total Schools designated funds	**1,237**
Schools' general funds	To maintain no reserve in these funds, subject to adequate cash flow for the schools' normal operations.	(140)
Pension scheme fund	This reflects the trustees' best estimate of the deficit on the pension scheme at 31 August 2020. The deficit will be paid off over a number of years, in accordance with a recovery plan which has been agreed between the Foundation and scheme trustees following the completion of the triennial valuation as at 31 March 2018 (see note 12 for further details).	(150)
	Total Schools funds	**(290)**
Foundation income fund	Net income is distributed to the Schools Governors during the year and the fund balance remaining at the year end represents prepaid expenditure.	90
Non-charitable trading funds	Net reserves of trading subsidiaries at year end	(6)
	Total unrestricted funds	**1,031**

TRUSTEES' REPORT

Fundraising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on any fundraising activities. The Foundation does not carry out any fundraising activity in order to raise funds from the general public, nor does it work directly with commercial sponsors or engage professional fundraisers. The Trustees are not aware of any complaints made in respect of fundraising during the year.

COVID-19 Impact

During the 2020/21 academic year, the charitable activities continued to be impacted by the Covid-19 pandemic.

A short lockdown in October was followed by a further closure of the schools from January to mid-March 2021 for most year groups. A 10% reduction in the tuition fee was given to all pupils for Lent 2021 and the boarding fee was waived for those not in residence. During 2020, the schools invested over £600k in IT enabling all teaching staff to deliver lessons from the classroom or at home. Staff have risen to the challenge and our remote learning provision has improved enormously since the first lockdown. During the Lent term 2021, all lessons were delivered live by Microsoft Teams on the normal daily timetable.

The impact on boarding has been significant, and staff have been working relentlessly to ensure that the boarders who have been able to return have been looked after. A number of overseas boarders were unable or unwilling to return to the UK in September 2020, but this was minimised due to the schools offering a quarantining facility for those returning in August 2020 and also prior to the start of the Lent and Summer terms in 2021. Exeat weekends were cancelled and camps have been run every holiday for children unable to return home. Some children have been unable to return home since arriving in August 2020.

Some regular activities, such as sports fixtures, were able to run in the Summer term 2021, but Speech Days, overseas school trips and many end of year activities including the annual Sixth Form Ball were cancelled. As in 2020, pupils were unable to sit external exams, instead receiving Teacher Assessed Grades.

It has been difficult to manage the situation for day pupils, but the need to cater for a mix of UK and overseas boarders has added to the complexity. Throughout this time, our priority has been to: provide the best possible experience to all pupils, whether learning in school or at home; keep our pupils and staff as safe as possible; keep operations running as efficiently and cost-effectively as possible; shore up our finances; and plan for the future.

Gross fee income was down by £2.4m compared to the last pre-pandemic year 2018/19 (but £1.5m higher than 2019/20) due to the reduction in pupil roll, school closure and associated fee reductions. Recognising the impact of the pandemic on parents' incomes, the Governors took the decision to hold fees at the 2018/19 level from September 2020. The schools took considerable steps to reduce costs and improve the cash position wherever possible. Approximately 260 were furloughed on a flexible basis in early 2021. A small number of staff reductions have been implemented, including amongst senior management, and strong cost management will remain in place. The charity took advantage of a £5m CBIL (Coronavirus Business Continuity Loan) in 2020, to ensure normal operations of the schools could be financed.

Risk management

Each year, HMEL and HMSL examine the major risks faced by the Foundation, including those relating to the schools. The Governors are responsible for overseeing the identification and management of the risks faced by the schools. Detailed considerations of risk are delegated to the senior management of the schools. A formal review of the schools' risk management processes is undertaken on an annual basis by the Board and on an interim basis each term by the individual Committees.

Risks have been identified and assessed across all areas of the schools. Systems and controls have been established to mitigate the risks. The process is managed through the regular review and updating throughout the year of a very detailed matrix which covers the headings of political, legal, economic, social, environmental, technological, governance, operational, academic, financial and human resources.

TRUSTEES' REPORT

The main risks identified by the Trustees, the schools' management and Governors and the plans to manage those risks are:

- Breaches of statutory requirements e.g. health & safety. A serious breach of regulations could lead to fines or even closure. This risk is mitigated by having an extensive range of policies, clear job descriptions and regular staff training to help create a safe culture. We also commission external reviews of our practices, including unannounced visits by our Health & Safety advisers.
- Loss of reputation. The schools' success is built on their reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and early intervention when problems are identified.
- Financial. Our ability to continue is reliant on maintaining pupil numbers and fee income which enables us to pay salaries and bills as they fall due. This risk is managed by marketing activity, having a reputation for educational excellence and active cash-flow management.
- Systems failure. The schools are operationally dependent on their computer networks. Good systems, network documentation and robust back up procedures are in place. Disaster recovery is practised regularly and firewalls are tested monthly by an external company.

Key controls applied by the Foundation include:

- An established organisational structure with clear lines of reporting and individual job descriptions for all staff.
- Terms of reference for the Board of Governors and its executive committees.
- Regular training for governors and staff.
- Robust vetting procedures and safer recruitment of staff to protect the vulnerable.
- Comprehensive strategic planning, budgeting and management reporting.
- Regular monitoring of financial, investment and professional performance.
- Formal written policies and a financial procedures manual which are reviewed regularly.
- Annual external audits of the schools' finances and health & safety procedures.
- Regular external reviews of our safeguarding policy and procedures.

Through the risk management processes and controls established for the schools, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can provide reasonable but not absolute assurance that major risks have been adequately managed.

Going concern

The Trustees have reviewed the Foundation's financial position including specific consideration of the impact of COVID-19 on the Foundation's cashflows, operations and future plans. With the CBIL facility in place, the Trustees are satisfied that there are sufficient resources to manage the identified operational and financial risks. They have a reasonable expectation that the organisation has adequate resources to continue operating for at least 12 months from the date of approval of the accounts. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

Future plans

The Governors of the Haberdashers' Monmouth Schools review the overall strategy and objectives of the Schools on a regular basis. Having consulted with stakeholders, including staff, pupils, parents and Haberdashers, during the first half of 2021, the Principal developed a new Vision for the Schools which was approved by Governors in the Summer. Launched in September 2021, the key elements are summarised below:

A Vision for Haberdashers' Monmouth Schools 2025

We aim to offer to our community both the stability and reassurance that our schools have offered for centuries and a willingness to embrace change in an innovative way.

TRUSTEES' REPORT

Our key focus is on every student in our care so that they are well-known, cared for and inspired by their experience with us. We want to help parents to raise young people who are rounded, grounded and unbounded and who leave school with a zest for life and a mission to make a difference to society. We also desire to look after and support all members of our community.
What do we truly value at HMS?

- The vision and generosity of our Founder William Jones which has enabled us to offer a wonderful education to local children, including those from disadvantaged backgrounds, for centuries and this will remain a priority for our schools; we aim to offer substantial bursaries and scholarships to local students as fitting with William Jones's vision
- Academic excellence – we set high standards and have ambitious expectations and aspirations tailored to the needs and profile of each student; and we offer a wide range of academic subjects, many of which are not available in other schools
- Strong traditional values which shape our community, based on the timeless Christian ethos of those who established our schools so that our students' defining qualities include integrity, kindness, compassion, a commitment to service and a skill in enlightening others
- Outstanding pastoral care for all members of our community and we are always looking for ways to improve this with a generous ratio of staff:students which allows every child in our care to be well-known; we recognise the benefits of a boarding community in which students join us from all over the world to enrich our community in Monmouth
- Our Monmouth Model comprises a family of schools which support an all through education from 3-18 allowing co-education for pupils aged 3-11 and 16-18 and single-sex education for those aged 11-16; we are part of the larger Haberdashers' educational family linked to schools across the UK. Our relationship with the Haberdashers is life-long and we see this as an advantage for our students and alumni. We are keen to develop an Aspire Programme to support our students in their chosen careers through mentorship with Haberdashers' educated alumni
- A passion for the benefits of a broader education - we believe that members of our community are shaped by the myriad opportunities available to them in the breadth of co-curricular opportunities available in our schools; we offer a particularly wide range of sports, visual and performing arts and enrichment activities
- Our location in the Wye Valley. We aim to be the school of choice for Welsh and English families in this region but also for families nationally and internationally, optimising our wonderful location on the English/Welsh border. We are excited by the vibrancy and vision of the life available to us here in this area of outstanding natural beauty

In support of the Vision, the Principal undertook a comprehensive restructure of the senior management team, which became fully effective in September 2021. The changes give the schools a really innovative structure with several post holders at Deputy Head and Assistant Head level working across the schools. Whilst recognising that the two senior schools have different characteristics which need to be preserved, the changes will enable sharing of best practice and academic knowledge to the optimal benefit of all pupils. The new structure promotes the importance of professional development and best practice, digital learning and wellbeing. Long-standing staff will be encouraged to contribute more through the development of their skills and upcoming staff will have opportunities for career progression into a number of exciting leadership roles.

To achieve our strategic aims, the schools need committed, motivated and talented staff. Now the responsibility of our Deputy Head (Professional Development) we have increased the focus on CPD and introduced a number of new initiatives and opportunities for staff to engage with outside providers and networks. Within Schools, staff are encouraged to discuss pedagogy and share best practice in a variety of forums. Over the next few years, we aim to further enhance our Professional Development programme using the best ideas from inside and outside education which demonstrates to our staff that we are the best employers. September 2022 will see the introduction of a new Performance Review cycle and an investment in a culture of coaching as a model to generate ever-more positive relationships and outcomes across our community.

The health and well-being, both physical and mental, of students and staff is imperative. We have invested in facilities and developed bespoke Health and Well-Being centres at both our senior schools. Staffed by qualified nurses and counsellors, these centres of excellence deliver both care and education within our

TRUSTEES' REPORT

school community. Our new cross-school management team (Monmouth Leadership Team (MLT)) also includes a Head of Wellbeing to lead on beneficial initiatives for our staff and students.

Maintaining a high standard of academic results is a constant aim. More importantly, however, the aim is to support every student individually to help them achieve the best outcomes whatever their innate ability.

The Heads and senior staff continually review the curriculum to ensure that the educational qualifications offered remain appropriate for our pupils, helping them to develop intellectually, emotionally, physically and spiritually. We have also introduced a new Self Evaluation Form (SEF) which will help our school to focus on the key areas for development. There will also be a new Schools' Improvement Plan (SIP) and a new cycle of monitoring which will see the Executive Team and members of the MLT lead on the development of best classroom practice.

As restrictions ease post-pandemic, the schools will continue to provide an extensive range of co-curricular opportunities in sport, the performing arts, helping others and developing a wide range of skills. Sport and Performing Arts are key areas of focus, as we implement the findings of two independent reviews, to augment and further improve our programmes such that they become outstanding. A new post, Assistant Head (Extra-Curricular), has been created to lead on these initiatives.

The schools wish to build on the experience of remote learning gained during the lockdowns to further develop new approaches to Teaching and Learning utilising technology. Staff have adapted rapidly to new ways of teaching using different technologies. The Development Office has initiated a project to develop ideas and formulate a development plan.

The Governors also intend to uphold their current strategy of maintaining the schools' position in a competitive market by continuing to provide an outstanding education for our pupils at an affordable price. Our bursary and scholarship awards are essential in widening access to the education our schools provide and the Governors are committed to sustaining the current level of awards as a proportion of school fees over the coming years.

Maintaining and, where necessary, developing the fabric and facilities of the schools are central to our strategy. Our planned programme of maintenance over a rolling 10-year period includes the upgrading of existing facilities to provide modern, safe and comfortable working, living and learning conditions for all.

Finally, the Schools recognise their position in the town of Monmouth and surrounding areas and intend to continue with an extensive range of outreach activities to local primary schools and the local community, as well as further extending our collaboration with Monmouth Comprehensive School and West Monmouth School in Pontypool (which was founded in 1898 by the Haberdashers' Company in line with William Jones's wishes) where we aim to offer scholarships to talented students into our Sixth Form.

For and on behalf of the Trustees

16 June 2022

Revd James Power
Master of the Haberdashers' Company (Corporate Director of Haberdashers' Monmouth Estates Limited)

WILLIAM JONES'S SCHOOLS FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of William Jones's Schools Foundation (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 August 2021 and of the group's and the parent charity's incoming resources and application of resources 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 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with informed management and representatives of the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charity by discussions with informed management and representatives of the trustees, communication with component auditors and updating our understanding of the sector in which the group and parent charity operates.

Laws and regulations of direct significance in the context of the group and parent charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales. Further the charitable group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable group's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charity's

policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

As group auditors, our assessment of matters relating to non-compliance with laws or regulations and fraud differed at group and component level according to their particular circumstances. Our communications with component auditors included a request to identify instances of non-compliance with laws and regulations and fraud that could give rise to a material misstatement of the group financial statements in addition to our risk assessment.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

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

Saffery Champness LLP

Saffery Champness
LLP
Chartered Accountants
71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 22/6/2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

WILLIAM JONES'S SCHOOLS
FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 August 2021

	Note	Unrestricted Funds: Schools £'000	Unrestricted Funds: Foundation Income £'000	Restricted Funds £'000	Permanent endowment fund £'000	Total 2021 £'000	Total 2020 £'000
Income and endowments from:							
Donations and legacies		-	-	498	-	498	175
Charitable activities:							
School fees	3	18,323	-	-	-	18,323	17,304
Ancillary trading income		499	-	-	-	499	945
Other income - coronavirus job retention scheme		351	-	-	-	351	942
Other trading activities:							
Trading income		589	-	-	-	589	845
Investments:							
Investment income	2	104	6	21	-	131	125
FRS102 pension scheme interest	2	44	-	-	-	44	47
Other income		209	-	-	-	209	108
		20,119	6	519	-	20,644	20,491
Expenditure on:							
Raising funds:							
Loan interest		317	-	-	-	317	328
Fees in advance discount		65	-	-	-	65	49
Trading costs of subsidiaries		803	-	-	-	803	999
Charitable activities:							
Schools		21,900	248	266	908	23,322	22,724
FRS 102 pension scheme interest cost		50	-	-	-	50	57
	4	23,135	248	266	908	24,557	24,157
Net (expenditure)/income before gains on investments		(3,016)	(242)	253	(908)	(3,913)	(3,666)
Net gains on investments	7	235	8	74	18,779	19,096	2,216
Net (expenditure)/income		(2,781)	(234)	327	17,871	15,183	(1,450)
Transfers between funds	5	1,814	200	(150)	(1,864)	-	-
Other recognised gains:							
Actuarial gains on defined benefit schemes	12	198	-	-	-	198	85
Net movement in funds		(769)	(34)	177	16,007	15,381	(1,365)
Reconciliation of Funds:							
Total funds brought forward		1,710	124	998	119,691	122,523	123,888
Total funds carried forward	5	941	90	1,175	135,698	137,904	122,523

Net (expenditure)/income all arose from continuing activities.

The notes on pages 25 to 48 form part of these financial statements.

WILLIAM JONES'S SCHOOLS FOUNDATION

BALANCE SHEETS
As at 31 August 2021

	Note	Group 2021 £'000	Group 2020 £'000	Foundation 2021 £'000	Foundation 2020 £'000
Fixed assets:					
Tangible assets	6	43,222	44,312	43,214	44,312
Investments	7	102,285	85,146	102,285	85,146
Investment in subsidiary company	16	-	-	90	-
Unsecured loan to William Jones's Almshouses Charity		1	2	1	2
Unsecured loans to connected trading companies		-	-	62	62
		145,508	129,460	145,652	129,505
Current assets:					
Stocks		187	232	26	30
Debtors	9	1,050	1,049	1,151	1,190
Investments: cash on deposit		4,788	-	4,788	-
Cash at bank and in hand		3,808	10,603	3,623	10,500
		9,833	11,884	9,588	11,720
Liabilities:					
Creditors: amounts falling due within one year	10	(5,730)	(5,172)	(5,623)	(5,052)
Net current assets		4,103	6,712	3,965	6,668
Total assets less current liabilities		149,611	136,172	149,617	136,173
Creditors: amounts falling due after more than one year	11	(11,557)	(13,241)	(11,557)	(13,241)
		138,054	122,931	138,060	122,932
Defined benefit pension scheme liability	12	(150)	(408)	(150)	(408)
Total net assets		137,904	122,523	137,910	122,524
The Funds of the Charity:					
Permanent endowment fund		135,698	119,691	135,698	119,691
Restricted funds		1,175	998	1,175	998
Unrestricted funds:					
Designated funds		1,237	1,237	1,237	1,237
General funds		(50)	1,006	(50)	1,006
Non-charitable trading funds		(6)	(1)	-	-
Pension scheme fund		(150)	(408)	(150)	(408)
Total Charity Funds	5	137,904	122,523	137,910	122,524

The notes on pages 25 to 48 form part of these financial statements.

These financial statements were approved and authorised for issue and signed on behalf of the Trustees on 16 June 2022

Revd James Power
Master of the Haberdashers' Company (Corporate Director of Haberdashers' Monmouth Estates Limited).

WILLIAM JONES'S SCHOOLS
FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2021

	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Net cash used in operating activities		(2,897)		(1,958)
Cash flows from investing activities:				
Investment income received	131		125	
Purchase of tangible fixed assets	(317)		(294)	
Proceeds from sale of investments	834		-	
Purchase of investments	(1,367)		(450)	
Drawn from Charities Investment Pool (Total Return)	2,500		1,750	
Net cash provided by investing activities		1,781		1,131
Cash flows from financing activities:				
Repayments of borrowing	(891)		(914)	
Receipts of borrowing	-		5,000	
		(891)		4,086
Change in cash and cash equivalents in the reporting period		(2,007)		3,259
Cash and cash equivalents at the beginning of the reporting period		10,603		7,344
Cash and cash equivalents at the end of the reporting period		8,596		10,603

WILLIAM JONES'S SCHOOLS
FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2021

NET CASH PROVDED BY/(USED IN) OPERATING ACTIVITIES

	2021 £'000	2020 £'000
Net movement in funds (per Statement of Financial Activities)	15,381	(1,365)
Adjustments for:		
Gains on investments	(19,096)	(2,216)
Investment income	(131)	(125)
Depreciation	1,407	1,437
Pension scheme adjustment	(258)	(141)
Decrease/(increase) in stocks	45	(34)
(Decrease)/increase in creditors and provisions	(235)	179
Decrease in debtors	-	306
(Increase)/decrease in cash held for investment	(10)	1
Net cash used in operating activities	(2,897)	1,958

ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £'000	2020 £'000
Cash at bank	3,808	10,603
Investments	4,788	-
Total cash and cash equivalents	8,596	10,603

ANALYSIS OF CHANGES IN NET FUNDS/NET (DEBT)

	At 1 September 2020 £'000	Cash flows £'000	At 31 August 2021 £'000
Cash in hand	10,603	(6,795)	3,808
Cash equivalents	-	4,788	4,788
Loans falling due within one year	(890)	(738)	(1,628)
Loans falling due after more than one year	(9,530)	1,629	(7,901)
Total	183	(1,116)	(933)

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The financial statements are prepared in accordance with the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) which has been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £'000.

The Foundation constitutes a public benefit entity as defined by FRS 102. The Foundation is unincorporated. Its registered office is 18 West Smithfield, London, EC1A 9HQ.

The Trustees have reviewed the Foundation's financial position including specific consideration of the impact of COVID-19 on the Foundation's cashflows, operations and future plans. With the CBIL facility in place, the Trustees are satisfied that there are sufficient resources to manage the identified operational and financial risks. They have a reasonable expectation that the organisation has adequate resources to continue operating for at least 12 months from the date of approval of the accounts. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

Group accounts

The financial statements consolidate the results of the Foundation and its three wholly-owned non-charitable subsidiary companies on a line-by-line basis. A separate Statement of Financial Activities (SOFA) for the Foundation is not presented because this is not considered to be materially different from the consolidated statement of financial activities (SOFA). Further information on the subsidiaries is disclosed at note 16.

The Schools' Governors appoint their own auditors and prepare separate financial statements for the Schools. The Trustees prepare financial statements for the Foundation which incorporates the results of the Schools, consolidated on a line by line basis.

Funds structure

A statement listing all funds is at note 5. The funds are categorised as follows:

Permanent endowment fund: Except to the extent permitted by the total return arrangements, this fund may not be expended and represents the land and buildings of the Foundation, plus investment assets used to generate income for application by the Schools' Governors.

Restricted funds: These funds were donated or created for specific purposes and may only be used for those purposes.

Designated funds: These are unrestricted funds set aside for particular purposes by the trustees but they are not subject to any formal restriction.

Unrestricted general funds: These funds are not subject to any restriction other than the objects of the Foundation and are applied in furtherance of the objects.

Income recognition

All income, including government grant income, is recognised when the Foundation is legally entitled to the income and there is reasonable assurance of receipt.

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

School fees receivable are accounted for in the period in which the service is provided. School fees are stated net of bursaries, scholarships and fee remission for children of school staff.

Dividend income is taken into account when dividends fall due for payment.

Expenditure recognition

Resources expended are recorded on an accruals basis and include support costs which may be allocated direct or apportioned on the basis of staff time.

Raising funds: Costs incurred in raising funds including managing the Foundation's investment assets and servicing loans are recorded under this heading.

Charitable activities: Expenditure incurred directly in meeting the objects of the Foundation is recorded under this heading.

Termination costs: severance and redundancy payments are recognised in the period in which the payment becomes binding.

Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. These include salaries and service charges relating to specific staff involved directly in facilitating charitable activities.

Governance costs relate to expenditure incurred in the general running of the Foundation and include salaries and service charges for specific staff involved in compliance with constitutional and statutory requirements and audit fees.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Pension schemes

The Schools contribute to the Teachers' Pension Scheme at rates set by the Scheme Actuary and advised by the Scheme Administrator. The Schools also contribute 10% of salary to a group personal pension plan for non-teaching staff.

The accounting policy adopted in respect of the closed defined benefit non-teaching staff pension scheme is that the amount charged to the statement of financial activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The expected return on scheme assets and the interest cost and interest on scheme liabilities are shown independently on the Statement of Financial Activities. Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the statement of financial activities.

The assets of the scheme are held separately from the Foundation in trustee-administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at the balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised in the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension liability is recognised to the extent that the group has a legal obligation to settle the liability.

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

Tangible fixed assets and depreciation

The Foundation's functional land and buildings at the schools are vested in HMEL as Estates Governor. New school buildings form part of the Estates and are assets of the permanent endowment fund. Funding of new buildings from schools' funds is recorded as a transfer from unrestricted funds to the permanent endowment fund and depreciation of school buildings is treated as expenditure from the permanent endowment fund. HMEL is responsible for maintaining the buildings in a fit and useful condition and these costs are written off as incurred.

Land and buildings dating from before 1945 are not capitalised or depreciated as historical cost information is no longer available and no reliable values can be attributed. If it were possible to base a provision for depreciation on historical cost of pre-1945 buildings, it is probable that the amount would not be material.

An estimate of expenditure on buildings between 1945 and 1983 was capitalised in 1999 under the transitional provisions of Financial Reporting Standard 15. It is now treated as deemed historic cost.

Expenditure on buildings since 1983 has been capitalised at historical cost.

Depreciation is provided on fixed assets other than freehold land at rates calculated to write off the excess of cost over estimated residual amount evenly over the estimated useful economic lives of each class of asset, subject to annual review. These rates are currently as follows:

Buildings – remaining lives	8 to 100 years
Equipment and furnishings	3 to 10 years
Motor vehicles	5 years

Where estimated useful lives of buildings are in excess of 50 years, they are subject to an impairment review. This is formalised every five years with support from an external surveyor.

Fixed asset investments

(a) Quoted securities

Quoted securities comprise publicly quoted, listed securities including shares, bonds and units. Quoted securities are stated at market value at the balance sheet date. Investment shares and purchases are recognised at the date of trade.

(b) Unquoted investments

The vast majority of private equity and property fund investments are held through funds managed by private equity and property groups. No readily identifiable market price is available for these unquoted funds. These funds are included at the most recent valuations from their respective managers.

Stock

Stock is carried at the lower of cost or net realisable value.

Financial instruments

Financial instruments are recognised in the balance sheet of the Foundation when it becomes party to the contractual provisions of the instrument.

(a) Financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially recognised at transaction price including transaction costs and are subsequently carried at amortised cost.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. The impairment losses are recognised in the Statement of Financial Activities.

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Financial Activities.

Financial assets are derecognised when:

- the contractual rights to the cash flows from the asset expire or are settled, or
- substantially all the risks and rewards of the ownership are transferred to another party, or
- control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(b) Financial liabilities

Basic financial liabilities, which include trade and other creditors, bank loans, school fees in advance and confirmation deposits, are initially recognised at transaction price.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(c) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods where necessary.

The critical estimates and judgements made in preparing these accounts are explained in these accounting policies and relate particularly to:

- Valuation of unlisted investments
- The actuarial assumptions relating to the valuation of the pension deficit

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

2. INVESTMENT INCOME

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Endowment Fund £'000	Total 2021 £'000	Total 2020 £'000
Interest from bank deposits	7	-	-	7	32
Income from listed investments	103	21	-	124	93
Distributions from Haberdashers' Charities Investment Pool (Total Return)	-	-	-		-
	110	21	-	131	125
FRS102 pension scheme interest	44	-	-	44	47
	154	21	-	175	172

3. TUITION FEES

	2021 £'000	2020 £'000
Gross Fees	21,459	20,042
Less		
Scholarships	(469)	(414)
Bursaries	(1,686)	(1,391)
Assisted places (a bursary scheme replacing a former State-funded scheme)	(48)	(83)
Staff fee remission	(934)	(850)
Commission	-	-
	18,323	17,304
Numbers of pupils benefiting from:		
Scholarships	227	232
Bursaries	304	311
Assisted places	48	8

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

4. TOTAL RESOURCES EXPENDED

	Staff costs £'000	Other direct costs £'000	Depreciation £'000	Total 2021 £'000	Total 2020 £'000
Raising funds:					
Loan interest	-	317	-	317	338
Fees in advance discount	-	65	-	65	49
Trading costs of subsidiaries	57	737	9	803	999
	57	1,119	9	1,185	1,376
Charitable expenditure:					
Teaching costs	10,573	1,678	462	12,713	13,034
School welfare	1,387	857	28	2,272	2,101
School premises costs	1,538	3,080	908	5,526	4,822
Support costs	1,874	818	-	2,692	2,663
Governance costs	24	95	-	119	104
FRS102 pension scheme interest costs	-	50	-	50	57
	15,396	6,578	1,398	23,372	22,781
Total resources expended	15,453	7,697	1,407	24,557	24,157

	2021 £'000	2020 £'000
Charitable expenditure includes:		
Remuneration of Schools' auditors for audit services	30	34
Remuneration of Foundation's auditors for audit services	14	10
Payment to the Haberdashers' Company for service charges	15	18

Service charges are paid by the Foundation to the Haberdashers' Company and the Haberdashers Operating Company for accommodation and office facilities provided by and shared with those companies and with other connected charities. The service charges do not exceed the cost to those companies of providing the services.

Support costs include administration and grounds staff, establishment costs, professional fees, travel and general costs.

	2021 £'000	2020 £'000
Staff costs comprised:		
Wages and salaries	12,152	12,278
Social security costs	1,152	1,154
Pension contributions	2,039	2,064
Payment of Haberdashers' Company staff under paymaster arrangement	110	112
	15,453	15,607

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

4. TOTAL RESOURCES EXPENDED (continued)

Under joint contracts of employment and a paymaster arrangement, salary costs for the Haberdashers' Company and its charities are paid by Haberdashers' Operating Company and allocated to the various entities on the basis of time spent.

No remuneration or reimbursed expenses were paid to the Trustees or to any of the Schools' Governors.

	2021 £'000	2020 £'000
Aggregate employee benefits of key management personnel	916	1,066

See page 2 for the list of Key Management Personnel.

Termination payments of £73,041 (2020: £230,369l), covering staff across the schools, were made in the year.

Average numbers of employees in the year were:

	2021 No.	2020 No.
Teaching staff	265	278
Other staff	289	286
	554	564

The numbers of higher paid employees earning in excess of £60,000 were:

	2021 No.	2020 No.
£60,001 to £70,000	5	5
£70,001 to £80,000	3	2
£100,001 to £110,000	2	2
$110,001 to £120,000	1	-
£240,001 to £250,000	1	-
£250,001 to £260,000	-	1
£270,001 to £280,000	-	1

Seven higher paid employees were members of the defined benefit pension schemes detailed at note 12. Contributions of £29,509 were paid to defined contribution schemes for four higher-paid employees (2020: £15,951 – 2 employees).

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

5. STATEMENT OF FUND MOVEMENTS AND TRANSFERS

(a) Fund movements

	Balance 1 September 2020 £'000	Income £'000	Expenditure £'000	Other recognised gains/ (losses) £'000	Net Transfers £'000	Balance 31 August 2021 £'000
Designated funds:						
Schools cyclical repairs	371	-	(630)	-	630	371
Assisted places reserve	666	-	-	-	-	666
Prospectus reserve	114	-	-	-	10	124
Recruitment reserve	22	-		-	20	42
Pensions reserve	64	-	(55)	-	25	34
	1,237	-	(685)	-	685	1,237
General funds – Foundation:						
Schools	882	19,486	(21,597)	235	854	(140)
Foundation Income Fund	124	6	(248)	8	200	90
Pension scheme fund	(408)	44	(50)	198	66	(150)
	598	19,536	(21,895)	441	1,120	(200)
Total unrestricted funds – Foundation	1,835	19,536	(22,580)	441	1,805	1,037
Non-charitable trading funds	(1)	589	(803)	-	209	(6)
Total unrestricted funds – Group	1,834	20,125	(23,383)	441	2,014	1,031
Restricted funds						
Schools scholarship funds	319	32	(27)	-	(50)	274
Pre-Prep & Nursery grant	3	-	-	-	-	3
Pre-Prep & Nursery bursary	-	7	(7)	-	-	-
Girls school other	33	10	-	-	-	43
Boys Pavilion Fund	-	320	(202)	-	-	118
Boys Wellness fund	-	100	-	-	(100)	-
Covid Support Fund	-	30	(30)	-	-	-
Extraordinary repair fund	627	20	-	74	-	721
Stephenson awards	16	-	-	-	-	16
Total restricted funds	998	519	(266)	74	(150)	1,175
Permanent endowment fund	119,691	-	(908)	18,779	(1,864)	135,698
Total Funds	122,523	20,644	(24,557)	19,294	-	137,904

The permanent endowment fund at 31 August 2021 consisted of £6,314,000 base value of endowment at 31 August 1976, £93,044,000 unapplied total return and £36,340,000 land and buildings at the Schools, net of bank loans used to fund school buildings.

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

5. STATEMENT OF FUND MOVEMENTS AND TRANSFERS (continued)

(b) Transfers between funds	Non-charitable trading funds £'000	Charitable unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Permanent endowment fund £'000
Transfer from unapplied Total Return	-	2,700	-	-	(2,700)
Funding from schools for new buildings	-	(836)	-	-	836
Additions to cyclical maintenance reserves	-	(630)	630	-	-
Recruitment reserve	-	(20)	20	-	-
Wellness reserve	-	100	-	(100)	-
Prospectus reserve	-	(10)	10	-	-
Scholarship awards	-	50	-	(50)	-
Provision for assisted places	-	(47)	47	-	-
Assisted places provision used	-	47	(47)	-	-
Addition to governors' general reserve	-	(25)	25	-	-
Bus company supplement	237	(237)		-	-
Trading companies payment under gift aid	(28)	28	-	-	-
	209	1,120	685	(150)	(1,864)

A transfer of £2,700,000 was made from the investment in the Haberdashers Charities Investment Pool (Total Return) to the Monmouth Schools. Of this, £2,000,000 was the annual transfer from the unapplied total return on the endowment for 2020/21 with a further £500,000 being for emergency Covid support.

A further transfer of £836,000 was made from the Schools' General Fund to the Permanent Endowment Fund reflecting the investment in land and buildings during the year.

In addition, a transfer of £630,000 was made from the Schools' General Fund to the Schools' Cyclical Repairs for scheduled major maintenance.

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

6. TANGIBLE FIXED ASSETS

Foundation and Group	Freehold land and buildings £'000	Equipment and furnishings £'000	Motor vehicles £'000	Charity total £'000	Subsidiary companies equipment £'000	Group Total £'000
Cost						
1 September 2020	57,122	4,916	299	62,337	128	62,465
Additions	195	122	-	317	-	317
Disposals	-	(291)	-	(291)	-	(291)
31 August 2021	57,317	4,747	299	62,363	128	62,491
Depreciation						
1 September 2020	15,290	2,493	259	18,042	111	18,153
Charge for year	908	471	19	1,398	9	1,407
Disposals	-	(291)	-	(291)	-	(291)
31 August 2021	16,198	2,673	278	19,149	120	19,269
Net book value 31 August 2021	41,119	2,074	21	43,214	8	43,222
31 August 2020	41,832	2,423	40	44,295	17	44,312

Expenditure on buildings between 1945 and 1983 is capitalised at a Trustees' valuation of £6,095,000.

Historical assets, being land and buildings dating from before 1945, are not capitalised. The value of non-capitalised buildings for insurance purposes is £19.2 million. Expenditure on refurbishing historical assets, amounting to £3,134,000 is included in fixed assets.

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

7. INVESTMENTS

Foundation and Group	2021 £'000	2020 £'000
(a) Listed investments	3,658	2,816
(b) Haberdashers' Charities Investment Pool (Total Return)	98,526	82,247
(c) Investment cash	101	83
	102,285	85,146

(a) Listed investments

Foundation and Group	Extraordinary repair fund £'000	Governors Investment fund £'000	Total £'000
Market value at 1 September 2020	663	2,153	2,816
Acquisitions at cost	20	1,347	1,367
Disposals	-	(834)	(834)
Net gain on revaluation	74	235	309
Market value at 31 August 2021	757	2,901	3,658

The extraordinary repair fund investments are held in the form of common investment funds.

The Governors investment fund investments are held in the Sarasin & Co endowment funds which is predominantly equities.

(b) Investment in Haberdashers' Charities Investment Pool (Total Return)

Foundation and Group	2021 £'000	2020 £'000
Market value at 1 September 2020	82,247	81,875
Withdrawals	(2,500)	(1,750)
Net gain on revaluation	18,779	2,122
Market value at 31 August 2021	98,526	82,247

The units held by the Foundation in the Haberdashers' Charities Investment Pool (Total Return) represent 75.2% of the Pool units in issue.

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

8. MOVEMENT ON UNAPPLIED TOTAL RETURN

Unapplied total return is calculated relative to the value of the trust for investment at 31 August 1976 (base value), that being the base date determined by the Trustee as appropriate for the Foundation's endowment fund. No new endowment gifts have been received since the base date.

	Trust for investment £'000	Unapplied Total Return £'000	Total 2021 £'000	Total 2020 £'000
Trust for investment at 1 September 2020	6,314	76,965	83,279	83,107
Investment returns:				
Realised and unrealised investment gains	-	18,779	18,779	2,122
Transfer to trust for application	-	(2,700)	(2,700)	(1,950)
Trust for investment at 31 August 2021	6,314	93,044	99,358	83,279

9. DEBTORS AND PREPAYMENTS

	Group		Foundation	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Prepayments	242	383	242	383
Other debtors	244	242	205	220
School fees	564	424	564	424
Due from subsidiary companies	-	-	140	163
	1,050	1,049	1,151	1,190

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Foundation	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Bank loans	1,628	890	1,628	890
School fees in advance and confirmation deposits	2,678	2,572	2,678	2,572
Taxation and social security	276	370	276	370
Other creditors	873	911	766	791
Accruals and deferred income	275	429	275	429
	5,730	5,172	5,623	5,052

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Foundation	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Bank loans	7,901	9,530	7,901	9,530
School fees in advance and confirmation deposits	3,656	3,711	3,656	3,711
	11,557	13,241	11,557	13,241
Maturity of debt:				
Between 1 and 2 years	2,573	2,467	2,573	2,467
Between 2 and 5 years	6,682	6,803	6,682	6,803
After 5 years	2,302	3,971	2,302	3,971
	11,557	13,241	11,557	13,241

Bank loans for school building projects, all unsecured, are:

(i) £5.0 million from Lloyds Bank plc drawn in 2007/08, interest fixed at 4.75 repayable in March 2029

(ii) £0.8 million from Lloyds Bank plc drawn in 2010/11, interest at variable rate, repayable over 15 years from September 2011.

(iii) £3.0 million from Lloyds Bank plc drawn in 2011/12, interest at base rate plus 2.51% with 75% of the loan required to be at a fixed rate from July 2014, repayable over 15 years from July 2012.

(iv) £1.5 million from Lloyds Bank plc drawn in 2012/13, interest fixed at 5.766%, repayable over 15 years from July 2013.

A £5.0 million CBIL loan from Lloyds Bank was taken out in May 2020, at a rate of 1.21% over base with no interest in the first year. The loan is secured over existing buildings and is repayable in 2026.

Bank loan repayments of £1,628,000 due before 31 August 2022 are shown at note 10.

12. PENSION COSTS

(a) Defined contribution schemes

The Schools operate a defined contribution scheme for non-teaching staff. The assets of the non-teaching staff scheme are held separately from those of the Schools in a fund independently administered by Scottish Widows. Additional voluntary contributions for teachers are paid into a fund independently administered by the Prudential Assurance Company Limited. The pension cost charge represents contributions payable by the Schools to the funds and amounted to £448,780 (2020: £317,195).

(a) Master trust scheme – teaching staff

During the year the School introduced an optional APTIS master trust scheme for teaching staff. The assets of this scheme are held separately from those of the School in a fund independently administered by AVIVA. The pension charge for the year includes contributions payable by the School to the funds and amounted to £179,110 (2020: £Nil)

12. PENSION COSTS (continued)

(c) Defined benefit scheme – teaching staff

The Schools participate in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff.

The pension charge for the year includes contributions payable to the TPS of £1,464,433 (2020: £1,635,847) and at the year-end £169,680 (2020: £197,885) was accrued in respect of contributions to this scheme.
The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 (as amended) and, from 1 April 2014, the Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

(d) Defined benefit scheme – non-teaching staff

Haberdashers' Monmouth Schools operate a defined benefit scheme in the UK administered by the Prudential Assurance Company Limited.

12. PENSION COSTS (continued)

The triennial valuation performed as at 31 March 2018 resulted in a scheme deficit of £829k. The Schools' Governor and Pension Trustees agreed to the actuary's recommended recovery plan of paying a lump sum of £310k in March 2019 and continuing with annual contributions of £66k for the next eight years with a view to rectifying the deficit by 2026.

An actuarial valuation to meet the requirements of Financial Reporting Standard 102 (FRS 102) was carried out by the scheme's actuary, Quantum Advisory at 31 August 2021. This showed a net liability on the scheme of £150k.

The major assumptions used in valuing the liabilities are given below with earlier year comparatives:

Assumptions	As at 31 August 2021	As at 31 August 2020	As at 31 August 2019
Discount rate	1.5%	1.6%	1.8%
Inflation	3.7%	3.4%	3.0%
Increases to deferred pensions (statutory revaluation) before retirement	3.0%	2.4%	2.0%

Mortality

Based on the assumptions, on the balance sheet date the average future life expectancies at age 65 are summarised below:

Life expectancy from age 65 years		As at 31 August 2021	As at 31 August 2020
Retiring today	Male	22.3	22.2
	Female	24.3	24.2
Retiring in 20 years	Male	24.1	24.0
	Female	26.1	26.0

The amounts recognised in the statement of financial position	2021 £'000	2020 £'000
Present value of funded obligations (excluding provision for additional liabilities)	3,191	3,210
Fair value of plan funds	(3,041)	(2,802)
Net defined benefit liability as recognised in the Balance Sheet	150	408

The amounts recognised in the income statement	2021 £'000	2020 £'000
Net interest cost	6	10
Total pension expense	6	10

12. PENSION COSTS (continued)

The amounts in the statement of other recognised gains and losses	2021 £'000	2020 £'000
Actuarial gain on plan assets	295	194
Actuarial loss on defined benefit obligation	(97)	(109)
Total gain/(loss) in statement of other recognised gains and losses	198	85

Changes in the present value of the defined benefit obligation	2021 £'000	2020 £'000
Liabilities at the start of the period	3,210	3,252
Interest cost	50	57
Actuarial gain	97	109
Benefits paid	(166)	(208)
Liabilities at the end of the period	3,191	3,210

Changes in the fair value of plan assets	2021 £'000	2020 £'000
Fair value of plan assets at the start of the period	2,802	2,703
Interest income	44	47
Actuarial gain	295	194
Contributions by the employer	66	66
Benefits paid	(166)	(208)
Fair value of plan assets at the end of the period	3,041	2,802

Analysis of return on plan assets	2021 £'000	2020 £'000
Interest income	44	47
Actuarial gain on plan assets	295	194
Return on plan assets	339	241

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

12. PENSION COSTS (continued)

Major categories of plan assets as a percentage of total assets

	Proportion of portfolio 31 August 2021 %	Value of assets 31 August 2021 £'000	Proportion of portfolio 31 August 2020 %	Value of assets 31 August 2020 £'000
Equity	59.0	1,794	51.7	1,448
Annuities	21.8	662	25.2	706
Bonds	10.4	316	15.5	435
Alternative	3.5	105	3.3	92
Cash	5.4	164	4.3	121
Total market value of assets	100.0	3,041	100.0	2,802

Reconciliation of funds	2021 £'000	2020 £'000
Total funds excluding pension deficit	138,054	122,931
Pension deficit	(150)	(408)
Total funds including pension deficit	137,904	122,523

13. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000
Tangible fixed assets	2,103	-	41,119	43,222
Fixed asset investments	3,000	759	98,526	102,285
Loan to William Jones's Almshouse Charity			1	1
Net current assets	3,484	416	203	4,103
Creditors due after more than one year	(7,406)	-	(4,151)	(11,557)
Defined benefit pension scheme	(150)	-	-	(150)
	1,031	1,175	135,698	137,904

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

14. RELATED PARTIES

The Haberdashers' Company, a City Livery Company incorporated by royal charter, is the sole member of HMEL. HMEL is a Trustee of the Foundation. Details of transactions between the Foundation, the Haberdashers' Company and connected entities are set out below:

- The Haberdashers' Company and its subsidiary were reimbursed for certain expenses incurred in the year on behalf of the Foundation. Further details are set out in note 4.

- The Foundation's endowment funds are invested predominantly in the Haberdashers' Total Return Pool, a common investment fund which has the Haberdashers' Company as Trustee. Notes 2 and 7 provide further details of relevant transactions and balances.

- In the year, the Foundation received £46,000 of grant funding from the Haberdashers' Educational Foundation to primarily support bursaries (2020: £34,000). The Haberdashers' Company is the Trustee of the Haberdashers' Educational Foundation.

Details of transactions and balances between the Foundation's schools and its subsidiaries are set out in notes 9, 10 and 16.

No remuneration or reimbursed expenses were paid to the Trustees or to any of the Schools' Governors.

15. CAPITAL COMMITMENTS

The value of capital expenditure contracted for but not yet incurred was £Nil (2020: £Nil).

The Foundation owns the whole beneficial interest in the share capital of three non-charitable trading subsidiaries for which the results are summarised below. Taxable profits are donated to the Foundation by deed of covenant (DoC).

	Share capital £	Activities
Monmouth School Enterprises Limited (Company number: 01727038)	90,000	Sale of school clothing and sports equipment at Monmouth School for Boys. Running the Monmouth School Sports Centre.
HMSG Enterprises Limited (formerly Haberdashers' Monmouth Girls School Shop Limited) (Company number: 02219841)	2	Sale of school clothing and sports equipment at Monmouth School for Girls.
Haberdashers' Monmouth Schools Bus Company Limited (Company number: 03031536)	2	Provision of bus transportation for pupils of Monmouth School for Boys and Monmouth School for Girls.

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

16. TRADING SUBSIDIARIES (continued)

A summary of trading results and balance sheets for the trading subsidiaries is shown below:

	MSEL		HMSGEL		Bus Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Turnover	258	457	121	156	211	231
Cost of sales	(176)	(286)	(73)	(87)	(446)	(413)
Administration expenses	(78)	(184)	(28)	(25)	(2)	(3)
Operating profit/(loss)	4	(13)	20	44	(237)	(185)
Subsidy from schools	-	-		-	237	185
Interest receivable	-	-	-	-	-	-
Transfer to the Foundation (DoC)	-	-	(28)	(44)	-	-
Retained profit/(loss) for the year	4	(13)	(8)	-	-	-
Share capital issued	90	-	-	-	-	-
Reserves b/f	(10)	3	8	8	-	-
Reserves c/f	84	(10)	-	8	-	-
Fixed assets	8	16	-	-	-	-
Current assets	379	186	4	147	2	4
Creditors falling due within one year	(303)	(212)	58	(77)	(2)	(4)
Unsecured loan	-	-	(62)	(62)	-	-
Net assets	84	(10)	-	8	-	-

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

17. GROUP STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 AUGUST 2020

	Unrestricted Funds		Restricted Funds	Permanent Endowment fund	Total
	Schools £'000	Foundation Income £'000	£'000	£'000	2020 £'000
Income and endowments from:					
Donations	-	-	175	-	175
Charitable activities:					
School fees	17,304	-	-	-	17,304
Ancilliary trading income	945	-	-	-	945
Other income – coronavirus job retention scheme	942	-	-	-	942
Other trading activities:					
Trading income	845	-	-	-	845
Investments:					
Investment income	88	15	22	-	125
FRS102 pension scheme interest	47	-	-	-	47
Other income	108	-	-	-	108
	20,279	15	197	-	20,491
Expenditure on:					
Raising funds:					
Loan interest	328	-	-	-	328
Fees in advance discount	49				49
Trading costs of subsidiaries	999	-	-	-	999
Charitable expenditure:					
Schools	21,470	204	146	904	22,724
FRS 102 pension scheme interest cost	57	-	-	-	57
	22,903	204	146	904	24,157
Net (expenditure)/income before gains on investments	(2,624)	(197)	51	(904)	(3,666)
Net gains on investments	65	-	29	2,122	2,216
Net (expenditure)/income	(2,559)	(197)	80	1,218	(1,450)
Transfers between funds	864	200	(33)	(1,031)	-
Other recognised gains:					
Actuarial gains on defined benefit schemes	85	-	-	-	85
Net movement in funds	(1,610)	11	47	187	(1,365)
Reconciliation of Funds:					
Total funds brought forward	3,320	113	951	119,504	123,888
Total funds carried forward	1,710	124	998	119,691	122,523

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

18. INVESTMENT INCOME FOR THE YEAR ENDED 31 AUGUST 2020

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Endowment Fund £'000	Total 2020 £'000
Interest from bank deposits	31	1	-	32
Income from listed investments	72	21	-	93
Distributions from Haberdashers' Charities Investment Pool (Total Return)	-	-	-	-
	103	22	-	125
FRS102 pension scheme interest	47	-	-	47
	150	22	-	172

19. TOTAL RESOURCES EXPENDED FOR THE YEAR ENDED 31 AUGUST 2020

	Staff costs £'000	Other direct costs £'000	Depreciation £'000	Total 2020 £'000
Raising funds:				
Loan interest	-	328	-	328
Fees in advance discount	-	49		49
Trading costs of subsidiaries	105	894	-	999
	105	1,271	-	1,376
Charitable expenditure:				
Teaching costs	10,999	1,553	482	13,034
School welfare	1,250	817	34	2,101
School premises costs	1,457	2,461	904	4,822
Support costs	1,776	886	1	2,663
Governance costs	20	84	-	104
FRS102 pension scheme interest costs	-	57	-	57
	15,502	5,860	1,421	22,781
Total resources expended	15,607	7,129	1,421	24,157

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

20. STATEMENT OF FUND MOVEMENTS AND TRANSFERS YEAR ENDED 31 AUGUST 2020

(a) Fund movements

	Balance 1 September 2019 £'000	Income £'000	Expenditure £'000	Other recognised gains/ (losses) £'000	Net Transfers £'000	Balance 31 August 2020 £'000
Designated funds:						
Schools cyclical repairs	252	1	(382)	-	500	371
Boys school capital projects	118	1	-	-	(119)	-
Girls school bursary fund	61	-	-	-	(61)	-
Leavers deposits	22	-	-	-	(22)	-
Assisted places reserve	603	2	-	-	61	666
Prospectus reserve	104	-	-	-	10	114
Recruitment reserve	2	-	-	-	20	22
Governors reserve	-	1	-	-	(1)	-
Pensions reserve	80	-	(41)	-	25	64
	1,242	5	(423	-	413	1,237
General funds – Foundation:						
Schools	2,616	19,382	(21,424)	65	243	882
Foundation Income Fund	113	15	(204)	-	200	124
Pension scheme fund	(549)	47	(57)	85	66	(408)
	2,180	19,444	(21,685)	150	509	598
Total unrestricted funds – Foundation	3,422	19,449	(22,108)	150	922	1,835
Non-charitable trading funds	11	845	(999)	-	142	(1)
Total unrestricted funds – Group	3,433	20,294	(23,107)	150	1,064	1,834
Restricted funds						
Schools scholarship fund	319	100	(79)	-	(49)	319
Pre-Prep & Nursery grant	8	-	(5)	-	-	3
Pre-Prep & Nursery bursary	-	7	(7)	-	-	-
Girls school other	-	17	-	-	16	33
Walker Memorial Fund	2	1	(3)	-	-	-
Covid Support Fund	-	52	(52)	-	-	-
Extraordinary repair fund	577	20	-	29	-	626
Stephenson awards	16	-	-	-	-	16
Total restricted funds	951	197	(146)	29	(33)	998
Permanent endowment fund	119,504	-	(904)	2,122	(1,031)	119,691
Total Funds	123,888	20,491	(24,157)	2,301	-	122,523

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

20. STATEMENT OF FUND MOVEMENTS AND TRANSFERS (continued)

(b) Transfers between funds

	Non-charitable trading funds £'000	Charitable unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Permanent endowment fund £'000
Transfer from unapplied Total Return	-	1,950	-	-	(1,950)
Funding from schools for new buildings	-	(919)	-	-	919
Additions to cyclical maintenance reserves	-	(500)	500	-	-
Recruitment reserve	-	(20)	20	-	-
Leavers deposits	-	-	(22)	22	-
Capital projects reserve		118	(118)	-	
Prospectus reserve		(10)	10	-	
Scholarship awards		55	-	(55)	
Provision for assisted places	-	(83)	83	-	-
Assisted places provision used	-	83	(83)	-	-
Addition to governors' pension reserve	-	(23)	23	-	-
Bus company supplement	186	(186)	-	-	-
Trading companies payment under gift aid	(44)	44	-	-	-
	142	509	413	(33)	(1,031)

21. MOVEMENT ON UNAPPLIED TOTAL RETURN FOR THE YEAR ENDED 31 AUGUST 2020

Unapplied total return is calculated relative to the value of the trust for investment at 31 August 1976 (base value), that being the base date determined by the Trustee as appropriate for the Foundation's endowment fund. No new endowment gifts have been received since the base date.

	Trust for Investment £'000	Unapplied Total Return £'000	Total 2020 £'000
Trust for investment at 1 September 2018	6,314	76,793	83,107
Investment returns:			
Investment income	-	-	-
Realised and unrealised investment gains	-	2,122	2,122
Transfer to trust for application	-	(1,950)	(1,950)
Trust for investment at 31 August 2019	6,314	76,965	83,279

NOTES TO THE ACCOUNTS
Year ended 31 August 2021

22. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS
YEAR ENDED 31 AUGUST 2020

	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000
Tangible fixed assets	2,480	-	41,832	44,312
Fixed asset investments	2,234	665	82,247	85,146
Loan to William Jones's Almshouse Charity	-	-	2	2
Net current assets/(liabilities)	5,989	333	390	6,712
Creditors due after more than one year	(8,461)	-	(4,780)	(13,241)
Defined benefit pension scheme	(408)	-	-	(408)
	1,834	998	119,691	122,523

WILLIAM JONES'S SCHOOLS FOUNDATION

England & Wales - Charity number 525616

Accounts

Charity Registration No. 525616

WILLIAM JONES'S SCHOOLS FOUNDATION

Trustees' report and accounts for the year ended 31 August 2020

WILLIAM JONES'S SCHOOLS FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

Legal and administrative details	1
Trustees' report	3
Independent auditors' report	17
Consolidated statement of financial activities	19
Balance sheets	20
Consolidated cash flow statement	21
Notes to the accounts	23

WILLIAM JONES'S SCHOOLS FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

REGISTERED CHARITY NUMBER 525616

TRUSTEES AND GOVERNORS

The William Jones's Schools Foundation ("the Foundation") has two corporate trustees: Haberdashers' Monmouth Estates Limited (HMEL), Company number 09177858 and Haberdashers' Monmouth Schools Limited (HMSL), Company number 09177946. The Haberdashers Company is the sole member of HMEL and HMSL.

PRINCIPAL OFFICES

Haberdashers' Monmouth Estates Limited and the Foundation
Haberdashers' Hall, 18 West Smithfield, London, EC1A 9HQ

Haberdashers' Monmouth Schools Limited
St Catherine's House, 17 Hereford Street, Monmouth, NP25 3HG

OFFICERS OF THE HABERDASHERS' COMPANY

Clerk	Commodore P J Thicknesse RN (resigned 31 October 2020) Brigadier H A Watson MBE (appointed 31 October 2020)
Director of Finance & Information	E D Bayley
Director of Schools	A Chambers (resigned 12 March 2021)

DIRECTORS OF HABERDASHERS' MONMOUTH ESTATES LIMITED

The Haberdashers' Company

Mr Richard Glover, Chairman of the Haberdashers' Company Education Committee

DIRECTORS OF HABERDASHERS' MONMOUTH SCHOOLS LIMITED AND SCHOOLS' GOVERNORS

* A W Twiston-Davies (Chairman) #
* P M Alderman
* M H C Anderson (resigned 31 August 2020)
Mrs E Ashford
Mrs J M Booth
* Prof R J Carwardine
* Mrs S Clayton
* M E Davidson (resigned 31 August 2020)
T Haden-Scott (appointed 1 September 2020) #
Dr J W Kelly (resigned 31 August 2020)
* M Kerrigan
* N G H Manns
* R P Miners #
Mrs H Moriarty
Councillor R G Roden
* Mrs R F Rose
Mrs L A Russen
* N A J Waters
* Dr R A Weeks
* I A de Weymarn (appointed 1 September 2020)
Mrs R Williams

* appointed by the Haberdashers' Company
\# member of the Court of Assistants of the Haberdashers' Company

Of the seven governor appointments not made by the Haberdashers' Company, one was appointed by Monmouthshire County Council and the other six were co-opted by the Governors, including two current or former members of the academic staff from the Universities of Oxford, Cambridge and Cardiff.

WILLIAM JONES'S SCHOOLS FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

CLERK AND TREASURER TO THE SCHOOLS' GOVERNORS

Mrs F S Creasey

THE SCHOOLS

Monmouth School for Boys, Almshouse Street, Monmouth, NP25 3XP
Monmouth School for Girls, Hereford Road, Monmouth, NP25 5XT
Monmouth Schools Pre-Prep and Nursery, Dixton Lane, Monmouth, NP25 3SG

Website: www.habs-monmouth.org

KEY MANAGEMENT PERSONNEL

J Murphy-O'Connor	Principal, Haberdashers' Monmouth Schools
Dr A J Daniel	Head, Monmouth School for Boys (resigned 31 August 2020)
S H Dorman	Head, Monmouth School for Boys (appointed 1 September 2020)
Mrs J Miles	Head, Monmouth School for Girls
Mrs J L Phillips	Head, Monmouth School Girls' Prep (resigned 31 December 2020)
T Evans	Acting Head, Monmouth School Girls' Prep (appointed 1 January 2021)
N Shaw	Headteacher, Monmouth School Boys' Prep Acting Head, Monmouth Schools Pre-Prep and Nursery (appointed 1 April 2021)
M Wren	Head, Monmouth Schools Pre-Prep and Nursery (resigned 31 March 2021)
Mrs T A Norgrove	Foundation Bursar

PRINCIPAL ADVISERS TO THE FOUNDATION

Bankers
C Hoare & Co, 37 Fleet Street, London, EC4P 4DQ
Allied Irish (GB), 26 Finsbury Square, London, EC2A 1DS

Auditors
Saffery Champness LLP, 71 Queen Victoria Street, London, EC4V 4BE

Solicitors
Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

PRINCIPAL ADVISERS TO THE SCHOOLS

Bankers
Lloyds Banking Group, 5 Cathedral Road, Cardiff, CF11 9RH
Barclays Bank plc, 121 Queen Street, Cardiff, CF10 2XU

Auditors
Crowe UK LLP, Carrick House, Lypiatt Road, Cheltenham, GL50 2QJ

Solicitors
Veale Wasbrough Vizards, Narrow Quay House, Narrow Quay, Bristol, BS1 4QA

TRUSTEES' REPORT

The Trustees present the annual report and financial statements of the Foundation for the year ended 31 August 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the accounts and comply with 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 (FRS 102). Legal and administrative information set out on pages 1 to 2 forms part of this report.

The Foundation and Corporate Trustees

In his will, William Jones, Liveryman of the Haberdashers' Company, made a bequest to establish a "free school" at Monmouth and the Foundation was established by letters patent of King James I dated 19 March 1614, which authorised the founding of a "Free Grammar School".

William Jones's Schools Foundation ("the Foundation") is now constituted as an unincorporated registered charity, governed by Schemes of the Charity Commission dated 12 November 1987, 21 July 1998, 25 May 2000, 30 April 2009 and 23 November 2009. The Haberdashers' Company was the Trustee of the Foundation and was also the Estates Governor until 1 April 2016. On 1 April 2016, the Haberdashers' Company passed a resolution and appointed two new companies, Haberdashers' Monmouth Estates Limited and Haberdashers' Monmouth Schools Limited, to act as Trustees and Estates Governor and Schools' Governor respectively.

The Haberdashers' Company

The Haberdashers' Company is a City Livery Company incorporated by royal charter and is the sole member of Haberdashers' Monmouth Estates Limited and Haberdashers' Monmouth Schools Limited. The full name under which the Company is incorporated is 'The Master and Four Wardens of the Fraternity of the Art or Mystery of Haberdashers in the City of London'. The Company is in the fortunate position of being able to admit a steady stream of able and committed new members known as Freemen who, when they have gathered experience in their chosen careers, may be selected to become Liverymen and may undergo further rigorous selection procedures to become eligible for duties within the Company. Some will be selected to join a pool of potential school governors from which the Company makes nominations to governing bodies.

Haberdashers' Monmouth Estates Limited (HMEL)

HMEL is a company, limited by guarantee, which as the Estates Governor is the sole trustee of the land and buildings of the Foundation. The Company's responsibilities, as Trustee, are undertaken by its Directors, assisted by the Education Committee of the Haberdashers' Company and activities are managed on a day-to-day basis by the Clerk and Haberdashers' Company staff. Members of the Education Committee are selected by the Haberdashers' Company to provide a broad range of expertise, particularly in the areas of governance and management. The Chairman of the Education Committee is a director of HMEL and, usually, a former chairman of governors of a Haberdashers' Company school or schools. Members of the Education Committee all have experience as school governors. The Education Committee is advised on financial matters by the Haberdashers' Company Finance Committee. Training for members of the Education Committee builds on their previous experience as school governors and includes an induction process for new members, provision of relevant reading material, training days and regular reports and advice from the Educational Adviser. Neither the Trustee nor any of the Directors receive any remuneration for services performed in their capacity as Trustee or Directors.

Haberdashers' Monmouth Schools Limited (HMSL)

HMSL is a company, limited by guarantee, which is the Schools' Governor of the Foundation.

The Schools' Governors ("the Governors"), who are directors of HMSL, play an important strategic role in the life of the schools and are responsible for determining the aims and overall conduct of the schools. The Governors shape the overall strategy for the schools with the Principal, and review and approve the implementation of the individual strategies, policies and procedures developed by the Principal and the Executive Team, to ensure the best possible education for present and future pupils. The Governors are

TRUSTEES' REPORT

also responsible for ensuring the proper control of the schools' finances and compliance with relevant regulation, particularly the safeguarding of pupils.

Governors give their time voluntarily, receive no payment and for continuity are generally expected to serve at least four years on the Board. They offer a blend of skills and experience to help guide and direct the schools and the Board would normally include individuals with experience in business, law, accountancy, education, public health or the medical profession and property. When selecting replacement governors, the aim is to retain this balance of professional expertise, as well as making every effort to ensure that the diversity of the school community is reflected on the Board. Governors are appointed by the bodies listed on page 1. The Board Chairman is a senior Haberdasher nominated by the Company and elected annually by the Governors.

The Governors operate across the Haberdashers' Monmouth Schools but divide responsibility for key areas into smaller executive committees covering the individual schools, academic matters, finance, audit and estates, pastoral care and governance. The schools each have a nominated governor (Vice Chair) who plays a valuable supporting role for the respective Head. Nominated Safeguarding Governors have been appointed for each school; they work closely with the Designated Senior Persons (DSPs) in each school to ensure that the Board's safeguarding responsibilities are fulfilled.

On joining the Board, all Governors undergo a thorough induction programme, comprising extensive written material in the form of a briefing pack and at least a day's familiarisation visit to the schools. Governors also receive regular updates of the schools' literature throughout their tenure and have the opportunity to attend training sessions on a variety of subjects, either at Haberdashers' Hall, or run by external bodies such as AGBIS (Association of Governing Bodies of Independent Schools).

Organisational Management

The day-to-day running of the schools is delegated to the Principal, Heads and Foundation Bursar, as key management personnel, who in turn are supported by their Senior Management Teams.

The remuneration of key management personnel is set by the remuneration sub-committee, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the schools' success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the schools remain sensitive to the broader issues of pay and employment conditions elsewhere.

Delivery of the Foundation's charitable vision and purpose is primarily dependent on the key management personnel and staff costs are the largest single element of our charitable expenditure.

Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom generally accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of the resources of the Foundation 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

TRUSTEES' REPORT

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the Foundation and which enable the Trustees to ascertain its financial position and to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the Foundation's constitution. The Trustees are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HMEL is responsible for compliance with these statutory obligations on behalf of the Foundation.

Charitable Object

The object of the Foundation, as set out in the 1998 Scheme, is "the provision and conduct in or near Monmouth of a day and boarding school for boys and a day and boarding school for girls and a day pre-preparatory school for boys and girls."

Aims and Objectives

The charitable object is specific, so the primary activity of the Foundation is to provide and operate the named schools. The aims of the Foundation are as follows:

(i) **The Schools** are constituted as independent schools and share the following mission:

"To extend the educational facilities and opportunities provided to children living in or near Monmouth so as to maximise educational choice and opportunity. This is to be done by providing schools of the highest quality for infant, primary and secondary education on a fee paying basis, whilst enabling access to those who could not otherwise afford to attend through the provision of financial support from bursaries and fee remission.

The Schools welcome joiners from both the Maintained and Independent sectors at all stages. These include, but are not limited to, joiners at age 16+ wishing to take advantage of the outstanding opportunities provided in the Sixth Form, children with particular talents or special needs and those who will benefit from a more personalised education, and pupils with the ability to reach more challenging levels and benefit from a wider range of choice than would otherwise be available to them. Others are motivated to join not just for the academic attainments but because they wish to participate in the thriving sport, drama, music and other extracurricular activities.

The schools also seek to maximise the public benefit provided by them in other ways, such as by sharing facilities with the local community and through links to other schools."

(ii) **HMEL** has adopted the following aims for its own role as Trustee. These also reflect the aims of the Company's Education Committee:

Vision
To be seen as offering sustained commitment to excellence in education through excellence in governance, trusteeship and sponsorship.

Mission statement

- To discharge properly the role of Trustee
- To provide highest quality governance
- To develop the influence of the Haberdashers' Company in the field of education
- To enable the Haberdasher schools to take an independent view on the students' educational needs
- To promote common values in Haberdasher Schools:

Attributable to pupils:	Attributable to schools:
Open minded / intellectually curious	Aspirational / stretching
Good citizens	Accessible
Culturally diverse	Academic equality of opportunity
Rounded	Ethical and humane
Innovative	Exciting
Co-operative	Supportive of Christian values

TRUSTEES' REPORT

The Trustees have taken into account the Charity Commission's general guidance on public benefit and more specific guidance for charities whose aims include advancement of education and whose activities involve charging fees, in reviewing aims and objectives for the Foundation.

Review of activities and achievements

The schools have articulated their vision, purpose, philosophy and values as below.

Our Vision
Haberdashers' Monmouth Schools offer a unique and innovative system of education, known as the Monmouth Model. The family of schools that makes up the Monmouth Model aspires towards national and international respect for delivering an exceptional all-round education for girls and boys. The schools are renowned for developing talented young men and women with a refreshingly grounded attitude to life and a belief in the importance of community.

Our Purpose
To provide an inspirational educational journey for girls and boys aged 3 to 18. To develop rounded, grounded and self-confident young men and women equipped to excel in their chosen paths, who aspire to make a positive difference to society.

Our Philosophy
We know that parents seek the best all-round education for their children. They also want their sons and daughters to be self-confident, socially assured and to become a force for good. We believe we fulfil these aspirations by providing outstanding education combined with inter-school collaboration throughout our family of schools.

Our Values
Our values are at the heart of everything we do.

- They define the behaviours we expect everyone to engage with and live by.
- They drive our performance as individuals, as teams and as an organisation.
- They inspire the way we work together.
    - **Community**
      We value the community and recognise the difference that an individual can make in benefiting others, as exemplified by our founder William Jones.
    - **Integrity**
      We act with integrity in everything we do. We believe in honesty and a principled approach, with ethical and social responsibility.
    - **Opportunity**
      We believe in the power of opportunity for pupils, and inspire them to participate in a wide range of academic subjects, interests and activities.
      We aim to develop young men and women who are:
        - Rounded – for their life ahead by their journey through the unique Monmouth Model
        - Grounded – down-to-earth, unassuming and principled
        - Unbounded – with the inspiration and self-belief to feel that anything is possible

The Schools

The Haberdashers' Monmouth Schools operate under a single Department for Education registration number. Our first Principal, Mr James Murphy-O'Connor, took up post in September 2019. The Principal's role is mainly strategic with an emphasis on academic and co-curricular provision, marketing, fund-raising, outreach and community relations. Each school has a Head responsible for the day-to-day running of their school, including teaching, pastoral care and co-curricular activities. The Principal, Heads, Foundation Bursar and Director of Marketing & PR work together as an Executive Team to develop and deliver the schools' strategy, share best practice and ensure an equality of experience across the schools.

Boys and girls often spend all their school years in the Haberdashers' 'family', starting in the Pre-Prep and Nursery, moving on through the prep and senior schools, before completing their educational journey in our Sixth Form. In September 2020, the schools had 1,241 pupils (September 2019: 1,324). Overall pupil numbers have reduced by 82 over the 12 month period. The most significant fall is in boarding (51 fewer

TRUSTEES' REPORT

across all age groups), largely due to the difficulties of recruiting new boarders from overseas during the Covid-19 pandemic. Day pupil numbers in the Pre-Prep and Prep Schools have declined by 42 due to lower numbers of younger children in the local area, spaces being available in local primaries and pressures on family finances. There has been a small increase in numbers of day pupils in the senior schools.

Monmouth Schools Pre-Prep & Nursery
Based at Monmouth Schools Pre-Prep & Nursery, a delightful old rectory set in picturesque grounds, the school offers a creative curriculum for 3 to 7 year olds, providing a strong foundation in the core skills of literacy and numeracy, together with research and problem-solving skills. Enrichment activities using our extensive grounds and all the facilities of our family of schools give each child the chance to flourish and shine. This co-educational foundation is the positive bedrock for future learning and children can move confidently onto the prep schools. In September 2020, there were 52 children on roll (Reception to Year 2) and 15 children in the Nursery (2019: 69 and 17 respectively).

Monmouth School Boys' Prep and Monmouth School Girls' Prep
The prep schools welcome day and boarding pupils aged 7 to 11 to Monmouth School Boys' Prep and Monmouth School Girls' Prep situated a mile apart on the two sides of the picturesque River Wye. We focus on developing enthusiastic, inquisitive, resilient boys and girls with high aspirations. The curricula are carefully planned around the different learning styles of boys and girls to develop solid academic foundations. Our engaging subject-specialist teachers inspire and motivate the children to learn with a sense of fun and enjoyment. Girls and boys make the most of the superb facilities on offer for sports, culture and the arts. Through our unique Monmouth Model, children also benefit from the many and varied joint activities organised by the two schools: trips and expeditions, joint social and co-curricular events, and shared community projects. There is a sense that anything is possible, ensuring a confident step up to the senior school. Pupil numbers in September 2020 were 124 boys and 88 girls (2019: 127 boys; 117 girls).

Monmouth School for Boys and Monmouth School for Girls
Through the Monmouth Model, pupils in Years 7 to 11 at the two senior schools benefit from their positive, constructive and inspiring single-sex communities within which they thrive and flourish. Education is carefully planned to motivate and challenge all pupils. The academic curricula are specifically tailored to each gender, enabling boys and girls to engage in a broad choice of subjects free from any gender stereotyping. Pupils also benefit from the invaluable interaction with their sibling school, sharing many trips and expeditions, events and community projects. They also make the most of the area's wonderful natural resources and the excellent facilities on offer for sports, culture and the arts.

Fully co-educational teaching in the Sixth Form was introduced in September 2018, which enhances the preparation of our students for university and their future careers. Sixth Form students of Monmouth School for Boys and Monmouth School for Girls are taught at both sites in co-educational classes. This encourages a wider range of views in lessons and allows for more flexible subject combinations. Students also benefit from a wide-ranging enrichment programme including opportunities for volunteering, drama, sports leadership, academic courses and life skills. Pastoral care is delivered by their 'home' school, with Sixth Formers continuing to act as leaders and role models for younger pupils.

The boys' school was founded in 1614 by William Jones, a member of the Haberdashers' Company of London and has been independent since 1973. The school's rowing club celebrated its 150th anniversary with much success; two boys achieved representative honours with Team GB, with ten others representing Wales in the home internationals. In September 2020, the school roll was 498, of whom 138 were boarders (2019: 510 of whom 156 were boarders).

The girls' school was founded in 1892 and it has also been independent since 1973. In September 2020, 115 of its 464 pupils were boarders (2019: 479 of whom 135 were boarders).

The schools' strategic intentions are underpinned by dedicated and hardworking staff and all the schools focus on encouraging their staff to develop their professional skills during their period of employment.

Results in public examinations are consistently excellent (table below) and the vast majority of students take up places at their first choice universities and subsequently go on to make their mark in diverse areas including engineering, medicine, languages, business and the arts.

TRUSTEES' REPORT

	A levels 2020			GCSE 2020
	Pass rate	A*-B grades		9-4 grades
Monmouth School for Girls	100%	86.8%		99.7%
Monmouth School for Boys	100%	86.8%		100%

The close relationship between the schools is apparent in the co-ordination of their objectives and strategies above, in their own sections of their joint website and in the range of activities available to both boys and girls, including a truly Combined Cadet Force, joint orchestras and joint trips. Alumni from both schools also joined together for the annual joint carol service in London which is now regarded as a 'city tradition'.

Faced with declining numbers of children of school age within our catchment area, the schools have developed strategies to maintain pupil numbers. Marketing is generally focused on the main entry points at Pre-Prep (Nursery and reception) and Years 3, 7, 9 and 12. Over recent years, the schools have developed their marketing strategy to maximise the potential of social media to reach parents and revolutionise our outreach to local schools. Admission to our schools is based on a child's potential as well as their performance in our formal assessments.

Although Covid-19 has impacted boarding, numbers are generally steady and include a large number of children from Forces families and a strong contingent from West Wales. When conditions allow, we will continue to target countries with a large expatriate community such as the United Arab Emirates, Saudi Arabia and Hong Kong, as well as developing links with emerging markets elsewhere.

Haberdashers' Monmouth Schools are affiliated to HMC (The Headmasters' and Headmistresses' Conference); Monmouth School for Girls is affiliated to GSA (The Girls' School Association); Monmouth School Boys' Prep, Monmouth School Girls' Prep and Monmouth Schools Pre-Prep and Nursery are all affiliated to IAPS (The Incorporated Association of Preparatory Schools). The Board of Governors is a member of AGBIS (Association of Governing Bodies of Independent Schools). The schools follow many of the guidelines and policies set by the above organisations, although these will sometimes be adapted to suit the schools' particular needs when they are written into the schools' own procedures. Standards set by other bodies operating in the independent sector are also relevant e.g. ISC (Independent Schools Council). For example, the schools follow the rules accepted in the sector on setting dates for entrance exams (so as not to gain unfair advantage over other schools) and on fee debt (not accepting a pupil who has outstanding debt at another school).

Monmouth Schools Pre-Prep and Nursery, Monmouth School for Boys/Monmouth School Boys' Prep and Monmouth School for Girls/ Monmouth School Girls' Prep were last inspected by Estyn (the Welsh Schools' Inspectorate) in 2013 (January), 2014 (March) and 2015 (December) respectively. The senior and prep schools have won the highest praise possible from Estyn, being awarded the "excellent" rating across the board under the inspection framework introduced in 2010. Estyn identified examples of sector-leading best practice at both schools which are cited on their website. All the reports, of which the schools are rightly proud, are available on the Estyn website. Boarding facilities are subject to inspection by the Care Inspectorate for Wales. Monmouth School for Boys boarding was last inspected in June 2019 and Monmouth School for Girls in February/March 2016. Both received positive reports, which are available on the Care Inspectorate Wales website.

All the schools have active Friends' Associations, which are run by parents on a voluntary basis, organising social and fundraising events. The schools benefit greatly from the commitment, enthusiasm and gifts provided by these associations as well as the considerable generosity and support of former pupils.

(b) Public Benefit

Since the William Jones's Schools Foundation and Monmouth School were established over 400 years ago in 1614, the schools have been deeply committed to serving the local community, primarily through the provision of education, in accordance with the wishes of their founder. In addition, by providing affordable boarding facilities, they extend the facilities of the Schools to children from further afield who might not otherwise have access to such an education. The confidence, balance and achievements of pupils and former pupils as students, citizens and members of the wider community provide ample evidence of the direct benefit to be gained from time spent at the schools. The schools also recognise their further responsibilities as charitable institutions, as summarised below. Whilst activities were inevitably restricted

TRUSTEES' REPORT

during the Summer term 2020 due to the pandemic, the schools made every effort to continue their educational partnerships, outreach and community service, either by using technology to connect online or in a Covid-safe way.

(i) Fee Support

A core part of the ethos of the William Jones's Schools Foundation has been, and will continue to be, to provide an education for those who could not otherwise afford the fees. The schools also assist needy families in securing funding from other educational trusts for individual pupils who could not otherwise be at the schools. The Governors are committed to sustaining this level of awards as a proportion of school fees over the coming years.

Bursaries

In 2019/20 the value of means tested bursaries (including Assisted Places) totalled £1,474,000 (2018/19: £1,801,000) and represented 7.4% of gross fees. Although the absolute figure has fallen, the percentage of gross fees is identical, mirroring the decline in gross income due to Covid-19 fee concessions. The bursaries assisted 319 of our pupils (c.27% of total senior and prep aged pupils) of which 26 pupils (2018/19: 18) benefitted from a full remission of fees. A number of families required temporary help due to financial difficulties resulting from the pandemic. A proportion of this help came from a hardship fund established for this purpose.

Scholarships

In addition, the schools awarded scholarships to 232 pupils, based on their academic, sporting or creative ability and potential, totalling £414,000 and representing 2.1% of gross fees. Of this number, many also qualified for means-tested bursary support and are included in the figures relating to bursary awards.

(ii) Educational partnerships

The schools sustain relationships and undertake joint activities with maintained local schools, with examples of such partnerships including:

- Joint Schools Council – regular meetings of pupils from each of Monmouth School for Boys, Monmouth School for Girls and Monmouth Comprehensive School. The JSC espouses "community, cooperation, collaboration".
- Monmouth School for Girls and Monmouth Comprehensive School both hosted talks on mental health awareness on World Mental Health Day, which were open to parents and staff from all the Monmouth Schools.
- The senior schools invite pupils from WyeDean School, Chepstow to attend MMI (multiple mini interview) as preparation for interview for Oxbridge and medical/dental/vet school.
- Year 12 pupils volunteer at Osbaston Junior School each Wednesday afternoon, helping More Able and Talented pupils in Year 6 with English and Maths. Others assist pupils with reading in other local primary schools.
- We help organise and provide the venue for Monmouth's Got Talent, involving pupils from Monmouth Comprehensive School and our senior pupils run Junior Monmouth's Got Talent, involving local primary schools.

(iii) Outreach Activities

The schools offer a wide variety of outreach activities throughout the year, including the following examples:

- Monmouth Science Initiative entered its second decade in 2019/20, having supported over 550 A level scientists from both of the Monmouth Schools and pupils from local comprehensives and engaged them in STEM activities stretching beyond the confines of the exam syllabi. 'MSI-ers' have studied wide-ranging topics including astrophysics, robotics, DNA and forensics. Recognised as sector leading practice, this exciting venture is run by HMS staff, supported by Cardiff University and uses the facilities of the Haberdashers' Schools.
- Monmouth School for Boys' Computer Science department organises and hosts a 'Wyehack' event or workshop around twice per term open to anyone interested in using hardware and software to build an app, website or game.

TRUSTEES' REPORT

- Monmouth School for Boys' Computer Science department hosted a Computer Science fair in November, which was open to pupils from other schools
- Monmouth School Boys' Prep hosts an annual science fair to promote innovation and presentation skills amongst Year 6 pupils. Raglan Primary school submits a team and has used this to extend project work within its school curriculum. This took place virtually during the first lockdown in the Summer term 2020.
- Over 1,000 pupils from local state primary schools were hosted in the Blake Theatre for exciting Chemistry workshops in three sessions tied in with the KS2 curriculum.
- Activity mornings were run by both Senior schools and open to all children in Year 6.

(iv) Community Service and Partnerships

- Pupils are involved in a wide variety of community service activities, in many cases as part of the schools' Duke of Edinburgh Awards programme. Examples include: volunteering in charity shops, befriending the elderly and lonely, helping at Brownies and Scouts, working on allotments and assisting with coaching at local sports clubs.
- During the first lockdown, staff and pupils made hundreds of PPE masks which were donated to local hospitals.
- Pupils collect food in our schools for the Raven House Trust foodbank in Newport, South Wales, and visit the foodbank during service module afternoons to assist in the labelling and sorting of donated food as well as the assembly of food parcels.
- Pupils helped transfer and set up equipment and supplies between the local churches participating in a night shelter scheme for rough sleepers.
- Pupils record a newspaper for the blind every week.
- The schools support and provide facilities for annual town events such as the Remembrance service, Monmouth Mayor's Charity Concert, lantern parade and charity raft race.
- Our school Chaplain delivers assemblies at Osbaston Primary School and offers religious tutoring to pupils of primary schools in town.
- Monmouth Astronomical Research Society (MARS) is a joint venture between pupils at Monmouth School for Boys and members of the public drawn from a radius of 30 miles. The society membership is from 10 to 80 years of age and includes amateur astronomers, professionals and students. Monthly meetings involve lectures from experts, practical activities and observation work.
- A group of sixth form students volunteered at a local dementia care home from September 2019 to March 2020.
- MG hosted a Blood Donation session in November, at which pupils, staff, parents and members of the public could donate.
- Lending of equipment and staff time to support the annual charity Santa Fun Run, which is organised by Spirit of Monmouth running club.
- Fundraising events for local charities, e.g. Swim for Tom for Cancer Research Wales.
- Several members of academic staff serve as governors at local primary schools.

(v) Community Access

The schools' facilities are well placed in Monmouth and are made available for a large number of community activities, including sports clubs, drama and music groups, and holiday activity programmes for local children. The sports facilities are used extensively by local primary schools and sports clubs each week. The performing Arts Centre and theatres are used regularly by amateur dramatics groups and musicians. Monmouth Pre-Prep and Nursery car parks are made available to church users for weekend functions and for visitors to other local events such as the Monmouthshire Show and Wye Swim. Regular events include:

- Monmouth Schools Pre-Prep and Nursery hosts a fortnightly baby group which is open to local families and includes soft play, activities and snacks. Over 40 families were registered in Lent 2020 when the activity temporarily closed due to the restrictions.
- Monmouth School for Girls hosted the regular Business Hub breakfast that brings local businesses into the school, allowing the girls to network.

TRUSTEES' REPORT

- Monmouth School for Girls hosts several events during the annual Monmouth Women's Festival each March.
- Every second Tuesday the Physics Department hosts the Monmouth Astronomical Research Society in school.
- The WRU Exiles programme used Monmouth School for Boys pavilion and sports fields for rugby training in September 2019. The school has also hosted junior county cricket matches and a Welsh match during the summer.
- The schools regularly host the regional heats of school competitions and quizzes attended by local independent and maintained sector schools.
- Monmouthshire County Council makes use of the Conference Room at Monmouth School for Boys for occasional meetings.
- Use of the Blake Theatre at Monmouth School for Boys for public performances.
- The Music School is (in normal times) used twice weekly by outside community groups for rehearsals.

(c) Subsidiary companies

Three non-charitable subsidiary companies are controlled by HMSL, to provide services for the benefit of the schools and to provide access for the local community to the schools' facilities.

Monmouth School Enterprises Limited and HMSG Enterprises Limited run school shops selling school uniform and sports equipment. Monmouth School Enterprises Limited also runs the Monmouth School Sports Complex and the Blake Theatre, which are used by both the school and the local community. The Enterprise Companies employ their own staff but receive administrative support from the Foundation Bursar's department.

Haberdashers' Monmouth Schools' Bus Company Limited provides an extensive transport service to enable pupils from a wide area to attend the schools.

The activities of the three subsidiary companies have been severely impacted by the Covid-19 pandemic. Monmouth School Enterprises Limited had to close the Blake Theatre and Sports Club, and all Easter and Summer lets were cancelled. Despite furloughing most staff, the company made a small loss for the year. HMSG Enterprises Limited also suffered a reduction in income due to cancelled letting arrangements but was able to cover its costs. The Bus Company was impacted by the closure of the schools and consequent cancellation of bus transport for all pupils in the Summer term. As the schools subsidise bus transport, the level of subsidy was lower than the previous year.

Further details of the subsidiaries and their financial activities are listed at note 16 to the accounts.

Connected charities

Some pupils and activities at the schools receive financial support from the Haberdashers' Educational Foundation (HEF), registered charity number 1093108. HEF funds support bursaries, scholarships and prizes at the schools. In addition, a member of staff at the schools has been funded partly by a grant from the Haberdashers' Foundation, registered charity number 275067.

Because the activities of HEF and the Haberdashers' Foundation are related to those of William Jones's Schools Foundation and the Haberdashers' Company is trustee of two of these and controls HMEL, they are regarded as connected charities. None of the three foundations subordinates its interests to either of the others.

The Foundation's investment in the Haberdashers' Charities Investment Pool (Total Return), a common investment fund and subsidiary of the Haberdashers' Charities Investment Pool, registered charity number 1079691, represents 75% of the value of the Total Return Pool (2019: 73%). The Haberdashers' Company is trustee of both pools.

TRUSTEES' REPORT

Investment powers, policy and performance

HMEL's investment powers are set out in its Articles of Association. Supervision of Investment Managers is exercised by the Securities Committee of the Haberdasher's Company.

HMEL has adopted the total return approach to investing. Under the total return approach, all investment returns are received into the permanent endowment fund, whether in the form of income or realised or unrealised gains. With full regard to the overriding duty to maintain a fair balance between the interests of current and all future beneficiaries, HMEL then makes transfers out of the accumulated unapplied total return in the endowment fund to a 'trust for application' to meet grants and other costs formerly paid out of net income. The remaining unapplied total return is retained within the permanent endowment fund. Transfers to the trust for application are guided by a withdrawal rate of 3.5% of invested capital.

The base date for the total return approach was 31 August 1976, at which point the value of the endowment was £6.3 million and the Schools had just become independent, having been formerly direct grant grammar schools. Preservation of real value of the endowment fund is monitored by indexing the base value to the greater of the Retail Price Index or an index of salaries in the service sector, as a proxy for the rate at which costs increase at the Schools. At 31 August 2020, the value of endowment fund investment assets was £18.0 million more than the indexed base value (2019: £17.9 million).

The permanent endowment fund investment is a holding in the Haberdashers' Charities Investment Pool (Total Return), a common investment fund with the Haberdashers' Company as Trustee. The investment objective is to maximise total return subject to tolerable levels of volatility. The investments in the Total Return Pool are managed by Partners Capital LLP.

Both before and after adoption of the total return approach, stability of distributions to the schools has been maintained. Details of the movement on unapplied total return can be seen at note 8 to the accounts.

The Total Return Pool returned 2.6% in the year ended 31 August 2020 (2019: 5.6%). The long term total return objective is 4.5% above RPI, which amounted to 6.2% for the year ended 31 August 2020.

Fundraising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on any fundraising activities. The Foundation does not carry out any fundraising activity in order to raise funds from the general public, nor does it work directly with commercial sponsors or engage professional fundraisers. The Trustees are not aware of any complaints made in respect of fundraising during the year.

Financial review

The Foundation's consolidated net expenditure for the year before gains and losses amounted to £3,666,000 (2019: net income £461,000). Net gains on investments were £2,216,000 (2019: £3,374,000), primarily arising from continued good performance of investments within the Haberdashers' Charities Investment Pool (Total Return). Consolidated funds decreased by £1,365,000 to £122,523,000. See pages 13-14 for further details.

TRUSTEES' REPORT

Reserves

The Foundation's total reserves of £122,523,000 at the year-end included £119,691,000 endowment capital, £998,000 unspent restricted funds and £1,834,000 unrestricted funds.

The following reserves are held as designated funds for specific purposes:

Fund	Purpose	Balance at 31 August 2020 £'000
Schools' Cyclical Repair Funds	To provide for scheduled major cyclical maintenance	371
Assisted Places Reserve and Monmouth School for Girls Bursary Fund	To provide bursaries and assisted places	666
Governors' pension Reserve	To enable the Governors to maintain regular funding for the closed non-teaching staff pension scheme.	64
Prospectus and recruitment reserves	To provide for cyclical expenditure on these items	136

The Trustees consider that the level of unapplied total return in the endowment fund is sufficient to cover unexpected short term needs for which a reserve might otherwise be maintained. Therefore the Trustees are content for the schools to maintain no unrestricted general fund reserve.

Other policies for unrestricted general funds are as follows:

Fund	Policy	Balance at 31 August 2020 £'000
Schools' general funds	To maintain no reserve in these funds, subject to adequate cash flow for the schools' normal operations.	882
Foundation income fund	Net income is distributed to the Schools Governors during the year and the fund balance remaining at the year end represents prepaid expenditure.	124
Pension scheme fund	This reflects the trustees' best estimate of the deficit on the pension scheme at 31 August 2020. The deficit will be paid off over a number of years, in accordance with a recovery plan which has been agreed between the Foundation and scheme trustees following the completion of the triennial valuation as at 31 March 2018 (see note 12 for further details).	(408)

COVID-19 Impact

During the 2019/20 academic year, the charitable activities were curtailed by the closure of the schools to all pupils except for the children of key workers and a small number of boarders on 20th March 2020. Throughout the Summer term 2020, teachers delivered a comprehensive programme of remote learning. Fees for the Summer term 2020 were set at 60% of the usual tuition fee for all pupils and all external lets were cancelled, resulting in a £3.9m reduction in Net Income. Wherever possible, operations were pared back to reduce costs, including reduced maintenance, administrative support, catering, bus operations and marketing. In addition, use of classroom/academic supplies was reduced and sports fixtures, concerts, Speech Days and school trips were cancelled. Almost 300 staff were furloughed from April to August 2020. Due to the uncertainty and pressures on cashflow, the charity took advantage of a £5m CBIL (Coronavirus Business Continuity Loan), to ensure normal operations of the schools could be financed.

TRUSTEES' REPORT

Income for the academic year 2020/21 will also be adversely affected. A short lockdown in October was followed by a further closure of the schools from January to mid-March 2021 for most year groups. A 10% reduction in the tuition fee was given to all pupils for Lent 2021 and the boarding fee was waived for those not in residence. During 2020, the schools invested over £600k in IT enabling all teaching staff to deliver lessons from the classroom or at home. Staff have risen to the challenge and our remote learning provision has improved enormously since the first lockdown. During the Lent term 2021, all lessons have been delivered live by Microsoft Teams on the normal daily timetable.

The impact on boarding has been significant, and staff have been working relentlessly to ensure that the boarders who have been able to return have been looked after. A number of overseas boarders were unable or unwilling to return to the UK in September, but this was minimised due to the schools offering a quarantining facility for those returning in August 2020 and also prior to the start of the Lent and Summer terms in 2021. Exeat weekends have been cancelled and camps have been run every holiday for children unable to return home. Some children have been unable to return home since arriving in August 2020. Overall, pupil numbers fell by 82 in September 2020, but have since increased slightly due to recruitment.

It has been difficult to manage the situation for day pupils, but the need to cater for a mix of UK and overseas boarders has added to the complexity. Throughout this time, our priority has been to: provide the best possible experience to all pupils, whether learning in school or at home; keep our pupils and staff as safe as possible; keep operations running as efficiently and cost-effectively as possible; shore up our finances; and plan for the future.

The schools took considerable steps to reduce costs and improve the cash position wherever possible. Approximately 260 were furloughed on a flexible basis in early 2021. A small number of staff reductions have been implemented, including amongst senior management, and strong cost management will remain in place.

Risk management

Each year, HMEL and HMSL examine the major risks faced by the Foundation, including those relating to the schools. The Governors are responsible for overseeing the identification and management of the risks faced by the schools. Detailed considerations of risk are delegated to the senior management of the schools. A formal review of the schools' risk management processes is undertaken on an annual basis by the Board and on an interim basis each term by the Finance & Estates Committee.

Risks have been identified and assessed across all areas of the schools. Systems and controls have been established to mitigate the risks. The process is managed through the regular review and updating throughout the year of a very detailed matrix which covers the headings of political, legal, economic, social, environmental, technological, governance, operational, academic, financial and human resources.

The main risks identified by the Trustees, the schools' management and Governors and the plans to manage those risks are:

- Breaches of statutory requirements e.g. health & safety. A serious breach of regulations could lead to fines or even closure. This risk is mitigated by having an extensive range of policies, clear job descriptions and regular staff training to help create a safe culture. We also commission external reviews of our practices, including unannounced visits by our Health & Safety advisers.
- Loss of reputation. The schools' success is built on their reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and early intervention when problems are identified.
- Financial. Our ability to continue is reliant on maintaining pupil numbers and fee income which enables us to pay salaries and bills as they fall due. This risk is managed by marketing activity, having a reputation for educational excellence and active cash-flow management.
- Systems failure. The schools are operationally dependent on their computer networks. Good systems, network documentation and robust back up procedures are in place. Disaster recovery is practised regularly and firewalls are tested monthly by an external company.

TRUSTEES' REPORT

Key controls applied by the Foundation include:

- An established organisational structure with clear lines of reporting and individual job descriptions for all staff.
- Terms of reference for the Board of Governors and its executive committees.
- Regular training for governors and staff.
- Robust vetting procedures and safer recruitment of staff to protect the vulnerable.
- Comprehensive strategic planning, budgeting and management reporting.
- Regular monitoring of financial, investment and professional performance.
- Formal written policies and a financial procedures manual which are reviewed regularly.
- Annual external audits of the schools' finances and health & safety procedures.
- Regular external reviews of our safeguarding policy and procedures.

Through the risk management processes and controls established for the schools, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can provide reasonable but not absolute assurance that major risks have been adequately managed.

In addition, the Governors established a 'Cobra' Committee at the start of the pandemic comprising four governors and Past Master Richard Glover from the Haberdashers' Company. The Committee has met regularly by video conference with the Principal and members of the Executive team to keep up-to-date with developments and to provide ongoing support as the schools navigate through the additional challenges caused by the pandemic and the steps being taken to mitigate the risks.

Going concern

The Trustees have reviewed the Foundation's financial position including specific consideration of the impact of COVID-19 on the Foundation's cashflows, operations and future plans. With the CBIL facility in place, the Trustees are satisfied that there are sufficient resources to manage the identified operational and financial risks. They have a reasonable expectation that the organisation has adequate resources to continue operating for at least 12 months from the date of approval of the accounts. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

Future plans

The Governors of the Haberdashers' Monmouth Schools review the overall strategy and objectives of the Schools on a regular basis. The aims and initiatives described below remain valid despite the implications of the coronavirus pandemic.

During 2020, the Principal undertook a comprehensive restructure of the senior management team, which will be fully effective from September 2021. The changes give the schools a really innovative structure with the majority of post holders at Deputy Head and Assistant Head level working across the schools. Whilst recognising that the two senior schools have different characteristics which need to be preserved, the changes will enable sharing of best practice and academic knowledge to the optimal benefit of all pupils. The new structure promotes the importance of professional development and best practice, digital learning and wellbeing. Long-standing staff will be encouraged to contribute more through the development of their skills and upcoming staff will have opportunities for career progression into a number of exciting leadership roles.

Further to the changes in the management structure, the Governors and Principal undertook a review of the committee structure in mid-2020 to support excellence in governance. From September 2020, functional committees have operated across the senior schools, ensuring a common, more streamlined approach to governance. A new Pastoral Committee has been created, expanding the remit of its predecessor, the Safeguarding Committee, to include wider pastoral matters, well-being and boarding. A non-executive joint Senior Schools Committee has been created to encourage governors to engage with, and spend time in, the schools. Individual governor roles will also be developed to encourage greater visibility and interaction with pupils and staff, once conditions allow.

TRUSTEES' REPORT

In September 2020, the Governors announced the establishment of a fully co-educational Prep School for boys and girls aged three to 11 (combining our current Pre-Prep, girls' and boys' Prep Schools) from September 2021. This will be a refinement to our innovative system of education, known as the Monmouth Model. Day and boarding pupils will thrive and flourish with inspired and engaging subject-specialist teaching delivered across two sites. Based at Agincourt, children in Nursery to Year 2 will have easy access to beautiful, open spaces for learning and enrichment activities. The Grange will be home to pupils from Years 3 to 6 where enhanced outside areas will combine to create a dynamic and engaging environment. Pupils at Monmouth Prep School will be able to make the most of the outstanding facilities for science, languages, music, culture, sports and dance on offer at our family of schools. Led by Headteacher Neil Shaw (currently Head of the Boys' Prep), children will be motivated to learn with a sense of fun, enjoyment and excitement, both in and out of the classroom. There has already been a promising level of new enquiries and registrations, with a waiting list now in place for some year groups.

To achieve our strategic aims, the schools need committed, motivated and talented staff. We are looking at alternative Professional Development systems from inside and outside education with a view to implementing the very best system that demonstrates to our staff that we are the best employers.

The health and well-being, both physical and mental, of students and staff is imperative. We are investing in facilities and developing bespoke Health and Well-Being centres at both our senior schools. Staffed by qualified nurses and counsellors, these centres of excellence will deliver both care and education within our school community.

Maintaining a high standard of academic results is a constant aim. More importantly, however, the aim is to support every student individually to help them achieve the best outcomes whatever their innate ability. The Heads and senior staff continually review the curriculum to ensure that the educational qualifications offered remain appropriate for our pupils, helping them to develop intellectually, emotionally, physically and spiritually. When such activities are permitted, the schools will continue to provide an extensive range of co-curricular opportunities in sport, the performing arts, helping others and developing a wide range of skills. Sport and Performing Arts are key areas of focus, as we implement the findings of two independent reviews, to augment and further improve our programmes such that they become outstanding.

The schools wish to build on the experience of remote learning gained during the lockdowns to further develop new approaches to Teaching and Learning utilising technology. Staff have adapted rapidly to new ways of teaching using different technologies. The Development Office has initiated a project to develop ideas and formulate a development plan.

The Governors also intend to uphold their current strategy of maintaining the schools' position in a competitive market by continuing to provide an outstanding education for our pupils at an affordable price. Our bursary and scholarship awards are essential in widening access to the education our schools provide and the Governors are committed to sustaining the current level of awards as a proportion of school fees over the coming years.

Maintaining and, where necessary, developing the fabric and facilities of the schools are central to our strategy. Our planned programme of maintenance over a rolling 10 year period includes the upgrading of existing facilities to provide modern, safe and comfortable working, living and learning conditions for all.

Finally, the Schools recognise their position in the town of Monmouth and surrounding areas and intend to continue with an extensive range of outreach activities to local primary schools and the local community, as well as further extending our collaboration with Monmouth Comprehensive School.

For and on behalf of the Trustees

D A Hochberg
Master of the Haberdashers' Company (Corporate Director of Haberdashers' Monmouth Estates Limited)

WILLIAM JONES'S SCHOOLS FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of William Jones's Schools Foundation for the year ended 31 August 2020 which comprise the consolidated statement of financial activities, the balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 August 2020 and of the group's incoming resources and application of resources 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 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

WILLIAM JONES'S SCHOOLS FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the group and the parent charity has not kept sufficient accounting records; or
- the parent's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on pages 4 to 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

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

Use of our report

This report is made solely to the charity'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 trustees those matters we are required to state to them in an auditors' 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 charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Date: 10 August 2021

Saffery Champness LLP
Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London, EC4V 4BE

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

WILLIAM JONES'S SCHOOLS FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 August 2020

	Note	Unrestricted Funds: Schools £'000	Unrestricted Funds: Foundation Income £'000	Restricted Funds £'000	Permanent endowment fund £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:							
Donations		-	-	175	-	175	247
Charitable activities:							
School fees	3	17,304	-	-	-	17,304	20,662
Ancillary trading income		945	-	-	-	945	1,392
Other income - coronavirus job retention scheme		942	-	-	-	942	-
Other trading activities:							
Trading income		845	-	-	-	845	1,541
Investments:							
Investment income	2	88	15	22	-	125	1,082
FRS102 pension scheme interest	2	47	-	-	-	47	67
Other income		108	-	-	-	108	148
		20,279	15	197	-	20,491	25,139
Expenditure on:							
Raising funds:							
Loan interest		328	-	-	-	328	338
Fees in advance discount		49	-	-	-	49	51
Trading costs of subsidiaries		999	-	-	-	999	1,510
Charitable activities:							
Schools		21,470	204	146	904	22,724	22,698
FRS 102 pension scheme interest cost		57	-	-	-	57	81
	4	22,903	204	146	904	24,157	24,678
Net (expenditure)/income before gains on investments		(2,624)	(197)	51	(904)	(3,666)	461
Net gains on investments	7	65	-	29	2,122	2,216	3,374
Net (expenditure)/income		(2,559)	(189)	80	1218	(1,450)	3,835
Transfers between funds	5	864	200	(33)	(1,031)	-	-
Other recognised gains/(losses):							
Actuarial gains/(losses) on defined benefit schemes	12	85	-	-	-	85	(219)
Net movement in funds		(1,610)	11	47	187	(1,365)	3,616
Reconciliation of Funds:							
Total funds brought forward		3,320	113	951	119,504	123,888	120,272
Total funds carried forward	5	1,710	124	998	119,691	122,523	123,888

Net (expenditure)/income all arose from continuing activities.

The notes on pages 23 to 45 form part of these financial statements.

WILLIAM JONES'S SCHOOLS FOUNDATION

BALANCE SHEETS
As at 31 August 2020

	Note	Group 2020 £'000	Group 2019 £'000	Foundation 2020 £'000	Foundation 2019 £'000
Fixed assets:					
Tangible assets	6	44,312	45,455	44,312	45,424
Investments	7	85,146	84,231	85,146	84,231
Unsecured loan to William Jones's Almshouses Charity		2	2	2	2
Unsecured loans to connected trading companies		-	-	62	62
		129,460	129,688	129,505	129,719
Current assets:					
Stocks		232	198	30	31
Debtors	9	1,049	1,355	1,190	1,586
Investments: cash on deposit		-	3,489	-	3,489
Cash at bank and in hand		10,603	3,855	10,500	3,692
		11,884	8,897	11,720	8,798
Liabilities:					
Creditors: amounts falling due within one year	10	(5,172)	(5,448)	(5,052)	(5,391)
Net current assets		6,712	3,449	6,668	3,407
Total assets less current liabilities		136,172	133,137	136,173	133,126
Creditors: amounts falling due after more than one year	11	(13,241)	(8,700)	(13,241)	(8,700)
		122,931	124,437	122,932	124,426
Defined benefit pension scheme liability	12	(408)	(549)	(408)	(549)
Total net assets		122,523	123,888	122,524	123,877
The Funds of the Charity:					
Permanent endowment fund		119,691	119,504	119691	119,504
Restricted funds		998	951	998	951
Unrestricted funds:					
Designated funds		1,237	1,242	1,237	1,242
General funds		1,006	2,729	1,006	2,729
Non-charitable trading funds		(1)	11	-	-
Pension scheme fund		(408)	(549)	(408)	(549)
Total Charity Funds	5	122,523	123,888	122,524	123,877

The notes on pages 23 to 45 form part of these financial statements.

These financial statements were approved and authorised for issue and signed on behalf of the Trustees on 29 July 2021

D A Hochberg

D A Hochberg
Master of the Haberdashers' Company (Corporate Director of Haberdashers' Monmouth Estates Limited).

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2020

	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Net cash used in operating activities		(1,958)		(544)
Cash flows from investing activities:				
Investment income received	125		1,082	
Purchase of tangible fixed assets	(294)		(1,483)	
Proceeds from sale of fixed assets	-		6	
Purchase of investments	(450)		(47)	
Drawn from Charities Investment Pool (Total Return)	1,750		1,313	
Net cash provided by investing activities		1,131		871
Cash flows from financing activities:				
Repayments of borrowing	(914)		(931)	
Receipts of borrowing	5,000		-	
		4,086		(931)
Change in cash and cash equivalents in the reporting period		3,259		(604)
Cash and cash equivalents at the beginning of the reporting period		7,344		7,948
Cash and cash equivalents at the end of the reporting period		10,603		7,344

WILLIAM JONES'S SCHOOLS FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2020

NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES

	2020 £'000	2019 £'000
Net movement in funds (per Statement of Financial Activities)	(1,365)	3,616
Adjustments for:		
Gains on investments	(2,216)	(3,374)
Investment income	(125)	(1,082)
Depreciation	1,437	1,420
Profit on disposal of fixed asset	-	(2)
Pension scheme adjustment	(141)	(143)
Increase in stocks	(34)	28
Increase/(decrease) in creditors and provisions	179	(709)
Decrease/(increase) in debtors	306	(216)
Decrease/(increase) in cash held for investment	1	(82)
Net cash used in operating activities	1,958	(544)

ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £'000	2019 £'000
Cash at bank	10,603	3,855
Investments	-	3,489
Total cash and cash equivalents	10,603	7,344

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2019 £'000	Cash flows £'000	At 31 August 2020 £'000
Cash in hand	3,855	6,748	10,603
Cash equivalents	3,489	(3,489)	-
Loans falling due within one year	(914)	24	(890)
Loans falling due after more than one year	(5,420)	(4,110)	(9,530)
Total	1,010	(827)	183

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The financial statements are prepared in accordance with the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) which has been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £'000.

The Foundation constitutes a public benefit entity as defined by FRS 102. The Foundation is unincorporated. Its registered office is 18 West Smithfield, London, EC1A 9HQ.

The Trustees have reviewed the Foundation's financial position including specific consideration of the impact of COVID-19 on the Foundation's cashflows, operations and future plans. The Trustees are satisfied that there are sufficient resources to manage the identified operational and financial risks. They have a reasonable expectation that the organisation has adequate resources to continue operating for at least 12 months from the date of approval of the accounts. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

Group accounts

The financial statements consolidate the results of the Foundation and its three wholly-owned non-charitable subsidiary companies on a line-by-line basis. A separate Statement of Financial Activities (SOFA) for the Foundation is not presented because this is not considered to be materially different from the consolidated statement of financial activities (SOFA). Further information on the subsidiaries is disclosed at note 16.

The Schools' Governors appoint their own auditors and prepare separate financial statements for the Schools. The Trustees prepare financial statements for the Foundation which incorporates the results of the Schools, consolidated on a line by line basis.

Funds structure

A statement listing all funds is at note 5. The funds are categorised as follows:

Permanent endowment fund: Except to the extent permitted by the total return arrangements, this fund may not be expended and represents the land and buildings of the Foundation, plus investment assets used to generate income for application by the Schools' Governors.

Restricted funds: These funds were donated or created for specific purposes and may only be used for those purposes.

Designated funds: These are unrestricted funds set aside for particular purposes by the trustees but they are not subject to any formal restriction.

Unrestricted general funds: These funds are not subject to any restriction other than the objects of the Foundation and are applied in furtherance of the objects.

Income recognition

All income, including government grant income, is recognised when the Foundation is legally entitled to the income and there is reasonable assurance of receipt.

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

School fees receivable are accounted for in the period in which the service is provided. School fees are stated net of bursaries, scholarships and fee remission for children of school staff.

Dividend income is taken into account when dividends fall due for payment.

Expenditure recognition

Resources expended are recorded on an accruals basis and include support costs which may be allocated direct or apportioned on the basis of staff time.

Raising funds: Costs incurred in raising funds including managing the Foundation's investment assets and servicing loans are recorded under this heading.

Charitable activities: Expenditure incurred directly in meeting the objects of the Foundation is recorded under this heading.

Termination costs: severance and redundancy payments are recognised in the period in which the payment becomes binding.

Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. These include salaries and service charges relating to specific staff involved directly in facilitating charitable activities.

Governance costs relate to expenditure incurred in the general running of the Foundation and include salaries and service charges for specific staff involved in compliance with constitutional and statutory requirements and audit fees.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Pension schemes

The Schools contribute to the Teachers' Pension Scheme at rates set by the Scheme Actuary and advised by the Scheme Administrator. The Schools also contribute 10% of salary to a group personal pension plan for non-teaching staff.

The accounting policy adopted in respect of the closed defined benefit non-teaching staff pension scheme is that the amount charged to the statement of financial activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The expected return on scheme assets and the interest cost and interest on scheme liabilities are shown independently on the Statement of Financial Activities. Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the statement of financial activities.

The assets of the scheme are held separately from the Foundation in trustee-administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at the balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised in the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension liability is recognised to the extent that the group has a legal obligation to settle the liability.

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

Tangible fixed assets and depreciation

The Foundation's functional land and buildings at the schools are vested in HMEL as Estates Governor. New school buildings form part of the Estates and are assets of the permanent endowment fund. Funding of new buildings from schools' funds is recorded as a transfer from unrestricted funds to the permanent endowment fund and depreciation of school buildings is treated as expenditure from the permanent endowment fund. HMEL is responsible for maintaining the buildings in a fit and useful condition and these costs are written off as incurred.

Land and buildings dating from before 1945 are not capitalised or depreciated as historical cost information is no longer available and no reliable values can be attributed. If it were possible to base a provision for depreciation on historical cost of pre-1945 buildings, it is probable that the amount would not be material.

An estimate of expenditure on buildings between 1945 and 1983 was capitalised in 1999 under the transitional provisions of Financial Reporting Standard 15. It is now treated as deemed historic cost.

Expenditure on buildings since 1983 has been capitalised at historical cost.

Depreciation is provided on fixed assets other than freehold land at rates calculated to write off the excess of cost over estimated residual amount evenly over the estimated useful economic lives of each class of asset, subject to annual review. These rates are currently as follows:

Buildings – remaining lives	8 to 50 years
Equipment and furnishings	3 to 10 years
Motor vehicles	5 years

Where estimated useful lives of buildings are in excess of 50 years, they are subject to an annual impairment review.

Fixed asset investments

(a) Quoted securities

Quoted securities comprise publicly quoted, listed securities including shares, bonds and units. Quoted securities are stated at market value at the balance sheet date. Investment shares and purchases are recognised at the date of trade.

(b) Unquoted investments

The vast majority of private equity and property fund investments are held through funds managed by private equity and property groups. No readily identifiable market price is available for these unquoted funds. These funds are included at the most recent valuations from their respective managers.

Stock

Stock is carried at the lower of cost or net realisable value.

Financial instruments

Financial instruments are recognised in the balance sheet of the Foundation when it becomes party to the contractual provisions of the instrument.

(a) Financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially recognised at transaction price including transaction costs and are subsequently carried at amortised cost.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. The impairment losses are recognised in the Statement of Financial Activities.

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Financial Activities.

Financial assets are derecognised when:

- the contractual rights to the cash flows from the asset expire or are settled, or
- substantially all the risks and rewards of the ownership are transferred to another party, or
- control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(b) Financial liabilities

Basic financial liabilities, which include trade and other creditors, bank loans, school fees in advance and confirmation deposits, are initially recognised at transaction price.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(c) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods where necessary.

The critical estimates and judgements made in preparing these accounts are explained in these accounting policies and relate particularly to:

- Valuation of unlisted investments
- The actuarial assumptions relating to the valuation of the pension deficit

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

2. INVESTMENT INCOME

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Endowment Fund £'000	Total 2020 £'000	Total 2019 £'000
Interest from bank deposits	31	1	-	32	34
Income from listed investments	72	21	-	93	86
Distributions from Haberdashers' Charities Investment Pool (Total Return)	-	-	-	-	962
	103	22	-	125	1,082
FRS102 pension scheme interest	47	-	-	47	67
	150	22	-	172	1,149

3. TUITION FEES

	2020 £'000	2019 £'000
Gross Fees	20,042	23,988
Less		
Scholarships	(414)	(433)
Bursaries	(1,391)	(1,614)
Assisted places (a bursary scheme replacing a former State-funded scheme)	(83)	(187)
Staff fee remission	(850)	(1,019)
Commission	-	(73)
	17,304	20,662
Numbers of pupils benefiting from:		
Scholarships	232	229
Bursaries	311	271
Assisted places	8	13

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

4. TOTAL RESOURCES EXPENDED

	Staff costs £'000	Other direct costs £'000	Depreciation £'000	Total 2020 £'000	Total 2019 £'000
Raising funds:					
Loan interest	-	328	-	328	338
Fees in advance discount	-	49	-	49	51
Trading costs of subsidiaries	105	894	-	999	1,510
	105	1,271	-	1,376	1,899
Charitable expenditure:					
Teaching costs	10,999	1,553	482	13,034	13,080
School welfare	1,250	817	34	2,101	2,068
School premises costs	1,457	2,461	904	4,822	4,828
Support costs	1,776	886	1	2,663	2,644
Governance costs	20	84	-	104	78
FRS102 pension scheme interest costs	-	57	-	57	81
	15,502	5,860	1,421	22,781	22,779
Total resources expended	15,607	7,129	1,421	24,157	24,678

	2020 £'000	2019 £'000
Charitable expenditure includes:		
Remuneration of Schools' auditors for audit services	34	34
Remuneration of Foundation's auditors for audit services	10	13
Payment to the Haberdashers' Company for service charges	18	17

Service charges are paid by the Foundation to the Haberdashers' Company and the Haberdashers Operating Company for accommodation and office facilities provided by and shared with those companies and with other connected charities. The service charges do not exceed the cost to those companies of providing the services.

Support costs include administration and grounds staff, establishment costs, professional fees, travel and general costs.

	2020 £'000	2019 £'000
Staff costs comprised:		
Wages and salaries	12,278	12,112
Social security costs	1,154	1,061
Pension contributions	2,064	1,521
Payment of Haberdashers' Company staff under paymaster arrangement	112	110
	15,607	14,804

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

4. TOTAL RESOURCES EXPENDED (continued)

Under joint contracts of employment and a paymaster arrangement, salary costs for the Haberdashers' Company and its charities are paid by Haberdashers' Operating Company and allocated to the various entities on the basis of time spent.

No remuneration or reimbursed expenses were paid to the Trustees or to any of the Schools' Governors.

	2020 £'000	2019 £'000
Aggregate employee-benefits of key management personnel	1,066	442

The increase from 2019 to 2020 is due to a number of factors. In 2020, the number of staff classified as key management personnel increased as the Heads of the two Prep Schools, not previously included in the definition, were jointly responsible for the Pre-Prep and Nursery. A Principal was appointed for the first time from 1 September 2019. In addition, 2019 costs were lower than usual due to having an Acting Head at Monmouth School for Girls for two terms before the appointment of a permanent Head from 1 April 2020. See page 2 for the list of Key Management Personnel.

Termination payments of £230,369 (2019: £Nil), covering staff across the schools, were made in the year.

Average numbers of employees in the year were:

	2020 No.	2019 No.
Teaching staff	278	257
Other staff	286	313
	564	570

The numbers of higher paid employees earning in excess of £60,000 were:

	2020 No.	2019 No.
£60,001 to £70,000	5	6
£70,001 to £80,000	2	-
£100,001 to £110,000	2	2
£250,001 to £260,000	1	-
£270,001 to £280,000	1	-

Nine higher paid employees were members of the defined benefit pension schemes detailed at note 12. Contributions of £15,951 were paid to defined contribution schemes for two higher-paid employees (2019: £15,794 – 2 employees).

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

5. STATEMENT OF FUND MOVEMENTS AND TRANSFERS

(a) **Fund movements**

	Balance 1 September 2019 £'000	Income £'000	Expenditure £'000	Other recognised gains/ (losses) £'000	Net Transfers £'000	Balance 31 August 2020 £'000
Designated funds:						
Schools cyclical repairs	252	1	(382)	-	500	371
Boys school capital projects	118	1	-	-	(119)	-
Girls school bursary fund	61	-	-	-	(61)	-
Leavers deposits	22	-	-	-	(22)	-
Assisted places reserve	603	2	-	-	61	666
Prospectus reserve	104	-	-	-	10	114
Recruitment reserve	2	-		-	20	22
Governors reserve	-	1	-	-	(1)	-
Pensions reserve	80	-	(41)	-	25	64
	1,242	5	(423)	-	413	1,237
General funds – Foundation:						
Schools	2,616	19,382	(21,424)	65	243	882
Foundation Income Fund	113	15	(204)	-	200	124
Pension scheme fund	(549)	47	(57)	85	66	(408)
	2,180	19,444	(21,685)	150	509	598
Total unrestricted funds – Foundation	3,422	19,449	(22,108)	150	922	1,835
Non-charitable trading funds	11	845	(999)	-	142	(1)
Total unrestricted funds – Group	3,433	20,294	(23,107)	150	1,064	1,834
Restricted funds						
Schools scholarship funds	348	100	(79)	-	(49)	319
Pre-Prep & Nursery grant	8	-	(5)	-	-	3
Pre-Prep & Nursery bursary	-	7	(7)	-	-	-
Girls school other	-	17	-	-	16	33
Walker Memorial Fund	2	1	(3)	-	-	-
Covid Support Fund	-	52	(52)	-	-	-
Extraordinary repair fund	577	20	-	29	-	626
Stephenson awards	16	-	-	-	-	16
Total restricted funds	951	197	(146)	29	(33)	998
Permanent endowment fund	119,504	-	(904)	2,122	(1,031)	119,691
Total Funds	123,888	20,491	(24,157)	2,301	-	122,523

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

5. STATEMENT OF FUND MOVEMENTS AND TRANSFERS (continued)

(a) Transfers between funds

	Non-charitable trading funds £'000	Charitable unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Permanent endowment fund £'000
Transfer from unapplied Total Return	-	1,950	-	-	(1,950)
Funding from schools for new buildings	-	(919)	-	-	919
Additions to cyclical maintenance reserves	-	(500)	500	-	-
Recruitment reserve	-	(20)	20	-	-
Leavers deposits	-	-	(22)	22	-
Capital projects reserve	-	118	(118)	-	-
Prospectus reserve	-	(10)	10	-	-
Scholarship awards	-	55	-	(55)	-
Provision for assisted places	-	(83)	83	-	-
Assisted places provision used	-	83	(83)	-	-
Addition to governors' general reserve	-	(23)	23	-	-
Bus company supplement	186	(186)		-	-
Trading companies payment under gift aid	(44)	44	-	-	-
	142	509	413	(33)	(1,031)

The permanent endowment fund at 31 August 2020 consisted of £6,314,000 base value of endowment at 31 August 1976, £76,965,000 unapplied total return and £36,412,000 land and buildings at the Schools, net of bank loans used to fund school buildings.

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

6. TANGIBLE FIXED ASSETS

Foundation and Group	Freehold land and buildings £'000	Equipment and furnishings £'000	Motor vehicles £'000	Charity total £'000	Subsidiary companies equipment £'000	Group Total £'000
Cost						
1 September 2019	57,116	4,750	330	62,196	126	62,322
Additions	6	286	-	292	2	294
Disposals	-	(120)	(31)	(151)	-	(151)
31 August 2020	57,122	4,916	299	62,337	128	62,465
Depreciation						
1 September 2019	14,386	2,127	259	16,772	95	16,867
Charge for year	904	486	31	1,421	16	1,437
Disposals	-	(120)	(31)	(151)	-	(151)
31 August 2020	15,290	2,493	259	18,042	111	18,153
Net book value 31 August 2020	41,832	2,423	40	44,295	17	44,312
31 August 2019	42,730	2,623	71	45,424	31	45,455

Expenditure on buildings between 1945 and 1983 is capitalised at governors' valuation of £6,095,000.

Historical assets, being land and buildings dating from before 1945, are not capitalised. The value of non-capitalised buildings for insurance purposes is £18.6 million. Expenditure on refurbishing historical assets, amounting to £3,134,000 is included in fixed assets.

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

7. INVESTMENTS

Foundation and Group		2020 £'000	2019 £'000
(a)	Listed investments	2,816	2,272
(b)	Haberdashers' Charities Investment Pool (Total Return)	82,247	81,875
(c)	Investment cash	83	84
		85,146	84,231

(a) Listed investments

Foundation and Group	Extraordinary repair fund £'000	Governors Investment fund £'000	Total £'000
Market value at 1 September 2019	613	1,659	2,272
Acquisitions at cost	21	429	450
Net gain on revaluation	29	65	94
Market value at 31 August 2020	663	2,153	2,816

The extraordinary repair fund investments are held in the form of common investment funds.

(b) Investment in Haberdashers' Charities Investment Pool (Total Return)

Foundation and Group	2020 £'000	2019 £'000
Market value at 1 September 2019	81,875	79,894
Withdrawals	(1,750)	(1,313)
Net gain on revaluation	2,122	3,294
Market value at 31 August 2020	82,247	81,875

The units held by the Foundation in the Haberdashers' Charities Investment Pool (Total Return) represent 75.3% of the Pool units in issue.

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

8. MOVEMENT ON UNAPPLIED TOTAL RETURN

Unapplied total return is calculated relative to the value of the trust for investment at 31 August 1976 (base value), that being the base date determined by the Trustee as appropriate for the Foundation's endowment fund. No new endowment gifts have been received since the base date.

	Trust for investment £'000	Unapplied Total Return £'000	Total 2020 £'000	Total 2019 £'000
Trust for investment at 1 September 2019	6,314	76,793	83,107	80,751
Investment returns:				
Investment income	-	-	-	962
Realised and unrealised investment gains	-	2,122	2,122	3,294
Transfer to trust for application	-	(1,950)	(1,950)	(1,900)
Trust for investment at 31 August 2020	6,314	76,965	83,279	83,107

9. DEBTORS AND PREPAYMENTS

	Group		Foundation	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Prepayments	383	222	383	222
Other debtors	242	428	220	428
School fees	424	697	424	697
Due from subsidiary companies	-	-	163	231
Debtors due after more than one year	-	8	-	8
	1,049	1,355	1,190	1,586

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Foundation	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bank loans	890	914	890	914
School fees in advance and confirmation deposits	2,572	3,188	2,572	3,188
Taxation and social security	370	319	370	316
Other creditors	911	666	791	555
Accruals and deferred income	429	361	429	361
Due to subsidiary companies	-	-	-	57
	5,172	5,448	5,052	5,391

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Foundation	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bank loans	9,530	5,420	9,530	5,420
School fees in advance and confirmation deposits	3,711	3,280	3,711	3,280
	13,241	8,700	13,241	3,200
Maturity of debt:				
Between 1 and 2 years	2,467	1,568	2,467	1,568
Between 2 and 5 years	6,803	3,677	6,803	3,677
After 5 years	3,971	3,455	3,971	3,455
	13,241	8,700	13,241	8,700

Bank loans for school building projects, all unsecured, are:

(i) £5.0 million from Lloyds Bank plc drawn in 2007/08, interest fixed at 4.75 repayable in March 2029

(ii) £0.8 million from Lloyds Bank plc drawn in 2010/11, interest at variable rate, repayable over 15 years from September 2011.

(iii) £3.0 million from Lloyds Bank plc drawn in 2011/12, interest at base rate plus 2.51% with 75% of the loan required to be at a fixed rate from July 2014, repayable over 15 years from July 2012.

(iv) £1.5 million from Lloyds Bank plc drawn in 2012/13, interest fixed at 5.766%, repayable over 15 years from July 2013.

In addition, £5.0 million CBIL loan from Lloyds Bank was taken out in May 2020, at a rate of 1.21% over base with no interest in the first year. The loan is repayable in 2025.

Bank loan repayments of £890,000 due before 31 August 2021 are shown at note 10.

12. PENSION COSTS

(a) Defined contribution schemes

The Schools operate a defined contribution scheme for non-teaching staff. The assets of the non-teaching staff scheme are held separately from those of the Schools in a fund independently administered by Scottish Widows. Additional voluntary contributions for teachers are paid into a fund independently administered by the Prudential Assurance Company Limited. The pension cost charge represents contributions payable by the Schools to the funds and amounted to £317,195 (2019: £367,320).

(b) Defined benefit scheme – teaching staff

The Schools participate in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff.

The pension charge for the year includes contributions payable to the TPS of £1,635,847 (2019: £1,140,353) and at the year-end £197,885 (2019: £Nil) was accrued in respect of contributions to this scheme.

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

12. PENSION COSTS (continued)

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 (as amended) and, from 1 April 2014, the Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

(c) Defined benefit scheme – non-teaching staff

Haberdashers' Monmouth Schools operate a defined benefit scheme in the UK administered by the Prudential Assurance Company Limited.

The triennial valuation performed as at 31 March 2018 resulted in a scheme deficit of £829k. The Schools' Governor and Pension Trustees agreed to the actuary's recommended recovery plan of paying a lump sum of £310k in March 2019 and continuing with annual contributions of £66k for the next eight years with a view to rectifying the deficit by 2026.

An actuarial valuation to meet the requirements of Financial Reporting Standard 102 (FRS 102) was carried out by the scheme's actuary, Quantum Advisory at 31 August 2020. This showed a net liability on the scheme of £408k.

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

12. PENSION COSTS (continued)

The major assumptions used in valuing the liabilities are given below with earlier year comparatives:

Assumptions	As at 31 August 2020	As at 31 August 2019	As at 31 August 2018
Discount rate	1.6%	1.8%	2.7%
Inflation	3.4%	3.0%	3.3%
Increases to deferred pensions (statutory revaluation) before retirement	2.4%	2.0%	2.3%

Mortality

Based on the assumptions, on the balance sheet date the average future life expectancies at age 65 are summarised below:

Life expectancy from age 65 years		As at 31 August 2020	As at 31 August 2019
Retiring today	Male	22.2	22.1
	Female	24.2	24.1
Retiring in 20 years	Male	24.0	23.9
	Female	26.0	25.9

The amounts recognised in the statement of financial position	2020 £'000	2019 £'000
Present value of funded obligations (excluding provision for additional liabilities)	3,210	3,252
Fair value of plan funds	(2,802)	(2,703)
Net defined benefit liability as recognised in the Balance Sheet	408	549

The amounts recognised in the income statement	2020 £'000	2019 £'000
Net interest cost	10	14
Past service cost	-	-
Total pension expense	10	14

The amounts in the statement of other recognised gains and losses	2020 £'000	2019 £'000
Actuarial gain on plan assets	194	73
Actuarial loss on defined benefit obligation	(109)	(292)
Total gain/(loss) in statement of other recognised gains and losses	85	(219)

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

12. PENSION COSTS (continued)

Changes in the present value of the defined benefit obligation	2020 £'000	2019 £'000
Liabilities at the start of the period	3,252	3,097
Interest cost	57	81
Actuarial gain	109	292
Benefits paid	(208)	(218)
Liabilities at the end of the period	3,210	3,252

Changes in the fair value of plan assets	2020 £'000	2019 £'000
Fair value of plan assets at the start of the period	2,703	2,405
Interest income	47	67
Actuarial gain	194	73
Contributions by the employer	66	376
Benefits paid	(208)	(218)
Fair value of plan assets at the end of the period	2,802	2,703

Analysis of return on plan assets	2020 £'000	2019 £'000
Interest income	47	67
Actuarial gain on plan assets	194	73
Return on plan assets	241	140

Major categories of plan assets as a percentage of total assets

	Proportion of portfolio 31 August 2020 %	Value of assets 31 August 2020 £'000	Proportion of portfolio 31 August 2019 %	Value of assets 31 August 2019 £'000
Equity	51.7	1,448	50.1	1,356
Property	-	-	1.5	40
Bonds	40.7	1,141	42.1	1,138
Alternative	3.3	92	2.7	72
Cash	4.3	121	3.6	97
Total market value of assets	100.0	2,802	100.0	2,703

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

12. PENSION COSTS (continued)

Reconciliation of funds	2020 £'000	2019 £'000
Total funds excluding pension deficit	122,931	124,437
Pension deficit	(408)	(549)
Total funds including pension deficit	122,523	123,888

13. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000
Tangible fixed assets	2,480	-	41,832	44,312
Fixed asset investments	2,234	665	82,247	85,146
Loan to William Jones's Almshouse Charity	-	-	2	2
Net current assets	5,989	333	390	6,712
Creditors due after more than one year	(8,461)	-	(4,780)	(13,241)
Defined benefit pension scheme	(408)	-	-	(408)
	1,834	998	119,691	122,523

14. RELATED PARTIES

The Haberdashers' Company, a City Livery Company incorporated by royal charter, is the sole member of HMEL. HMEL is a Trustee of the Foundation. Details of transactions between the Foundation, the Haberdashers' Company and connected entities are set out below:

- The Haberdashers' Company and its subsidiary were reimbursed for certain expenses incurred in the year on behalf of the Foundation. Further details are set out in note 4.

- The Foundation's endowment funds are invested predominantly in the Haberdashers' Total Return Pool, a common investment fund which has the Haberdashers' Company as Trustee. Notes 2 and 7 provide further details of relevant transactions and balances.

- In the year, the Foundation received £34,000 of grant funding from the Haberdashers' Educational Foundation to primarily to support bursaries (2019: £39,000). The Haberdashers' Company is the Trustee of the Haberdashers' Educational Foundation.

Details of transactions and balances between the Foundation's schools and its subsidiaries are set out in notes 9, 10 and 16.

No remuneration or reimbursed expenses were paid to the Trustees or to any of the Schools' Governors.

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

15. CAPITAL COMMITMENTS

The value of capital expenditure contracted for but not yet incurred was £Nil (2019: £Nil).

16. TRADING SUBSIDIARIES

The Foundation owns the whole beneficial interest in the share capital of three non-charitable trading subsidiaries for which the results are summarised below. Taxable profits are donated to the Foundation by deed of covenant (DoC).

	Share capital £	Activities
Monmouth School Enterprises Limited (Company number: 01727038)	2	Sale of school clothing and sports equipment at Monmouth School for Boys. Running the Monmouth School Sports Centre.
HMSG Enterprises Limited (formerly Haberdashers' Monmouth Girls School Shop Limited) (Company number: 02219841)	2	Sale of school clothing and sports equipment at Monmouth School for Girls.
Haberdashers' Monmouth Schools Bus Company Limited (Company number: 03031536)	2	Provision of bus transportation for pupils of Monmouth School for Boys and Monmouth School for Girls.

A summary of trading results and balance sheets for the trading subsidiaries is shown below:

	MSEL		HMSGEL		Bus Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Turnover	457	875	156	350	231	316
Cost of sales	(286)	(366)	(87)	(146)	(413)	(593)
Administration expenses	(184)	(365)	(25)	(37)	(3)	(4)
Operating profit/(loss)	(13)	144	44	167	(185)	(281)
Subsidy from schools	-	-	-	-	185	281
Interest receivable	-	-	-	-	-	-
Transfer to the Foundation (DoC)	-	(144)	(44)	(167)	-	-
Retained profit for the year	(13)	-	-	-	-	-
Retained profit b/f	3	3	8	8	-	-
Retained profit c/f	(10)	3	8	8	-	-
Fixed assets	16	31	-	-	-	-
Current assets	186	346	147	265	4	5
Creditors falling due within one year	(212)	(374)	(77)	(195)	(4)	(5)
Unsecured loan	-	-	(62)	(62)	-	-
Net assets	(10)	3	8	8	-	-

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

17. GROUP STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 AUGUST 2019

	Unrestricted Funds		Restricted Funds	Permanent Endowment fund	Total
	Schools £'000	Foundation Income £'000	£'000	£'000	2019 £'000
Income and endowments from:					
Donations	39	-	208	-	247
Charitable activities:					
School fees	20,662	-	-	-	20,662
Other educational income	44	-	-	-	44
Ancillary trading income	1,348	-	-	-	1,348
Other trading activities:					
Trading income	1,541	-	-	-	1,541
Investments:					
Investment income	95	4	21	962	1,082
FRS102 pension scheme interest	67	-	-	-	67
Other income	148	-	-	-	148
	23,944	4	229	962	25,139
Expenditure on:					
Raising funds:					
Loan interest	338	-	-	-	338
Trading costs of subsidiaries	1,510	-	-	-	1,510
Charitable expenditure:					
Schools	21,624	181	60	884	22,749
FRS 102 pension scheme interest cost	81	-	-	-	81
	23,553	181	60	884	24,678
Net gains on investments	60	-	20	3,294	3,374
Net income/(expenditure)	451	(177)	189	3,372	3,835
Transfers between funds	(29)	150	(143)	22	-
Other recognised losses:					
Actuarial losses on defined benefit schemes	(219)	-	-	-	(219)
Net movement in funds	203	(27)	46	3,394	3,616
Reconciliation of Funds:					
Total funds brought forward	3,117	140	905	116,110	120,272
Total funds carried forward	3,320	113	951	119,504	123,888

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

18. INVESTMENT INCOME FOR THE YEAR ENDED 31 AUGUST 2019

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Endowment Fund £'000	Total 2019 £'000
Interest from bank deposits	32	2	-	34
Income from listed investments	67	19	-	86
Distributions from Haberdashers' Charities Investment Pool (Total Return)	-	-	962	962
	99	21	962	1,082
FRS102 pension scheme interest	67	-	-	67
	166	21	962	1,149

19. TOTAL RESOURCES EXPENDED FOR THE YEAR ENDED 31 AUGUST 2019

	Staff costs £'000	Other direct costs £'000	Depreciation £'000	Total 2019 £'000
Raising funds:				
Loan interest	-	338	-	338
Trading costs of subsidiaries	249	1,261	-	1,510
	249	1,599	-	1,848
Charitable expenditure:				
Teaching costs	10,632	1,970	478	13,080
School welfare	890	1,140	38	2,068
School premises costs	1,440	2,504	884	4,828
Support costs	1,571	1,123	1	2,695
Governance costs	22	56	-	78
FRS102 pension scheme interest costs	-	81	-	81
	14,555	6,874	1,401	22,830
Total resources expended	14,804	8,473	1,401	24,678

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

20. STATEMENT OF FUND MOVEMENTS AND TRANSFERS YEAR ENDED 31 AUGUST 2019

(a) **Fund movements**

	Balance 1 September 2018 £'000	Income £'000	Expenditure £'000	Other recognised gains/ (losses) £'000	Net Transfers £'000	Balance 31 August 2019 £'000
Designated funds:						
Schools cyclical repairs	250	2	(264)	-	264	252
Boys school capital projects	117	1	-	-	-	118
Girls school bursary fund	61	-	-	-	-	61
Leavers deposits	18	4	-	-	-	22
Assisted places reserve	450	2	-	-	151	603
Prospectus reserve	103	1	-	-	-	104
Recruitment reserve	1	-	(49)	-	50	2
Governors reserve	-	2	-	-	(2)	-
Pensions reserve	125	-	(46)	-	-	80
	1251	12	(358)	-	463	1,242
General funds – Foundation:						
Schools	2,673	22,324	(21,604)	60	(837)	2,616
Foundation Income Fund	140	4	(181)	-	150	113
Pension scheme fund	(692)	67	(81)	(219)	376	(549)
	2,121	22,395	(21,866)	(159)	(311)	2,180
Total unrestricted funds – Foundation	3,246	22,407	(22,224)	(159)	152	3,422
Non-charitable trading funds	11	1,541	(1,510)	-	(31)	11
Total unrestricted funds – Group	3,257	23,948	(23,734)	(159)	121	3,433
Restricted funds						
Schools scholarship fund	333	111	(47)	-	(49)	348
Pre-Prep & Nursery grant	5	9	(6)	-	-	8
Pre-Prep & Nursery bursary	-	7	(7)	-	-	-
Boys school science labs	13	-	-	-	(13)	-
Walker Memorial Fund	-	27	-	-	(25)	2
Merlin Music Piano Fund	-	20	-	-	(20)	-
Rowing Boat Fund	-	36	-	-	(36)	-
Extraordinary repair fund	538	19	-	20	-	577
Stephenson awards	16	-	-	-	-	16
Total restricted funds	905	229	(60)	20	(143)	951
Permanent endowment fund	116,110	962	(884)	3,294	22	119,504
Total Funds	120,272	25,139	(24,678)	3,155	-	123,888

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

20. STATEMENT OF FUND MOVEMENTS AND TRANSFERS (continued)

(b) Transfers between funds	Non-charitable trading funds £'000	Charitable unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Permanent endowment fund £'000
Transfer from unapplied Total Return	-	1,900	-	-	(1,900)
Funding from schools for new buildings	-	(1,922)	-	-	1,922
Additions to cyclical maintenance reserves-	-	(264)	264	-	-
Recruitment reserve	-	(50)	50	-	-
Science laboratories refurbishment fund	-	13	-	(13)	-
Walker Memorial fund		25	-	(25)	
Merlin Music Piano fund		20	-	(20)	
Rowing Boat fund		36	-	(36)	
Scholarship awards		49	-	(49)	
Provision for assisted places	-	(338)	338	-	-
Assisted places provision used	-	187	(187)	-	-
Addition to governors' pension reserve	-	2	(2)	-	-
Bus company supplement	280	(280)	-	-	-
Trading companies payment under gift aid	(311)	311	-	-	-
	(31)	(311)	463	(143)	22

NOTES TO THE ACCOUNTS
Year ended 31 August 2020

21. MOVEMENT ON UNAPPLIED TOTAL RETURN FOR THE YEAR ENDED 31 AUGUST 2019

Unapplied total return is calculated relative to the value of the trust for investment at 31 August 1976 (base value), that being the base date determined by the Trustee as appropriate for the Foundation's endowment fund. No new endowment gifts have been received since the base date.

	Trust for investment £'000	Unapplied Total Return £'000	Total 2019 £'000
Trust for investment at 1 September 2018	6,314	74,437	80,751
Investment returns:			
Investment income	-	962	962
Realised and unrealised investment gains	-	3,294	3,294
Transfer to trust for application	-	(1,900)	(1,900)
Trust for investment at 31 August 2019	6,314	76,793	83,107

22. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS YEAR ENDED 31 AUGUST 2019

	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000
Tangible fixed assets	2,725	-	42,730	46,455
Fixed asset investments	1,741	615	81,875	84,231
Loan to William Jones's Almshouse Charity	-	-	2	2
Net current assets/(liabilities)	2,796	336	317	3,449
Creditors due after more than one year	(3,280)	-	(5,420)	(8,700)
Defined benefit pension scheme	(549)	-	-	(549)
	3,433	951	119,504	123,888