

Registered number: 00787642
Charity number: 528409

MORETON HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021



MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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MORETON HALL EDUCATIONAL TRUST LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees	Dr L V Boon (resigned 14 January 2022) Mr R J Carryer (appointed 29 November 2021) Mrs R M E Clacher (appointed 9 March 2022) Dr J J Dixey Ms E J Flynn Mrs A G Foulger Mrs S E Groves (resigned 10 January 2022) Mr C M Heath Ms S E Hincks Mrs C A Jones Mrs C M Neilson Mr C N H Pursglove (resigned 23 September 2021) Mr A L Stockdale Mrs S M Tunstall Ms L V Yule
Company registered number	00787642
Charity registered number	528409
Registered office	Moreton Hall Weston Rhyn Oswestry Shropshire SY11 3EW
Company secretary	Mr I Davies
Independent auditors	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
Key Management	George Budd - Principal (resigned 31 August 2022) Sarah Davis - Principal (appointed 1 September 2022) Ian Davies - Financial Controller (resigned 1 December 2022) Sarah Hughes - Head of Senior School John Bond - Head of Moreton Hall Prep Victoria Eastman - International Trustee Lorna Campbell - Development Trustee Carolyn Tilly (resigned October 2020) Samantha Malkin (resigned August 2021)

MORETON HALL EDUCATIONAL TRUST LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 September 2020 to 31 August 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Charitable object

The object of the Charity is to benefit the public through the advancement of education, including the provision of boarding and day schooling for girls from the age of 3 to 18 and boys aged 3 to 13, with overseas boys up to age 18 accommodated in a separate International Study Centre.

Aims

The School's principal aims:

- Provides an exceptional, kind, personalised and suitably challenging education in a nurturing and liberal boarding environment where pupils take pride in each other's achievements.
- Listens to each pupil so we can provide opportunities which encourage them to forge their own path, follow their individual dreams and accomplish what they never thought possible.
- Produces inquisitive pupils with the maturity, self-awareness and resilience to flourish in the modern world and fosters lifelong friendships between them.
- Nurtures grounded self-confidence, a willingness to give everything a go and the self-belief to tackle any challenge head-on.
- Creates articulate, diverse and entrepreneurial global citizens who make ambitious and environmentally responsible contributions to teams, society and business.
- Develops wellbeing, creativity, curiosity, intellectual independence and emotional intelligence in its pupils both within and beyond the classroom.
- Encourages its pupils to have a thirst for new experiences and innovation, to passionately join in and to put themselves forwards without fear of failure.
- Ensures that every pupil makes the best possible progress across the full spectrum of Moreton life, seeking excellence not perfection, and continues to do so once they leave us.

Objectives for the year

The Trustees' main objective during this year of uncertainty and upheaval was to maintain the high standards of our joyous, aspirational and nurturing community, whether online or in person. While the pandemic raged outside our gates and reached into our school, Moreton planned, pivoted, innovated and ultimately, flourished.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

Whilst planning the objectives for the year under review the trustees kept in mind the Charity Commission's guidance on public benefit. The trustees' objectives for the year under review were to maintain the academic standards of the School; to be able to fund development while at the same time holding fees as low as possible and ensuring a proper level of reward for employees; to promote open access to the School by maintaining and if possible increasing the provision of bursaries; to achieve further progress with the development plan for improving facilities; to promote links between the School and the local community including schools in the maintained sector.

b. Strategies for achieving objectives

The pandemic required innovation in every area of the school. With the assistance of our IT department, our teaching staff successfully continued with online teaching, with positive feedback for our online learning provision from both pupils and parents. Administration staff worked from home during lockdown. While buildings sat empty, our maintenance department completed several building projects, including a new library, junior art suite and common room for year 11, and an archive room. The trustees took a number of unprecedented steps to keep the school financially stable and to address the needs of parents during this time: school fees were reduced for the Spring Term 2021, and staff placed on furlough when necessary. During these adjustments, our academic programme remained at its normal pace and our rich and varied extracurricular activities continued, either online or in person.

The Trustees' strategy for achieving these objectives during the year has been to monitor the academic achievements of the School and to engage with the Principal and his colleagues on developments in the curriculum; to monitor the financial performance of the School and to approve a budget for the year which produces a result sufficient to support the School's development plan, whilst also taking into consideration the pressure that substantial fee increases can have on family budgets; to build a bursary appeal fund through the School's Foundation; to use the resources of the School's foundation to offer bursary support to students from local maintained schools; to subsidise places for local students and Moreton Hall students.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

c. Activities undertaken to achieve objectives

The principal activity this year has been to maintain our academic, pastoral and extracurricular standards during the pandemic while shifting to pandemic rules and online learning. When awarded the Boarding School of the Year 2021 by TES Independent School Awards, the judges said, "Moreton Hall wowed judges with its commitment to its students and the wider community, exemplifying the best of the boarding school sector and managing the difficulties of the pandemic with aplomb."

Despite the obstacles, Moreton accomplished a great deal during this year. We successfully continued with online schooling and kept the closeness and spirit of the school alive. The extensive society calendar of events moved online, and masterclasses were added. Pastoral care remained outstanding. We created initiatives to deal with COVID changes, including a bespoke six-week programme of life skills and A-Level and university preparation for Years 11 & 13 to fill the gap left in their time table when exams were cancelled. When our new community theatre, the Holroyd, was shuttered, Moreton continued to champion the local arts community by providing a virtual weekly venue for performing artists and their audiences. Our performing arts academy, Face2Face, continued and offered sessions free of charge to local pupils. Moreton also opened the ACE Sports Performance Hub which allows the school to provide to the community for sport what we already offer across the performing arts.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

d. Grant-making policies

The School has a bursary appeal fund, which is administered within its Foundation, which gives financial support to parents whose child has been awarded a place at the School but who cannot afford the full fees. The School also provides bursaries funded from its own income. All bursaries are means tested up to 100% of fees and reviewed annually. The School also awards scholarships to pupils who show exceptional academic, musical, sporting or artistic promise.

During the year the School was able to award £3,650,232 (2020 - £3,624,611) in scholarship awards for academic, sport, musical, artistic and all-round excellence, and means tested bursaries designed to widen access to the School's education and relieve hardship where the pupil's education and prospects would otherwise be at risk.

Strategic report

Achievements and performance

a. Main achievements of the Charity

The extent to which the School achieves its aims cannot be measured by examination results alone. There are a range of indicators, not all measurable in quantitative terms, which show how well the School is providing an academic environment with high aspirations, an appropriate academic challenge which enables each pupil to realise their full potential, a wide range of activities through which children can develop a breadth of interests and learn to work cooperatively, a caring, supportive and well-ordered environment in which children from a variety of social backgrounds can feel secure and equally valued, and an ethos which encourages spiritual and personal development.

The School's financial performance is measured against the budget for the year with monthly management accounts which compare actual and budgeted expenditure and income, thus ensuring that, providing there are no unforeseen exceptional variations in expenditure or income, there are no significant variations from budget.

The Charity is continuing to develop wider community links. The development of the Holroyd Community Theatre, opened in November 2019, will cement Moreton's reputation as a regional hub for the Arts. In addition, the charity has developed a key role in supporting the staff and pupils of a nearby state school. On a weekly basis, Moreton offers local students' extra tuition in core subjects, with an emphasis on the gifted and talented, ensuring that the most able pupils receive the stretch and challenge they require.

The Charity also encourages widening participation by inviting pupils from local schools to events such as the Annual Careers Convention and Moreton Means Business Conference.

While some performance factors are clearly within our control, for example quality of teaching staff, other factors are not, which was even more apparent this year as the nation moved in and out of lockdown. We count ourselves fortunate in being able to acknowledge the positive contribution made to this year's achievements by a number of factors not susceptible to control, such as our pupils' striving for excellence and their parents' endorsements of the life values we seek to inculcate. At A Level, over 88% of grades achieving A* to B, whilst at GCSE, 70% of all entries achieving top grades 9 – 7.

In December 2018, the school was inspected by the Independent Schools Inspectorate and was awarded the top grade of 'Excellent' for the quality of the achievement of the pupils, including their academic development, and their personal development.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

The Enrichment programme within the school continues to develop with an extensive programme of lectures, clubs and societies taking learning beyond the syllabus. These activities continued online when we could no longer meet in person. The school achieves outstanding results beyond the classroom including success in Mathematical Olympiads, Physics Olympiads, Oxford Essay competitions and National Arts Awards. Additionally, the school has a long-standing reputation for Spoken English and the Performing Arts where students achieve recognition of their talents.

The school's Enrichment programme, which was originally designed to assist in the preparation of Oxbridge candidates, has now been extended to each year group and is available to every girl in the school. It is designed to challenge and stretch girls and aims to provide every pupil with an education that is as broad as it is deep. Academic Societies include Gertrude Bell, aimed at girls with an interest in anthropology, geography and archaeology; Pi, for would-be engineers and mathematicians; Jenner, for pupils hoping to pursue a career in every field of medicine; and Bronwen, open to every girl in the school to develop thinking skills and explore areas not covered by the examination boards. For those who intend to apply to Oxbridge (or other highly competitive Universities), an accelerated programme of tutorials, seminars and intensive interview practice is on offer.

The Lady Barbirolli Music Society provides students with opportunities to receive professional level coaching through a series of masterclasses and workshops run by professional musicians.

Now in its tenth year, the Jenner Society is a Medical Science Society, established and run by the Lower Sixth Form students, which invites speakers to discuss biological developments and encourages attendance at a range of events and workshops to help girls interested in Medical and Veterinary Science.

The Bronwen Society provides a diverse collection of lectures and trips to inspire Moreton students beyond the confines of the curriculum.

There is a strong commitment to co-curricular activities for all pupils. The extended curriculum programme is designed to encourage girls to pursue a broad base of extended curriculum and enrichment activities whilst allowing the flexibility to follow special interests. Activities are tailored to each year group and offered for an hour every day after school. Year 7 and 8 children are expected to take at least four activities, Year 9 and above, three. In reality, participation rates are higher than this. Students are welcome to suggest activities they would like added to the programme, as they did this year with kayaking and dress making.

Our societies are just one aspect of our extracurricular programme, which also include Spoken English and debating, for which Moretonians regularly achieve national success, and sports, drama, art and music in many forms. Moretonians can be found at the national level across the performing arts and sports.

Student-led Moreton Enterprises (ME), a cornerstone of our entrepreneurial education, achieved turnover of £16,805 (2020: £18,967).

The DofE Award continued to thrive at Moreton Hall throughout the pandemic and is now emerging from the other side. A total of 20 Lower 5 students are working towards the Bronze Award and 16 Sixth Form pupils (10 in Upper 6 and 6 in Lower 6) are preparing for the Gold Award. Like most schools, we took advantage of the changes to assessment authorised during the Covid Pandemic: overnight camps for expeditions have been in the school grounds and many students have volunteered for a family member. The Gold Expedition did not take place last year so this year we will be combining the Sixth Form groups for a single programme of Training and Assessed Expeditions. There has been no change to the policy that the School does not undertake the Silver programme.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

Sport is truly for every pupil at Moreton, as we understand how vital exercise is for both physical and mental health. While our Sports Department provides carefully monitored programmes for elite athletes, they also provide the same level of care for those pupils who are still searching for the activity that suits them best. Moreton offers a choice of more than 20 sports. Pupils have access to enhanced and specialist coaching from sporting teachers and professionals. We invite current international players and coaches to deliver special training days and workshops and regularly take pupils to events which benefit their physical and mental development.

Sadly, due to the global Covid pandemic, School sport was hit badly, and fixtures that we had scheduled for Hockey and Lacrosse had been unable to take place. All national, regional and county competitions were cancelled.

We mapped out a year-long external wider Lacrosse programme across the holiday periods, which involved camps, from beginners to master classes. Developing wider Lacrosse across the community is certainly an exciting development for Moreton and there is definitely a gap on the market for us to excel in this area.

This ties in nicely with the introduction of our new "ACE" sports hubs that we are promoting in the other sports, such as, Tennis, Hockey and Golf. A programme has been implemented to offer external camps and coaching workshops in these sports to attract people to Moreton.

In the students' year group bubbles, we incorporated internal set competitions and tournaments to try and maintain the competitive element in sport, and give the students something to play for each week.

We look forward to continue to drive forward our sporting prowess at Moreton.

b. Fundraising activities and income generation

Like the rest of the school, Foundation activities had to pivot with the pandemic. Before the lockdown, the Foundation held dinners and quiz nights to promote Moreton in our communities. Unfortunately, we were forced to cancel our popular Annual Business Lunch and OM reunions as they could not take place in-person. The Foundation laid the groundwork for the next Capital projects and continues to support the Holroyd Community Theatre.

c. Investment policy and performance

The Charity does not have specific investment objectives, as the investments held are minimal. Investment performance is not therefore measured. All investment decisions are made within the restrictions imposed by the Memorandum and Articles of Association.

Financial review

a. Going concern

On 18 October 2022, the ongoing charitable activities and assets of Moreton Hall Educational Trust Limited were sold to Moreton Hall Education Limited. The outstanding liabilities of the Charitable Company will be met from the proceeds of the sale. Accordingly the financial statements have been prepared on the basis that the Charitable Company is no longer a going concern as described in Note 2.2.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

b. Reserves policy

The total funds of the School as at 31 August 2021 were £5,773,089 (2020: £6,829,105). Of these £4,602,962 were unrestricted funds, and £1,170,127 restricted funds. Of the £4,602,962 of unrestricted funds, £7,347,668 is represented by tangible fixed assets. Therefore, the School currently has a deficit on free reserves of £2,744,706 which primarily represents funds expended on fixed assets which have been financed through working capital.

The deficit on free reserves is consistent with the trustees' medium term (5 to 10 year) projections, with cash flow projections to the years ended 31 August 2023 having been produced and considered. The School aims to continue providing an excellent environment for pupils at the School by improving on the facilities of the School both in terms of academic and pastoral provision. The programme is reviewed and updated on a regular basis, along with its impact on cash flows. In addition to the improvements programme the School has undertaken a buildings condition survey to ensure that an adequate maintenance programme is in place to protect the fabric of the current plant for the long term. .

The reserves policy of the school will be reviewed on an annual basis by the Trustees.

c. Financial risk management objectives and policies

The Trustees are responsible for the management of the risks faced by the School. Detailed considerations of risk are delegated to the senior management team of the School. Risks are identified and assessed, and controls established throughout the year. A formal review of the Charity's risk management processes is undertaken on an annual basis.

The key controls used by the Charity include:

- formal agendas for all Committee and Board activity.
- comprehensive strategic planning, budgeting, management accounting, and cash flow forecasting.
- established organisational structure and line of reporting.
- formal written policies, including health and safety, crisis management, and compliance with all relevant legislation applicable to schools.
- clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of children

Through the risk management processes established for the School, the trustees are satisfied that the major risks to which the School is exposed, as identified by the trustees, have been reviewed and systems or procedures have been established to manage those risks. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Management has considered the Covid-19 scenario and concluded that it will continue to have a material impact on income. As such, appropriate steps have been taken to ensure the school continues to operate to the highest standards, these measures include utilising the various Government schemes and careful control of all expenditure.

Revised budgets, prepared by management and reviewed by Trustees, show the school is able to operate within its agreed banking facilities despite the Covid impact. As such, both management and trustees are confident they have the appropriate strategy in place to deal with future challenges. That said, although the position remains under constant review, based on the facilities available, it is considered appropriate to prepare the accounts on a going concern basis.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management

a. Constitution

Moreton Hall Educational Trust Limited is registered as a charitable company limited by guarantee and was set up by a Trust deed.

Moreton Hall Educational Trust Limited is a charitable company limited by guarantee and therefore has no share capital. Each member is liable, upon the winding up of the company, to an amount not exceeding £2. The charity was incorporated on 10th January 1964.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. The Memorandum and Articles were drawn up on 9th December 1963.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr L V Boon (resigned 14 January 2022)
Mr R J Carryer (appointed 29 November 2021)
Mrs R M E Clacher (appointed 9 March 2022)
Dr J J Dixey
Ms E J Flynn
Mrs A G Foulger
Mrs S E Groves (resigned 10 January 2022)
Mr C M Heath
Ms S E Hincks
Mrs C A Jones
Mrs C M Neilson
Mr C N H Pursglove (resigned 23 September 2021)
Mr A L Stockdale
Mrs S M Tunstall
Ms L V Yule

The directors retiring by rotation who, being eligible, are available for re-election are:

Ms E J Flynn
Mr A L Stockdale
Mrs C A Jones
Mrs A G Foulger

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the Group and the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

Trustees are appointed by the existing board of trustees in accordance with the company's Memorandum and Articles of Association. There is no set time limit for a trustee's term in office, although each year one third of the board retire by rotation. No fee or remuneration is payable to trustees, other than reimbursement, if claimed, of reasonable costs incurred in attending meetings. A trustee who is disqualified from acting under the Charities Act 2011 or does not meet all the conditions as set out in point 40 of Articles of Association, will cease to be a trustee.

In appointing new trustees, the Board first reviews the skills and expertise available among serving trustees, looking at educational, financial, legal, charity and business skills. Having identified the skills and expertise required trustees discuss suitably qualified candidates and then appoint the most suitable candidate. The Board looks to have an appropriate gender balance among trustees and to have among the trustees, Old Moretonians (former pupils of the school), and former parents.

The School has taken out trustee indemnity insurance. This covers claims made against the School in respect of trustees' liability arising from any negligent act, error or omission committed in good faith.

c. Organisational structure and decision-making policies

The Trustees of the Charity are responsible for the overall management and control of the School and meet three times a year. There is one principal trustee sub-committee. The Finance Committee meets before each meeting of the full trustees, and addresses matters relating to finance. Mr A L Stockdale was chairman of the finance committee during the year.

The work of implementing most of the trustees' policies and the day to day running of the School is delegated to the Principal, the Financial Controller and the Senior Management Team. The Principal and Financial Controller attend all full Trustee and Finance Committee meetings.

d. Policies adopted for the induction and training of Trustees

All new Trustees are invited to spend a day at the school, which usually coincides with their first trustee meeting, and includes a complete tour of the school and meetings with relevant senior management. They are also encouraged to attend any seminars specifically relevant to their role as trustee. New Trustees appointed as members of the Finance Committee are briefed on the School's financial position by the chairman of the Committee. All Governors undertake relevant safeguarding training and receive regular updates on safeguarding provision from the school's DSL.

e. Pay policy for key management personnel

The pay of key management personnel is reviewed annually by the governors. The charity benchmarks remuneration against other similar sized independent schools, using both AGBIS and the Baines Cutler salary surveys.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

f. Related party relationships

The Charity has a wholly owned non-charitable subsidiary, Moreton Hall Services Limited, whose trading performance is disclosed in the consolidated accounts which are publicly available from the Registrar of Companies, Cardiff.

The Holroyd Community Theatre Company Limited is a dormant company.

g. Financial risk management

The Trustees have assessed the major risks to which the Group and the Charity are exposed, in particular those related to the operations and finances of the Group and the Charity.

h. Post year end activities

On 18 October 2022, the ongoing charitable activities and assets of Moreton Hall Educational Trust Limited were sold to Moreton Hall Education Limited. The outstanding liabilities of the Charitable Company will be met from the proceeds of the sale. Accordingly the financial statements have been prepared on the basis that the Charitable Company is no longer a going concern as described in Note 2.2.

Following a marketing process, the Trustees have sold the Trusts' activities and assets on 18 October 2022. As at the date the financial statements have been signed the Trust ceased to trade as an educational establishment. The Trust will continue to support the school, in the next six months, through the distribution of certain funds, and it is the intention to cease all operations within the next twelve months.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

Disclosure of information to auditors

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

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

Auditors

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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



Mr A L Stockdale
Trustee

Date: 18/12/22

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MORETON HALL EDUCATIONAL TRUST LIMITED

Opinion

We have audited the financial statements of Moreton Hall Educational Trust Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 2.2 to the financial statements which explains that the Charitable Company has ceased its trading activities post year-end. It is the Trustees intention to cease all activities within the next twelve months and therefore the Trustees do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on the basis that the Charitable Company is no longer a going concern as described in Note 2.2. Our opinion is not modified in this respect of this matter.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MORETON HALL EDUCATIONAL TRUST LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MORETON HALL EDUCATIONAL TRUST LIMITED (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

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

- We reviewed the susceptibility of the charitable company's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the charitable company's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the charitable company and its environment and identify any instances of non-compliance.
- We also assessed the charitable company's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and charitable company awareness to carry out our work to the required standard.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MORETON HALL EDUCATIONAL TRUST LIMITED (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andy Malpass (Senior statutory auditor)

for and on behalf of

WR Partners

Chartered Accountants

Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

Shropshire

SY2 6LG

Date:



MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	-	-	-	23,928
Charitable activities	4	-	7,744,000	7,744,000	8,479,070
Other trading activities	5	-	16,805	16,805	18,967
Investments	6	-	-	-	1,737
Other income	7	-	923,129	923,129	696,458
Total income		-	8,683,934	8,683,934	9,220,160
Expenditure on:					
Raising funds	8	-	14,838	14,838	59,753
Charitable activities	9	37,854	8,823,315	8,861,169	9,287,736
Impairment to tangible fixed assets		-	865,346	865,346	-
Total expenditure		37,854	9,703,499	9,741,353	9,347,489
Net expenditure before net gains/(losses) on investments		(37,854)	(1,019,565)	(1,057,419)	(127,329)
Net gains/(losses) on investments		-	1,403	1,403	(2,945)
Net movement in funds		(37,854)	(1,018,162)	(1,056,016)	(130,274)
Reconciliation of funds:					
Total funds brought forward		1,207,981	5,621,124	6,829,105	6,959,379
Net movement in funds		(37,854)	(1,018,162)	(1,056,016)	(130,274)
Total funds carried forward		1,170,127	4,602,962	5,773,089	6,829,105

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 22 to 45 form part of these financial statements.

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 00787642

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	8,932,511	10,053,265
Investments	15	9,212	7,809
		<u>8,941,723</u>	<u>10,061,074</u>
Current assets			
Stocks	16	10,240	8,370
Debtors	17	312,241	280,400
Cash at bank and in hand		1,863,596	304,575
		<u>2,186,077</u>	<u>593,345</u>
Creditors: amounts falling due within one year	18	<u>(2,886,216)</u>	<u>(2,473,141)</u>
Net current liabilities		(700,139)	(1,879,796)
Total assets less current liabilities		8,241,584	8,181,278
Creditors: amounts falling due after more than one year	19	<u>(2,468,495)</u>	<u>(1,352,173)</u>
Total net assets		<u>5,773,089</u>	<u>6,829,105</u>

MORETON HALL EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)

REGISTERED NUMBER: 00787642

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Charity funds			
Restricted funds	20	1,170,127	1,207,981
Unrestricted funds	20	4,602,962	5,621,124
Total funds		<u>5,773,089</u>	<u>6,829,105</u>

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

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



Mr A L Stockdale

Trustee

Date: 18/12/22

The notes on pages 22 to 45 form part of these financial statements.

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 00787642

CHARITY BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	8,932,117	10,052,740
Investments	15	9,214	7,811
		<u>8,941,331</u>	<u>10,060,551</u>
Current assets			
Stocks	16	8,439	5,735
Debtors	17	316,624	282,477
Cash at bank and in hand		1,845,183	292,236
		<u>2,170,246</u>	<u>580,448</u>
Creditors: amounts falling due within one year	18	(2,883,933)	(2,471,888)
Net current liabilities		<u>(713,687)</u>	<u>(1,891,440)</u>
Total assets less current liabilities		<u>8,227,644</u>	<u>8,169,111</u>
Creditors: amounts falling due after more than one year	19	(2,468,495)	(1,352,173)
Total net assets		<u><u>5,759,149</u></u>	<u><u>6,816,938</u></u>

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 00787642

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Charity funds			
Restricted funds	20	1,170,127	1,207,981
Unrestricted funds	20	4,589,022	5,608,957
Total funds		<u>5,759,149</u>	<u>6,816,938</u>

The Charity's net movement in funds for the year was £(1,057,789) (2020 - £(130,125)).

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

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



Mr A L Stockdale

Trustee

Date: 18/12/22

The notes on pages 22 to 45 form part of these financial statements.

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	447,238	(856,844)
Cash flows from investing activities		
Dividends, interests and rents from investments	975	1,737
Proceeds from the sale of tangible fixed assets	-	250
Purchase of tangible fixed assets	(159,444)	(890,374)
Net cash used in investing activities	(158,469)	(888,387)
Cash flows from financing activities		
Cash inflows from new borrowing	1,500,000	-
Repayments of borrowing	(229,748)	(191,568)
Net cash provided by/(used in) financing activities	1,270,252	(191,568)
Change in cash and cash equivalents in the year	1,559,021	(1,936,799)
Cash and cash equivalents at the beginning of the year	304,575	2,241,374
Cash and cash equivalents at the end of the year	1,863,596	304,575

The notes on pages 22 to 45 form part of these financial statements

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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

1. General information

Moreton Hall Educational Trust Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office Moreton Hall, Weston Rhyn, Oswestry, Shropshire, SY11 3EW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Moreton Hall Educational Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

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

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.2 Going concern

On 21 July 2022, Moreton Hall Education Limited agreed to purchase the activities and assets of the Charitable Company.

On 18 October 2022, the assets, liabilities, staff and pupils of the Charitable Company were transferred to Moreton Hall Education Limited. The outstanding liabilities of the Charitable Company will be met from the proceeds of the sale and under the terms of the agreement.

It is the Trustees intention to cease all activities of Moreton Hall Educational Trust Limited within the next twelve months and therefore the financial statements have been prepared on the basis that the Charitable Company is not a going concern.

The financial statements have been prepared using an alternative basis. The assets of the Charitable Company have been assessed for impairment based on the proceeds that have been received. The recoverable amount of each asset class has been reviewed. The recoverable amount is the higher of, the assets value in use and the fair value less costs to sell. The value in use is the present value of the future cash flows expected to be derived from the asset class. The fair value is an amount obtainable from sale in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

The recoverable amount review has led to an impairment charge against tangible fixed assets. The fair value, established from a valuation report, was below the carrying amount of this asset class. An impairment charge for £865,346 has been recognised. There has been no further impairment charge recognised on the other assets following a fair value review.

The Charitable Company received £3,800,000 for the activities and assets of the school. This is substantially lower than the fair value of the assets which has been reported in the balance sheet.

2.3 Income

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.4 Expenditure

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

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

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

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 2% -10% straight line on cost
M&E work	- 2% on cost
Motor vehicles	- 25% on reducing balance
Fixtures and fittings	- 20% - 33.3% on cost, 10% - 25% on reducing balance

2.6 Investments

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

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

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.7 Stocks

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

2.8 Debtors

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

2.9 Cash at bank and in hand

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

2.10 Liabilities and provisions

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

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

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

2.11 Financial instruments

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

2.12 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year. The Group contributes to two pension schemes:

- The Teachers Pension Scheme
- The Peoples Pension

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.13 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations and gifts	-	-	-	23,928
Total 2021	-	-	-	23,928
<i>Total 2020</i>	18,578	5,350	23,928	

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Gross fees receivable	11,151,790	11,151,790	12,020,969
Remissions	(3,650,232)	(3,650,232)	(3,624,611)
Registration fees	33,194	33,194	24,782
Other educational income	209,248	209,248	57,930
Total 2021	<u>7,744,000</u>	<u>7,744,000</u>	<u>8,479,070</u>
<i>Total 2020</i>	<u>8,479,070</u>	<u>8,479,070</u>	

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Moreton Hall Services Ltd income	16,805	16,805	18,967
Total 2021	<u>16,805</u>	<u>16,805</u>	<u>18,967</u>
<i>Total 2020</i>	<u>18,967</u>	<u>18,967</u>	

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Dividends	-	-	1,737
Total 2021	-	-	1,737
<i>Total 2020</i>	<i>1,737</i>	<i>1,737</i>	

7. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
JRS income	923,129	923,129	646,458
Other income	-	-	50,000
Total 2021	923,129	923,129	696,458
<i>Total 2020</i>	<i>696,458</i>	<i>696,458</i>	

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Fundraising activities	-	-	40,831
Total 2021	<u>-</u>	<u>-</u>	<u>40,831</u>
<i>Total 2020</i>	<u>40,831</u>	<u>40,831</u>	

Fundraising trading expenses

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Moreton Hall Services Ltd expenditure	14,838	14,838	18,922
Total 2021	<u>14,838</u>	<u>14,838</u>	<u>18,922</u>
<i>Total 2020</i>	<u>18,922</u>	<u>18,922</u>	

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total 2021 £	Total 2020 £
Education	-	300,993	300,993	564,377
Teaching	-	5,643,322	5,643,322	6,192,979
Welfare	-	550,659	550,659	442,868
Premises	37,854	993,871	1,031,725	852,887
Support costs	-	1,255,604	1,255,604	1,152,243
Governance costs	-	78,866	78,866	82,382
Total 2021	37,854	8,823,315	8,861,169	9,287,736
<i>Total 2020</i>	<i>40,176</i>	<i>9,247,560</i>	<i>9,287,736</i>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	300,993	-	300,993	564,377
Teaching	5,643,322	-	5,643,322	6,192,979
Welfare	550,659	-	550,659	442,868
Premises	1,031,725	-	1,031,725	852,887
Support costs	-	1,255,604	1,255,604	1,152,243
Governance costs	-	78,866	78,866	82,382
Total 2021	7,526,699	1,334,470	8,861,169	9,287,736
<i>Total 2020</i>	<i>8,053,111</i>	<i>1,234,625</i>	<i>9,287,736</i>	

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Education 2021 £	Teaching 2021 £	Welfare 2021 £	Premises 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	-	5,278,605	-	-	5,278,605	6,206,452
Depreciation	-	-	-	367,066	367,066	367,319
Bad debts	-	-	-	-	-	21,116
Teaching costs	-	364,717	-	-	364,717	(13,473)
House expenditure	-	-	135,706	-	135,706	102,850
Catering & hospitality	-	-	414,953	-	414,953	340,018
Repairs & maintenance	-	-	-	202,971	202,971	100,459
Other premises costs	-	-	-	146,488	146,488	106,428
Rates	-	-	-	40,521	40,521	38,923
Utilities	-	-	-	235,073	235,073	236,431
Insurance	-	-	-	39,279	39,279	43,700
Lettings	13,908	-	-	-	13,908	152,349
Other	287,085	-	-	327	287,412	350,539
Total 2021	<u>300,993</u>	<u>5,643,322</u>	<u>550,659</u>	<u>1,031,725</u>	<u>7,526,699</u>	<u>8,053,111</u>
<i>Total 2020</i>	<u>564,377</u>	<u>6,192,979</u>	<u>442,868</u>	<u>852,887</u>	<u>8,053,111</u>	

MORETON HALL EDUCATIONAL TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Support 2021 £	Governance 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	894,897	-	894,897	829,636
Depreciation	17,068	-	17,068	15,452
Other	59,227	-	59,227	3,896
Bank interest & charges	92,919	-	92,919	55,373
Telephone	20,466	-	20,466	19,166
Postage & stationery	16,359	-	16,359	28,138
Marketing & publicity	123,811	-	123,811	148,545
Office equipment	1,830	-	1,830	18,085
Staff recruitment	6,781	-	6,781	14,092
Subscriptions	22,246	-	22,246	19,860
Professional fees	-	63,866	63,866	70,322
Auditors remuneration	-	15,000	15,000	12,060
Total 2021	1,255,604	78,866	1,334,470	1,234,625
<i>Total 2020</i>	<i>1,152,243</i>	<i>82,382</i>	<i>1,234,625</i>	

11. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	11,000	10,500
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	3,250	-

MORETON HALL EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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

12. Staff costs

	Group 2021 £	<i>Group 2020 £</i>	Charity 2021 £	<i>Charity 2020 £</i>
Wages and salaries	5,110,212	5,808,229	5,110,212	5,808,229
Social security costs	455,945	504,411	455,945	504,411
Contribution to defined contribution pension schemes	607,345	723,448	607,345	723,448
	6,173,502	7,036,088	6,173,502	7,036,088

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

	Charity 2021 No.	<i>Charity 2020 No.</i>
Teaching	100	119
Support and ancillary	115	122
	215	241

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

	Group 2021 No.	<i>Group 2020 No.</i>
In the band £60,001 - £70,000	2	-
In the band £80,001 - £90,000	-	1
In the band £100,001 - £110,000	1	1
In the band £130,001 - £140,000	-	1

The key management personnel of the charitable company are listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the charitable company was £478,455 (2020: £424,288).

13. Trustees' remuneration and expenses

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

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £501).

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14. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation						
At 1 September 2020	14,139,748	589,109	174,734	713,032	41,723	15,658,346
Additions	137,145	-	22,299	-	-	159,444
Disposals	(30,392)	-	-	-	-	(30,392)
Impairment	(865,346)	-	-	-	-	(865,346)
At 31 August 2021	13,381,155	589,109	197,033	713,032	41,723	14,922,052
Depreciation						
At 1 September 2020	4,603,805	209,004	128,443	622,106	41,723	5,605,081
Charge for the year	338,597	11,680	17,394	16,789	-	384,460
At 31 August 2021	4,942,402	220,684	145,837	638,895	41,723	5,989,541
Net book value						
At 31 August 2021	8,438,753	368,425	51,196	74,137	-	8,932,511
At 31 August 2020	9,535,943	380,105	46,291	90,926	-	10,053,265

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14. Tangible fixed assets (continued)

Charity

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation						
At 1 September 2020	14,139,748	577,378	174,734	713,032	41,723	15,646,615
Additions	137,145	-	22,299	-	-	159,444
Disposals	(30,392)	-	-	-	-	(30,392)
Impairment	(865,346)	-	-	-	-	(865,346)
At 31 August 2021	13,381,155	577,378	197,033	713,032	41,723	14,910,321
Depreciation						
At 1 September 2020	4,603,805	197,798	128,443	622,106	41,723	5,593,875
Charge for the year	338,597	11,549	17,394	16,789	-	384,329
At 31 August 2021	4,942,402	209,347	145,837	638,895	41,723	5,978,204
Net book value						
At 31 August 2021	8,438,753	368,031	51,196	74,137	-	8,932,117
At 31 August 2020	9,535,943	379,580	46,291	90,926	-	10,052,740

The freehold property has been subject to an impairment review based on an external valuation performed by Sanderson Weatherall LLP, chartered surveyors, on an open market basis. The valuation was performed on 2 October 2020.

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15. Fixed asset investments

Group		Listed investments £	Unlisted investments £	Total £
Cost or valuation				
At 1 September 2020		7,082	727	7,809
Revaluations		1,403	-	1,403
At 31 August 2021		<u>8,485</u>	<u>727</u>	<u>9,212</u>
Net book value				
At 31 August 2021		<u>8,485</u>	<u>727</u>	<u>9,212</u>
At 31 August 2020		<u>7,082</u>	<u>727</u>	<u>7,809</u>
	Investments in subsidiary companies £	Listed investments £	Unlisted investments £	Total £
Charity				
Cost or valuation				
At 1 September 2020	2	7,082	727	7,811
Revaluations	-	1,403	-	1,403
At 31 August 2021	<u>2</u>	<u>8,485</u>	<u>727</u>	<u>9,214</u>
Net book value				
At 31 August 2021	<u>2</u>	<u>8,485</u>	<u>727</u>	<u>9,214</u>
At 31 August 2020	<u>2</u>	<u>7,082</u>	<u>727</u>	<u>7,811</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Holding	Included in consolidation
Moreton Hall Services Ltd	02964198	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/ (Loss) for the year £	Net assets £
Moreton Hall Services Ltd	16,805	(14,838)	1,967	13,942

16. Stocks

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Stock	10,240	8,370	8,439	5,735

17. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Due within one year				
Trade debtors	116,078	157,798	116,078	157,798
Amounts owed by group undertakings	-	-	4,383	2,077
Other debtors	193,409	98,209	193,409	98,209
Prepayments and accrued income	2,754	24,393	2,754	24,393
	312,241	280,400	316,624	282,477

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18. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans	378,197	224,267	378,197	224,267
Payments received on account	1,909,128	1,733,306	1,909,128	1,733,306
Trade creditors	233,944	69,258	231,661	69,258
Other taxation and social security	135,123	156,099	135,123	156,099
Other creditors	31,834	107,839	31,834	106,586
Accruals and deferred income	197,990	182,372	197,990	182,372
	2,886,216	2,473,141	2,883,933	2,471,888

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

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans	2,468,495	1,352,173	2,468,495	1,352,173

Included within the above are amounts falling due as follows:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Between one and two years				
Bank loans	665,077	250,340	665,077	250,340
Between two and five years				
Bank loans	1,315,797	484,186	1,315,797	484,186
Over five years				
Bank loans	487,621	617,647	487,621	617,647

The bank loans are secured by a first legal charge over freehold land and property, a fixed charge over book debts and floating charge over all other assets. In addition to this there is an available overdraft facility, secured under the same provisions.

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20. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds					
General Funds - all funds	5,608,957	8,667,323	(8,823,315)	1,403	5,454,368
Non-charitable trading funds	12,167	16,611	(14,838)	-	13,940
Impairment to tangible fixed assets	-	-	(865,346)	-	(865,346)
	<u>5,621,124</u>	<u>8,683,934</u>	<u>(9,703,499)</u>	<u>1,403</u>	<u>4,602,962</u>
Restricted funds					
Norman Quick	5,598	-	-	-	5,598
Foundation	56,981	-	(1,325)	-	55,656
Lingard Goblet	1,000	-	-	-	1,000
Science Block	86,071	-	(2,002)	-	84,069
Sports Pavilion	54,249	-	(1,188)	-	53,061
Walled Garden	3,000	-	-	-	3,000
Theatre Project	1,001,082	-	(33,339)	-	967,743
	<u>1,207,981</u>	<u>-</u>	<u>(37,854)</u>	<u>-</u>	<u>1,170,127</u>
Total of funds	<u>6,829,105</u>	<u>8,683,934</u>	<u>(9,741,353)</u>	<u>1,403</u>	<u>5,773,089</u>

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

Statement of funds - prior year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds				
General Funds - all funds	5,717,484	9,182,809	(9,291,336)	5,608,957
Non-charitable trading funds	12,316	18,967	(19,116)	12,167
	<u>5,729,800</u>	<u>9,201,776</u>	<u>(9,310,452)</u>	<u>5,621,124</u>
Restricted funds				
IT Centre Fund	2,322	-	(2,322)	-
Norman Quick	5,598	-	-	5,598
Foundation	58,306	-	(1,325)	56,981
Lingard Goblet	1,000	-	-	1,000
Science Block	88,073	-	(2,002)	86,071
Sports Pavilion	55,437	-	(1,188)	54,249
Walled Garden	3,000	-	-	3,000
Theatre Project	1,015,843	18,578	(33,339)	1,001,082
	<u>1,229,579</u>	<u>18,578</u>	<u>(40,176)</u>	<u>1,207,981</u>
Total of funds	<u>6,959,379</u>	<u>9,220,354</u>	<u>(9,350,628)</u>	<u>6,829,105</u>

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20. Statement of funds (continued)

IT Centre

This fund represents monies given to cover the development of the IT suite and income is released from this fund in line with the depreciation of the suite.

Foundation

This fund represents money received for bursaries and capital projects raised from appeals, events and bequests. In the year ended 31 August 2014 this money was spent on the development of the science block and income is being released from the fund in line with the depreciation of the science block.

Science Block

This represents monies given for the development of the science block and is being released from the fund in line with the depreciation of the science block.

Sports Pavilion

This fund represents monies given for the building of a sports pavilion and is being released from the fund in line with the depreciation of the pavilion.

Centenary Scholarships

This represents money given for scholarships awarded to pupils. All monies have been spent on scholarships in 2020.

Walled garden

This represents money given for a project to develop the walled garden. The work on the walled garden has yet to be started.

Theatre Project

This represents money given to build The Holroyd Community Theatre and is being released from the fund in line with depreciation of the theatre.

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

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,584,843	7,347,668	8,932,511
Fixed asset investments	-	9,212	9,212
Current assets	-	2,186,077	2,186,077
Creditors due within one year	(414,716)	(2,471,500)	(2,886,216)
Creditors due in more than one year	-	(2,468,495)	(2,468,495)
Total	1,170,127	4,602,962	5,773,089

Analysis of net assets between funds - prior year

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	1,840,251	8,213,014	10,053,265
Fixed asset investments	-	7,809	7,809
Current assets	-	593,345	593,345
Creditors due within one year	(632,270)	(1,840,871)	(2,473,141)
Creditors due in more than one year	-	(1,352,173)	(1,352,173)
Total	1,207,981	5,621,124	6,829,105

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

	Group 2021 £	<i>Group 2020 £</i>
Net expenditure for the year (as per Statement of Financial Activities)	(1,056,016)	<i>(130,274)</i>
Adjustments for:		
Depreciation charges	414,852	<i>382,946</i>
Impairment on tangible fixed assets	865,346	<i>-</i>
Dividends, interests and rents from investments	(975)	<i>(1,737)</i>
Loss/(profit) on the sale of fixed assets	-	<i>(196)</i>
Decrease/(increase) in stocks	(1,870)	<i>8,353</i>
Decrease/(increase) in debtors	(31,841)	<i>277,747</i>
Increase/(decrease) in creditors	259,145	<i>(1,396,628)</i>
Fair value gains and losses on investments	(1,403)	<i>2,945</i>
Net cash provided by/(used in) operating activities	447,238	<i>(856,844)</i>

23. Analysis of cash and cash equivalents

	Group 2021 £	<i>Group 2020 £</i>
Cash in hand	1,863,596	<i>304,575</i>
Total cash and cash equivalents	1,863,596	<i>304,575</i>

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

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash at bank and in hand	304,575	1,559,021	1,863,596
Debt due within 1 year	(224,267)	(153,930)	(378,197)
Debt due after 1 year	(1,352,173)	(1,116,322)	(2,468,495)
	<u>(1,271,865)</u>	<u>288,769</u>	<u>(983,096)</u>

25. Pension commitments

Defined contribution schemes

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

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

Valuation of the Teacher's Pension Scheme

Not less than every four years the Government Actuary (GA), using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contribution. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014.

The Valuation report was published by the Department for Education in March 2019. This showed an increase in employer contribution rates from September 2019 set as 23.68% of pensionable pay (including a 0.08% employer administration charge (previously 16.48%).

The pension charge for the year represents contributions payable to the scheme of £555,766 (2020: £668,728). Contributions payable for the year ended 31 August 2021 totalled £Nil (2020: £75,165).

The school also contributes to personal pension schemes for some non-teaching staff. They are defined contribution schemes and contributions are charged to the SOFA as they accrue. The total pension charge for the year was £57,955 (2020: £54,720).

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

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26. Operating lease commitments

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

	Group 2021 £	<i>Group 2020 £</i>
Not later than 1 year	5,828	5,828
Later than 1 year and not later than 5 years	3,400	9,227
	<hr/> 9,228 <hr/>	<hr/> 15,055 <hr/>

27. Related party transactions

During the year two Trustees (2020: one) had children or grandchildren at the School. They receive no remission of fees by virtue of their membership of the governing body.

28. Post balance sheet events

On 18 October 2022, the ongoing charitable activities and assets of Moreton Hall Educational Trust Limited were sold to Moreton Hall Education Limited. The outstanding liabilities of the Charitable Company will be met from the proceeds of the sale.