

THE MALL SCHOOL TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

Company number 02036538
Charity number 295003

THE MALL SCHOOL TRUST
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FOR THE YEAR ENDED 31 AUGUST 2022

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THE MALL SCHOOL TRUST

GOVERNORS, OFFICERS AND ADVISORS

FOR THE YEAR ENDED 31 AUGUST 2022

Governors

The school Governors who are the Charity Trustees and also Directors of the Company who served during the year and since as indicated are:

Mr R J H Walker (Chair)
Dr D Clark (resigned 31 August 2021)
Mrs M Gallagher
Mrs J S Hawker
Mr D E Jurow (appointed 21 September 2021)
Mrs K Mahajan
Mr J O Morris
Mrs N Page
Mr P J Phillips (appointed 21 September 2021)
Mrs E Geraghty (appointed 13 March 2022)

Key Management Personnel

Headmaster	Mr D C Price
Bursar	Ms L Banks
Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	Lloyds Bank, Twickenham Branch

THE MALL SCHOOL TRUST

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The Governors of The Mall School Trust present their annual report for the year ended 31 August 2022 under the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Mall School Trust is constituted as a company limited by guarantee registered in England, Company No. 02036538, and is registered with the Charity Commission under Charity No. 295003. Details of the members of the Governing Body, together with the School's officers and principal advisors are given on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Company is governed by its Memorandum and Articles, last amended on 1 March 2006.

Governing Body

The Governors, who are also required under the Articles to serve as members of the Company, are elected at a Full Governors' Meeting on the basis of the Governor's specification concerning eligibility, personal competence, specialist skills and local availability, and on recommendation from the Headmaster on the same basis. At each Annual General Meeting the nearest number to one fifth of the total governors retire and are eligible for re-election. The Governors to retire each year are those who have been longest in office since their last election.

Governor Recruitment, Induction and Training

New Governors are inducted into the working of the School, and also of the Company as a registered charity, including Board Policy and Procedures, and attend professional courses on trustee training.

Organisational Management

The Governors meet as a Board at least three times a year, with additional strategy meetings as required, to determine the general policy of the Company and review its overall management and control, for which they are legally responsible. Sub committees on finance, education, child protection, property, marketing and risk meet regularly and prior to Board meetings to implement the Board's policies.

The day-to-day running of the School is delegated to the Headmaster and the Bursar, who in turn are supported by other members of the senior leadership team. The Headmaster and Bursar attend all meetings of the Governing Body's Committees.

Remuneration policy for key management personnel is set by the Board, 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 Trust'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 Trust remains sensitive to the broader issues of pay and employment conditions elsewhere. We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope to be rewarded for excellence. Delivery of the Company's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

THE MALL SCHOOL TRUST

GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2022

Relationships

The Mall School is an active member of the IAPS and the ISBA for the promotion and maintenance of preparatory school standards generally. The Mall also benefits from the generosity of the thriving Mall School Association and current parents.

Investment Policy and Objectives

All available retained funds, other than those required for day-to-day cash management are invested in Fixed Term Deposits with our bankers.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The objects are set out in the Memorandum of Association as the promotion and provision for the advancement of education of children in the United Kingdom and elsewhere.

Aim and Intended Impact

We believe all children should be inspired with a lifelong love of learning. Our mission is to create an environment that ignites the love of learning in children, through passion, joy, confidence and happiness. We will achieve this by providing a supportive community and place to grow, where everyone has a voice. A place where true potential can be developed, whether it is academic, sporting, musical, dramatic or artistic. We will guide all children to develop their natural curiosity and independence leading to happy confident individuals, with a lifelong love of learning.

Objectives for the Year

The Board's main objective continued to be to educate all the School's pupils to at least the same high standard achieved by the School in previous years, so that they will be fully able to benefit from their chosen senior school for the completion of their education in due course. Our strategy for this is to maintain the high standard of teaching, the high teacher-to-pupil ratio, tailoring our services as appropriate in each case to suit individual needs.

STRATEGIC REPORT

Principal Activity

The Mall School Trust's principal activity continues to be to operate as a preparatory school with approximately 170 children aged 6 months to 11 years old.

Public Benefit and Grant-making

The Governors confirm that they have complied with the duty of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charitable company.

THE MALL SCHOOL TRUST

GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2022

The School supported 9 pupils through its Bursary Scheme and 4 pupils were awarded staff and sibling discounts during the year. The Bursary scheme support, which is available on a needs basis as determined by the Bursar in consultation with the Headmaster, amounted to £26,525 (2020-21: 8 pupils £22,857), not including staff and sibling discounts. The School offers 7+ and 8+ entry as well as 4+ entries. Financial assistance is available at 7+ and later entry through competitive assessment as public benefit to help families who would not otherwise be able to afford a Mall education and to broaden access to the School. These awards and the bursaries available to current parents who experience financial hardship are means tested and reviewed annually.

Use of the School swimming pool was provided free of charge or at a subsidised rate to St James's RC Primary School, Trafalgar Junior School, Jack and Jill School and Waldegrave Girls' School as part of our partnership links and public benefit with local maintained schools. The Mall provided additional public benefit, by offering the theatre facilities to a number of organisations, including Building Blocks Nursery free of charge and Richmond Brass Band at a subsidised rate.

During the course of the year, boys have raised £2,847 in charitable fundraising and have partaken in a number of events, including Christmas jumper for Save the Children; Harvest Festival food collection for Richmond Food Bank; Mufti days for Afghanistan and Central Asian Association and Ukrainian Humanitarian Appeal; Red Cross charity appeal.

ACHIEVEMENTS AND PERFORMANCE

Operational performance of the School

Last year saw the final removal of the Covid-19 restrictions and the return to normal routines throughout the school.

In the spring, the school was inspected by the Independent Schools Inspectorate and received the highest grade of 'Excellent' for the pupils' achievement and their personal development. The final report, which can be found on the school website, acknowledged the pupils' excellent attitude towards their learning and their very high levels of engagement in lessons. It also recognised that our pupils have very well-developed social skills, are extremely well-mannered and show a high degree of respect for their school.

In the summer term, The Mall reached the final of the national inter-school general knowledge quiz where we came first. Forty-five boys received awards in the nationwide Primary Maths Challenge with 12 receiving gold certificates. All the boys took part in performances in our theatre over the year starting with our youngest pupils in the harvest festival; Christmas play and nativity; Musicals at The Mall for Years 3 to 5 and the leavers' performance of Bugsy Malone. In music over three-quarters of our boys are learning to play instruments and in concerts this year we have heard from over 100 soloists, three different choirs, two wind bands, the string orchestra, the cello and brass ensembles and the Mall School rock band. Over the year, residential trips were able to resume with Year 3 going to PGL; Year 4 to Hooke Court in Dorset; Year 5 to le Touquet in France; and Year 6 to Normandy.

Our Year 6 leavers performed extremely well at 11+ with offers from twenty-eight different schools. Three-quarters of the boys receiving two or more offers from academically selective senior schools. In addition, boys were awarded two sports scholarships, seven music scholarships and nine academic awards.

The school's charity committee, which is made up of pupils from Year 3 and above, continues to do a fine job in fundraising and co-ordinating collections for worthy causes including the Afghanistan and Central Asian Association; the Ukraine Humanitarian Appeal; the Rotary Club shoe box project for children and families in Eastern Europe; and the Children's book scheme.

THE MALL SCHOOL TRUST

GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2022

In September 2022, the school opened a nursery on the site previously occupied by Reception and Year 1. The nursery is open 51 weeks a year for boys and girls aged 6 months to 4 years old. The Mall will begin to accept girls into Reception from September 2023, with all year groups being co-ed from September 2029.

FINANCIAL REVIEW

Results for the year

Net expenditure was £394,233 compared to net income of £87,689 in 2020-21. Pupil numbers reduced from 213 in 2020-21 to 192, as the School continued its transition to 11+. As a result income reduced from £3,362,288 in 2021 to £3,133,829 in 2022. Bursaries and other discounts increased from 10 to 13 pupils with a financial value of £55,447 (2020-21 - £50,506). Loan payments during the year were £123,972 (2020-21: £121,790).

Reserves level and Policy and Financial Viability

At 31 August 2022, the total funds of the trust were £6,583,017 (31 August 2021 £6,977,250). The Governors will use future surpluses in order to continue enhancing the educational facilities and services of the school. Free reserves of the school are £496,640 (31 August 2021: £1,106,885) with the balance of funds tied up in the schools fixed assets. The governors' policy is to aim for free reserves to be approximately equivalent to one term's expenditure over the medium term. The current free reserves level represents approximately two months of operating expenditure. The governors recognise this is largely due to the reserves being utilised for the opening of the nursery provision and expect the level to increase with the subsequent additional pupil numbers generating fee income.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors are responsible for the overseeing of the risks faced by the School. Detailed considerations of risk are delegated to the Senior Management of the School. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on an annual basis. Risk is managed under the headings of strategic, operational, financial, compliance, safeguarding and 11+.

The main risks that the Governors have identified and the plans to manage those risks are:

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 resolution of health and safety related issues.

Money

Our ability to continue is reliant on pupil fees and the ability to pay bills as they fall due. This risk is managed by marketing activity, having a reputation for academic excellence and active cash-flow management. Financial controls are overseen by the Finance Committee, which meets termly.

Political

The independent school sector is facing a number of political pressures that could challenge the charitable status of independent schools and have a significant effect on our finances. The Finance Committee meets termly and consider the potential risks associated with the imposed VAT on school fees and the removal of existing relief on business rates. The Committee also explores new ways to demonstrate public benefit.

THE MALL SCHOOL TRUST

GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2022

Curriculum

Academic excellence requires the most able teachers with state of the art facilities delivering the curriculum to able students. We manage this risk by combining attractive salaries with on-going investment in our premises. Academic standards are monitored by the Education Committee and key senior staff.

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

Future Plans

The school will begin to accept girls from September 2023 and be fully co-ed from September 2029. The school will continue to prepare both boys and girls for a range of academically selective senior schools and continue to offer an excellent all-round education with a rich and challenging curriculum with strong pastoral care focused on each pupil's happiness and wellbeing.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The members of the Governing Body (who are also the directors of The Mall School Trust for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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

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

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

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

The Governors at the date of approval of this Governors' Report confirm that so far as each of them is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

THE MALL SCHOOL TRUST

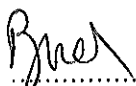
GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2022

Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the reappointment of haysmacintyre as auditors to the school will be put into the annual general meeting.

Approved by the Governors at the Governors' meeting on 30 November 2022, including with their capacity as company directors, approving the Governors' and Strategic Report's contained therein and signed on its behalf by:



.....
Mr R J H Walker
Chairman of Governors

Date: 30 November 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MALL SCHOOL TRUST

Opinion

We have audited the financial statements of The Mall School Trust for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 31 August 2022 and the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the governors' 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'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 governors are responsible for the other information. The other information comprises the information included in the Governor's 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governor's Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Governors' Report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT (continued) TO THE MEMBERS OF THE MALL SCHOOL TRUST

Matters on which we are required to report by exception

In the light of the 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 Governor's Report (which incorporates the strategic report and the directors' report).

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

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

Responsibilities of governors for the financial statements

As explained more fully in the governors' responsibilities statement set out on page 7, the governors 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 governors 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 governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group, the parent charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the independent school regulations, safeguarding regulations, health and safety requirements, GDPR, employment law and Charity Commission's general guidance and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), and consider other factors such as payroll taxes and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the valuation of investment property. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Inspecting the outcomes of any regulatory inspections;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;

INDEPENDENT AUDITOR'S REPORT (continued)
TO THE MEMBERS OF THE MALL SCHOOL TRUST

- Identifying and testing journals, in particular journal entries posted at the year-end or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates and challenge of the underlying assumptions.

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 auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Vikram Sandhu (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

10 March

..... 2023

THE MALL SCHOOL TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Unrestricted Total 2022 £	Restricted Total 2022 £	Total Funds 2022 £	Total Funds 2021 £
Income from:					
Charitable activities					
School fees receivable	2	2,731,499	-	2,731,499	2,980,468
Ancillary trading income	3	289,260	-	289,260	211,712
Other trading activities					
Other activities	4	100,798	-	100,798	46,838
Investments					
Bank and other interest	5	259	-	259	817
Voluntary sources					
Grants and donations	6	-	10,700	10,700	81,651
Other income		1,313	-	1,313	40,802
Total income		<u>3,123,129</u>	<u>10,700</u>	<u>3,133,829</u>	<u>3,362,288</u>
Expenditure on:					
Raising funds					
Financing costs	8	10,045	-	10,045	9,029
Charitable activities					
Education	7	3,517,317	700	3,518,017	3,265,570
Total expenditure	7	<u>3,527,362</u>	<u>700</u>	<u>3,528,062</u>	<u>3,274,599</u>
Net (expenditure) income		(404,233)	10,000	(394,233)	87,689
Transfers between funds		-	-	-	-
Net movement in funds		<u>(404,233)</u>	<u>10,000</u>	<u>(394,233)</u>	<u>87,689</u>
Fund balances brought forward at 1 September 2021		6,977,250	-	6,977,250	6,889,561
Fund balances carried forward at 31 August 2022		<u>6,573,017</u>	<u>10,000</u>	<u>6,583,017</u>	<u>6,977,250</u>

The notes on pages 15 to 26 form part of these financial statements.

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

All income and expenditure derive from continuing activities.

See note 19 for Statement of Financial activities for the year ended 31 August 2021.

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	10	<u>6,420,104</u>	<u>6,181,107</u>
CURRENT ASSETS			
Debtors	11	557,349	722,272
Cash and deposits		<u>1,409,400</u>	<u>2,058,458</u>
		1,966,749	2,780,730
CURRENT LIABILITIES			
Creditors payable within one year	12	<u>(1,460,109)</u>	<u>(1,522,779)</u>
NET CURRENT ASSETS		<u>506,640</u>	<u>1,257,951</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,926,744	7,439,058
LONG-TERM LIABILITIES			
Creditors payable after one year	13	<u>(343,727)</u>	<u>(461,808)</u>
NET ASSETS		<u>6,583,017</u>	<u>6,977,250</u>
REPRESENTED BY:			
UNRESTRICTED FUNDS			
General Reserve	14	496,640	1,257,951
Designated Fixed Asset Fund	14	6,076,377	5,719,299
RESTRICTED FUNDS	14	<u>10,000</u>	<u>-</u>
		<u>6,583,017</u>	<u>6,977,250</u>

These financial statements were approved by the Governing Body on ^{30 November 2022} and were signed on its behalf by:

Mr R J H Walker
Chairman of the Governing Body



The notes on pages 15 to 26 form part of these financial statements.

THE MALL SCHOOL TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2021 £
Net cash inflow from operations	(i)	6,402	249,125
Cash flows from investing activities:			
Investment income receipts		259	817
Payments for tangible fixed assets		(531,747)	(108,979)
Net cash used in investing activities		(531,488)	(108,162)
Cash flows from financing activities:			
Net loan payments		(113,927)	(112,761)
Finance costs paid		(10,045)	(9,029)
Net cash used in financial activities		(123,972)	(121,790)
Change in cash and cash equivalents in the reporting period		(649,058)	19,173
Cash and cash equivalents at 1 September 2021		2,058,458	2,039,285
Cash and equivalent at 31 August 2022		1,409,400	2,058,458

The notes on pages 15 to 26 form part of these financial statements.

THE MALL SCHOOL TRUST

NOTES TO THE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	2022		2021	
	£	£	£	£
(i) Net cash inflow from operations				
Net (expenditure)/income		(394,233)		87,689
Elimination of non-operating cashflows:				
- Investment income	(259)		(817)	
- Financing costs	10,045		9,029	
Depreciation charge	292,750		286,882	
(Increase)/decrease in debtors	164,923		(41,851)	
(Decrease) in creditors	(66,824)		(91,806)	
		400,635		161,436
Net cash provided from operations		6,402		249,125
Analysis of movements in net cash	2021	Cash flows	Non	2022
	£	£	Cash flow	£
Cash at bank and in hand	2,058,458	(649,058)	-	1,409,400
Total cash and cash equivalents	2,058,458	(649,058)	-	1,409,400
Bank Loan (due within one year)	(113,725)	(113,927)	108,518	(119,134)
Bank Loan (due after one year)	(461,808)	-	118,081	(343,727)
Total	1,482,925	(762,985)	226,599	946,539

THE MALL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES

The accounts have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice ("SORP (FRS102)") (Second Edition, effective 1 January 2019) and Financial Reporting Standard 102.

The accounts are drawn up on the historical cost basis of accounting.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Governors are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

1.1 Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

1.2 Investment income

Investment income from bank balances is accounted for on an accruals basis.

1.3 Going concern

The school produces regular financial information including budgets, forecasts and a longer term strategic business plan, which are closely monitored by Governors. Through appropriate consideration of risks as part of its normal risk management processes and mitigating actions both already taken and available to be taken, the Governors consider it appropriate for the going concern basis to be adopted for these accounts.

THE MALL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES (continued)

1.4 Donations, legacies, grants and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Fund. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

1.5 Expenditure

Expenditure is accrued as soon as a liability is considered probable. Resources expended are allocated to the charity's principal activity where the costs can be identified as being directly related to that activity. All costs that cannot be identified as relating directly to the charity's principal activity are categorised as either support costs or governance costs. Any costs that cannot be specifically categorised are allocated in proportions based upon a suitable ratio applicable to the nature of the cost involved.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Termination benefits are accounted for on an accruals basis and in line with Financial Reporting Standard 102.

1.6 Tangible fixed assets

All tangible assets purchased that have an expected useful economic life that exceeds one year are capitalised and classified as fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Freehold buildings	-	The swimming pool, over twenty years
	-	All other freehold buildings, over fifty years
Furniture, fittings and equipment	-	over 10 years
Motor vehicles	-	over 5 years
Electronic equipment	-	over 5 years

1.7 Debtors

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

1.8 Cash and bank

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

1.9 Creditors and provisions

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

THE MALL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES (continued)

1.10 Financial instruments

The School 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.

1.11 Fund accounting

The charitable trust funds of the School are accounted for as unrestricted or restricted income, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's Objects or to benefit the School itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Designated funds are a particular form of unrestricted funds consisting of amounts, which have been allocated or designated for specific purposes by the Governors. The use of designated funds remains at the discretion of Governors.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

1.12 Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1.13 Pension costs

Retirement benefits to employees of the School are provided through;

- (a) The Teachers' Pension Scheme, a defined benefit scheme – This scheme is multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable. The School left the scheme as at 31 August 2022, and staff will move to a defined benefit scheme from that date.
- (b) For certain other employees, the School makes contributions into defined contribution pension schemes, whose assets are also held in a separate fund independently administered. The amount charged to the Statement of Financial Activities in respect of pension costs is the total contributions payable for the year.

THE MALL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE	2022	2021
	£	£
Fees receivable consist of:		
School fees	2,786,946	3,030,974
Less: total scholarships and bursaries	(55,447)	(50,506)
	<u>2,731,499</u>	<u>2,980,468</u>
Scholarships, bursaries and other awards were paid to 13 pupils (2021: 10). Within this means-tested bursaries totalling £26,525 were paid to 9 pupils (2021: £28,410 to 8 pupils).		
3. CHARITABLE ACTIVITIES – ANCILLARY TRADING INCOME	2022	2021
	£	£
Extras	232,891	146,128
Entrance and registration fees	8,737	5,865
School bus income	26,405	12,906
Educational grants	14,075	37,713
Deposits forfeited	7,152	9,100
	<u>289,260</u>	<u>211,712</u>
4. OTHER TRADING ACTIVITIES	2022	2021
	£	£
External lets	<u>100,798</u>	<u>46,838</u>
5. BANK AND OTHER INTEREST	2022	2021
	£	£
Bank interest	<u>259</u>	<u>817</u>
6. GRANTS, DONATIONS & LEGACIES	2022	2021
	£	£
Government's Coronavirus Job Retention Grant	-	40,764
Donations	10,700	40,887
	<u>10,700</u>	<u>81,651</u>

THE MALL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

7. ANALYSIS OF EXPENDITURE	Staff costs (note 8) £	Depreciation (note 9) £	Other £	Total 2022 £
(a) Total expenditure				
Cost of raising funds				
Financing costs (note 8)	-	-	10,045	10,045
Total costs of raising funds	-	-	10,045	10,045
Charitable expenditure				
Education				
Teaching	1,445,363	-	370,266	1,815,629
Welfare	129,464	-	83,733	213,197
Premises	103,599	292,750	441,573	837,922
Support costs and governance	381,783	-	269,486	651,269
Total charitable expenditure	2,060,209	292,750	1,165,058	3,518,017
Total expenditure	2,060,209	292,750	1,175,103	3,528,062

COMPARATIVE ANALYSIS OF EXPENDITURE

	Staff costs (note 8) £	Depreciation (note 9) £	Other £	Total 2021 £
Total expenditure				
Cost of raising funds				
Financing costs (note 7)	-	-	9,029	9,029
Total costs of raising funds	-	-	9,029	9,029
Charitable expenditure				
Education				
Teaching	1,594,467	-	316,055	1,910,522
Welfare	129,296	-	74,433	203,729
Premises	106,402	286,882	217,980	611,264
Support costs and governance	318,923	-	221,132	540,055
Total charitable expenditure	2,149,088	286,882	829,600	3,265,570
Total expenditure	2,149,088	286,882	838,629	3,274,599

THE MALL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

(b) Governance in support costs	2022	2021
	£	£
Governance costs include:		
Remuneration paid to auditor (inclusive of VAT) for:		
- Audit services	19,020	17,280
- Other services	-	500
	<u>19,020</u>	<u>17,780</u>

None of the Governors received reimbursement for expenses incurred in relation to the School in the current or previous period.

8. FINANCING COSTS	2022	2021
	£	£
Loan interest	10,045	9,029
	<u>10,045</u>	<u>9,029</u>

9. STAFF COSTS	2022	2021
	£	£
The aggregate payroll costs for the year were as follows:		
Wages and salaries	1,649,015	1,726,851
Social security costs	164,089	163,646
Other pension costs	247,105	258,591
	<u>2,060,209</u>	<u>2,149,088</u>

None of the Governors received any remuneration or other benefits from The Mall School.

Aggregate employee-benefits of key management personnel	466,376	459,710
	<u>466,376</u>	<u>459,710</u>

	2022	2021
	Number	Number
Number of higher paid employees in bands of:		
£60,001 to £70,000	1	2
£70,000 to £80,000	1	-
£100,001 - £110,000	1	1
	<u>3</u>	<u>3</u>

The number with retirement benefits accruing

- in Defined Contribution schemes was	1	1
of which the contributions amounted to	4,476	4,176
- in Defined Benefit schemes was	2	2
of which the contributions amounted to	65,857	39,469
	<u>65,857</u>	<u>39,469</u>

THE MALL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

9. STAFF COSTS (continued)

The average number of the School's employees during the year was 54 (2021: 58).

	2022	<i>2021</i>
	Number	<i>Number</i>
Teaching	30	33
Welfare, premises, support	24	25
	<u>54</u>	<u>58</u>

10. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Furniture, fittings and equipment £	Electrical equipment £	Motor Vehicles £	Total £
Cost					
At 1 September 2021	8,818,454	1,195,890	493,929	132,954	10,641,227
Additions	513,364	15,410	2,973	-	531,747
At 31 August 2022	<u>9,331,818</u>	<u>1,211,300</u>	<u>496,902</u>	<u>132,954</u>	<u>11,172,974</u>
Depreciation					
At 1 September 2021	3,073,065	924,886	365,334	96,835	4,460,120
Charge for the year	146,525	77,345	57,835	11,045	292,750
At 31 August 2022	<u>3,219,590</u>	<u>1,002,231</u>	<u>423,169</u>	<u>107,880</u>	<u>4,752,870</u>
Net book value					
At 31 August 2022	<u>6,112,228</u>	<u>209,069</u>	<u>73,733</u>	<u>25,074</u>	<u>6,420,104</u>
<i>At 31 August 2021</i>	<u>5,745,389</u>	<u>271,004</u>	<u>128,595</u>	<u>36,119</u>	<u>6,181,107</u>

11. DEBTORS

	2022	<i>2021</i>
	£	<i>£</i>
Fees and extras	469,501	593,825
Other debtors	-	9,101
Prepayments and accrued income	87,848	119,346
	<u>557,349</u>	<u>722,272</u>

THE MALL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

12. CREDITORS: amounts falling due within one year	2022 £	2021 £
Bank loan (see note 13)	119,134	113,725
Deposits from parents	209,163	259,220
Fees received from parents in advance of term	812,146	939,823
Trade creditors	95,555	106,612
Taxation and social security	50,897	42,646
Other creditors	32,051	22,517
Accruals and deferred income	141,163	38,236
	<u>1,460,109</u>	<u>1,522,779</u>
13. CREDITORS: amounts falling due after more than one year	2022 £	2021 £
Bank loan repayable by instalments		
Due two to 5 years	343,727	461,808
	<u>343,727</u>	<u>461,808</u>

The bank loan provided by Lloyds Bank plc was used to help finance the construction of the School's theatre facility. The loan is secured by both fixed and floating charges over all of the freehold land and buildings and certain other assets of the School, bears interest at a variable rate of 1.45% over the bank's base rate and is repayable in monthly instalments until July 2026. The risk exposure relating to the variable interest rate payable on the loan has been hedged with an interest rate cap. The loan is secured with a cap of the base rate at 4.33%.

THE MALL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

14. FUNDS OF THE SCHOOL

	At 1 Sept 2021 £	Income £	Expenditure £	Transfers £	At 31 August 2022 £
Unrestricted funds					
- General reserve	1,257,951	3,123,129	(3,234,612)	(649,828)	496,640
- Designated fixed asset	5,719,299	-	(292,750)	649,828	6,076,377
Restricted Funds	-	10,700	(700)	-	10,000
	<u>6,977,250</u>	<u>3,133,829</u>	<u>(3,528,062)</u>	<u>-</u>	<u>6,583,017</u>
COMPARATIVE					
	At 1 Sept 2020 £	Income £	Expenditure £	Transfers £	At 31 August 2021 £
Unrestricted funds					
General reserve	1,106,885	3,321,401	(2,996,317)	(174,018)	1,257,951
Designated fixed asset	5,782,676	-	(268,282)	204,905	5,719,299
Restricted funds	-	40,887	(10,000)	30,087	-
	<u>6,889,561</u>	<u>3,362,288</u>	<u>(3,274,599)</u>	<u>-</u>	<u>6,977,250</u>

Unrestricted funds represent accumulated income from the School's activities and other sources that are available for the general purposes of the School.

The designated fixed assets fund was set up to clearly identify the amount of the charity's funds that are invested in the fixed assets of the school. At the balance sheet date, the designated fund is maintained at an amount equal to the net book value of the charity's fixed assets in the balance sheet date less any bank borrowings falling due after one year that have been used to finance those fixed assets. A transfer is made to or from the general fund at the year end to achieve this balance sheet position.

The restricted fund represents funds received towards the library. £700 was spent in the year with the £10,000 grant to be spent in 2022/23.

THE MALL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Designated £	Unrestricted General £	Restricted £	Total 2022 £
Tangible fixed assets	6,420,104	-	-	6,420,104
Net current assets	=	496,640	10,000	506,640
Long term liabilities	(343,727)	-	-	(343,727)
	<u>6,076,377</u>	<u>496,640</u>	<u>10,000</u>	<u>6,583,017</u>

COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Designated £	Unrestricted General £	Restricted £	Total 2021 £
Tangible fixed assets	6,181,107	-	-	6,181,107
Net current assets	-	1,257,951	-	1,257,951
Long term liabilities	(461,808)	-	-	(461,808)
	<u>5,719,299</u>	<u>1,257,951</u>	<u>-</u>	<u>6,977,250</u>

16. PENSION SCHEMES

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £217,449 (2021: £227,898) and at the year-end £26,924 (2021 - £26,658) 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 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.

THE MALL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

16. PENSION SCHEMES (continued)

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. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed 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.

The School left the scheme on 31 August 2022 and teaching staff from that date were enrolled into a new defined contribution scheme.

Defined Contribution Scheme

The School contributes to a defined contribution scheme for some of its non-teaching staff. The pension charge for the year includes contributions payable to the scheme of £29,656 (2021: £30,693) and at the year end £4,879 (2021: £nil) was accrued in respect of contributions to this scheme.

17. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2022, the charitable company was committed to make payments under non-cancellable operating leases as follows:

	Plant and machinery		Land and buildings	
	2022	2021	2022	2021
	£	£	£	£
In 1 year	8,228	9,740	52,920	50,400
In 2-5 years	24,146	25,078	52,920	-
Over 5 years	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2021: none).

THE MALL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

19. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Total 2021 £	Restricted Total 2021 £	Total Funds 2021 £
Income from:			
Charitable activities			
School fees receivable	2,980,468	-	2,980,468
Ancillary trading income	211,712	-	211,712
Other trading activities			
Other activities	46,838	-	46,838
Investments			
Bank and other interest	817	-	817
Voluntary sources			
Grants and donations	40,764	40,887	81,651
Other income	40,802	-	40,802
Total income	<u>3,321,401</u>	<u>40,887</u>	<u>3,362,288</u>
Expenditure on:			
Raising funds			
Financing costs	9,029	-	9,029
Charitable activities			
Education	3,265,570	10,000	3,265,570
Total expenditure	<u>3,264,599</u>	<u>10,000</u>	<u>3,274,599</u>
Net income	56,802	30,887	87,689
Transfer	30,887	(30,887)	-
Net movement in funds	<u>87,689</u>	<u>-</u>	<u>87,689</u>
Fund balances brought forward at 1 September 2020	6,889,561	-	6,889,561
Fund balances carried forward at 31 August 2021	<u>6,977,250</u>	<u>-</u>	<u>6,977,250</u>