

The Council of
Milton Abbey School Limited

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the year ended

31 August 2020



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**THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
GOVERNORS REPORT INCORPORATING THE STRATEGIC REPORT AND THE DIRECTORS REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

Company Details

Registered Charity Number:	306318
Company Registration Number::	00532474
Registered Office:	Milton Abbey School Blandford Forum Dorset DT11 0BZ
Head:	Judith M Fremont-Barnes MA (Hons) MEd
Senior Deputy Head:	Matthew J Porter MA (Hons) PGCE
Finance Director:	Stephen Lane BSc (Hons) ACA PGCE
Head of Operations: (Appointed 27 Aug 2019)	Tracey Edwards

The Council of Milton Abbey School Limited is a charitable company founded in 1954 and is governed by its Memorandum and Articles of Association dated 12 April 1954. The liabilities of its members are limited to £1 each by guarantee.

Directors and Trustees

Mr I G Bromilow	Chair of Governors; Chair Governance Committee; Chair of Finance & General Purposes Committee; Lead Governor Safeguarding & Single Central Register; Lead Governor Risk & Issue Management
Mr N S Boulton <	Chair Education Committee; Lead Governor Boarding
Mr O J H Chamberlain QVRM TD DL \	Lead Governor Health and Safety;
Mr M J M Dyer \	
Mr P W McGrath MW *	
Mr M C R Lefort (Appointed 1 Sep 2019)	
Mr M D L Noyce	
Mrs J H Simm MA FCA JP \ (Resigned 1 Sep 2020)	Vice Chair; Lead Governor Finance
Colonel N K G Tomlin (Appointed 1 Sep 2019)	
The Reverend Canon C W Mitchell-Innes MA'<	School Visitor & Staff Liaison

\ Member of Finance & General Purposes Committee

' Member of Governance Committee

< Member of Education Committee

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PROFESSIONAL ADVISERS

BANK

Barclays bank plc
1 Churchill Place
Canary Wharf
London E14 5HP

SOLICITOR

Wilson's Solicitors LLP
Alexandra House
St John's Street
Salisbury SP1 2SB

AUDIT SERVICES

Ward Goodman Audit Services Limited
4 Cedar Park, Cobham Road
Ferndown Industrial Estate
Wimborne, Dorset BH21 7SF

INSURANCE BROKER

Marsh Commercial
Castlemead
Lower Castle Street
Bristol BS1 3AG

PURPOSE, AIMS AND OBJECTIVES

The company was established for the purpose expressed and objects contained in its Memorandum of Association. The main charitable activity of the company continues to be that of running an independent day and boarding school for boys and girls.

Aims

Milton Abbey aims to be the first choice school for parents and pupils who are looking for:

- A school that is small enough to have a community identity where each individual is known, valued and supported
- A school that is big enough to offer a broad and balanced curriculum with a comprehensive and well delivered co-curricular programme
- A school that is academically inclusive but which sets ambitious but achievable academic targets for all its pupils

- A school which offers a bespoke academic programme at Key Stage 4 & 5 designed to cater for a pupil's academic strengths and learning preferences
- A school which promotes a nurturing and supportive pastoral setting where children are allowed to flourish as individuals
- A school with a thriving full boarding offer but also with an attractive day offer that is fully integrated into boarding life.

Objectives

To achieve these aims Milton Abbey will continue to pursue its objectives:

- To attract those pupils most likely to benefit from, and contribute to, its small, inclusive community
- To maintain a broad range of traditional academic and vocational courses, complemented by a vibrant extra-curricular programme, preparing our pupils for 21st Century life
- To deliver an operating surplus each year that can be used to facilitate renewal and enhancement of the school's facilities

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STRUCTURE

The members of The Council of Milton Abbey School Limited ("the Council") constitute the Board of Governors of Milton Abbey School, subject to the provisions of the company's Memorandum and Articles of Association. All Governors are also Trustees and directors of the Council. New board members are sought by the Chairman in consultation with other Governors in order to provide a suitable balance of general experience and particular expertise in academic, pastoral, legal, financial and other relevant fields. Governors are given an introductory briefing by the Chairman of Governors, Head and senior managers on appointment and volunteer for further governance training through AGBIS and ISBA as required.

The Charity has a wholly owned non-charitable subsidiary, Milton Abbey School Services Limited, with its own Board of Directors which includes three Governors, which commenced trading on 29 December 2003. The principal activities of Milton Abbey School Services Limited are the holding of weddings, conferences, an annual music festival and organising lettings of the school facilities.

GOVERNANCE

The Board of Governors currently has three sub-committees and other subcommittees are convened as and if the need arises.

The Finance and General Purposes Committee (F&GP) meets quarterly, with monthly reporting meetings as required, and takes responsibility on behalf of the Governing Body, to forecast, monitor and review all aspects of the school's finances, to support the Finance Director in the management of those finances and to report on those issues to Council. The F&GP also reviews, advises and reports on infrastructure issues, buildings maintenance, development, health & safety and other operational issues to the Council.

The Governance Committee meets termly to review school governance issues and membership of the Council.

The Education Committee has a monitoring and advisory role relating to the school's academic, curricular and pastoral provision and meets once a term.

RISK MANAGEMENT

The Governors are responsible for the management of the risks faced by the school. The main risks to which the school is exposed are assessed by Council who delegate responsibility for specific risks to individual committees. Those with the greatest impact and likelihood have control and mitigation procedures imposed and are closely monitored by both the Senior Management Team and Governors. Detailed consideration of specific risks is given regularly in termly reviews by the full Governing Body assisted by the Senior Management Team. Risks are identified, assessed and controls established throughout the year.

Management and mitigation of the following principal risks and uncertainties have been delegated to the listed subcommittees

Failure to govern correctly	Governance committee
Failure to educate adequately	Education committee
Failure to safeguard pupil welfare	All committees
Failure to maintain reputation, attract and retain pupils	Governing body and all committees
Major incident such as a fire in the mansion house	Finance & general purposes committee
Regulatory non-compliance	All committees
Major fraud or financial mismanagement	Finance & general purposes committee
Wider political and economic factors	Governing body

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MANAGEMENT

The day to day running of the school is delegated to the Head, supported by the Senior Deputy Head, Finance Director, Head of Operations and other members of the school's senior management team, who are responsible for coordinating teaching, pastoral and support teams. The Head, Senior Deputy Head, Finance Director and Head of Operations all attend full Council meetings and also attend the Governance, Education and Finance & General Purposes subcommittee meetings where appropriate. The Lead Governor for Health and Safety attends the school's Health and Safety Committee meetings held each term and the Lead Governor for Safeguarding & Single Central Register attends the school's safeguarding meetings.

The senior management roles at Milton Abbey: Head, Senior Deputy Head, Finance Director and Head of Operations are on salaries agreed with the individuals on recruitment. The salaries are reviewed annually by Council and adjustments considered on performance, affordability and the outcome of appraisals.

The key controls used by the school include:

- formal agendas for all Sub-Committee and Board activity;
- detailed terms of reference for all Sub-Committees;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational structure and lines of reporting;
- formal written policies;
- clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

PUBLIC BENEFIT

The school gives financial assistance in the form of bursaries to parents of pupils who would otherwise be unable to attend Milton Abbey. During the year, the school awarded means-tested bursaries, scholarships, remissions and grants totalling £760,356 (2019: £596,303 2018: £672,336). The Governors' policy, in line with that of other independent schools, is to make these awards on the basis of the individual's educational potential. Awards are made out of unrestricted funds and the majority are funded from income.

There is a policy to enable access and to relieve hardship where the pupil's education and future prospects would otherwise be at risk. During the year, this mechanism was supplemented by the formation of the Milton Abbey Community Fund which was established as a reaction to the financial impact of the Covid-19 pandemic. The aim of this fund is to provide financial support to pupils who may be at risk of withdrawal from the School on financial grounds as a consequence of the pandemic. The fund received contributions of £58,952 during the year and grants of £13,000 were made with further grants of £17,000 awarded since the year end with further cases under consideration and review.

The school is located in rural Dorset and has good liaison with a local primary school that ordinarily use the facilities at the school on a regular basis. The theatre, golf course, swimming pool and other sports facilities are used by members of the local community through local sports clubs and are made available to local schools for practice and fixtures. Local primary pupils are invited to masterclasses in a range of subjects and sports. In addition, the school interacts with local schools on Wednesday afternoons, providing reading practice and sport activities for primary pupils and makes its facilities available for fundraising and social events for a number of local charities. However, from March 2020 to date, necessary covid-19 risk mitigation measures reduced the extent to which the school, was able to welcome local community groups to the school estate and it is hoped that circumstances will be such that these activities can recommence in the second half of 2021.

The school acts in liaison with the Salisbury Diocese and through the Milton Abbey Church Standing Committee in the care and day-to-day administration of the Church of St Mary & St Michael and St Branwalader, Milton Abbey, which is used as the school's chapel.

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PUBLIC BENEFIT (CONTINUED)

In furtherance of their objectives the Governors, as Charity Trustees, have complied with their duty in the Charities Act to have due regard to the Charity Commission's published general and relevant sub sector guidance concerning the operation of the Public Benefit requirement under the Act.

RELATIONSHIP WITH OTHER CHARITIES

The school is fortunate to have the benefit of the Abbey church as its chapel and as a resource of great significance to the wellbeing of the school community, because of the beauty and historical importance of the building itself and its influence on the ethos and reinforcement of the aims and objectives of the school. The building is owned by the Diocese of Salisbury but the school contributes appropriately to its maintenance and the building is made freely available to the school for worship, communally and individually, and many other activities.

The school, in partnership with the Diocese of Salisbury and the Forestry Commission, has formed the Milton Abbey Heritage Trust (MAHT) whose aims are to manage the restoration of the Abbey and attract visitors to the historic site in which the school and Abbey are situated. The Trust seeks to secure grants to carry out restoration works on the Abbey, improve public access to the Abbey and protect the landscape.

ACTIVITIES AND ACHIEVEMENTS DURING THE YEAR

Covid-19 Pandemic

The UK government's covid-19 risk mitigation measures obliged the school to close its site to pupils, staff and visitors from March 2020 until August 2020. For this period, the education of and pastoral support to pupils continued online through the Milton Abbey Online Learning Environment (MOLE). The school had made significant investments in its IT infrastructure during the previous two years and therefore had MS Teams and other remote working tools in place and was able to organise online lessons and support within less than one week of the site closure. The MOLE programme has been continuously improved since March 2020 and the school is now able to switch quickly between MOLE and onsite provision as circumstances dictate and certain aspects of online learning have been fully incorporated into the school's ongoing provision. Parent and pupil surveys have shown high levels of satisfaction with the school's remote learning provision and communications. Particular care has been given to supporting the wellbeing and mental health of our students and staff during the unprecedented challenges of the pandemic. Community events, such as Assemblies and Chapels, were broadcast live through the site closure and, with the House and tutor meetings, promoted a sense of community cohesion during remote learning. A MOLE Wellbeing Checklist was the central focus of our wellbeing work, with regular pastoral calls to support students' mental health and provide advice and support to home-schooling parents, including regular webinars on relevant topics.

Academic Results

2020 was another successful year for university and further education entry with a 100% final placement rate. There was a significant increase in the application rate from the previous year, rising 13% to 90% of the cohort; a similar rise was seen in the first-choice success rate, which reached 97%. Average A level and BTEC points accrual either remained constant or increased under the Centre Assessed Grades mechanism, with A Levels increasing by around a full grade overall, and overall student performance increasing by the equivalent of just over a full A Level grade, averaging at 120 points, equivalent to BBB at A Level. The wider national context of last summer is reflected in aspects of these results, with more students choosing to continue their education in the face of inevitable uncertainties in the labour and gap year market. However, the overall performance was a strong one and reflects growing confidence in our academic cohort. The entry profile remained as broad as ever, with students pursuing courses in various specialist art and business schools in the UK and Spain together with other institutions ranging from the University of Bristol, to Lincoln, to SOAS (School of African and Oriental Studies, London), and the Northern School of Film based at Leeds Beckett. Course interests were similarly broad, with the usual clusters around event management, business, real estate, and land-based studies, but with continued growth in the fashion and design sectors, encompassing digital media, architecture, and interior design amongst others.

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Curricular activities

The beginning of the academic year saw development and innovation with the introduction of a new subject, BTEC Fashion, in a refurbished Fashion studio; this subject was a student-requested addition to our broad range of vocational courses. A new system to assess pupil effort and application – Commitment to Learning Grades – was introduced as part of our tutoring and reporting system.

The national lockdown and school closure posed an unprecedented challenge to the school's curricular provision, however the MOLE (Milton Abbey Online Learning Environment) programme, planned in advance of the March 2020 site closure, enabled a successful transition into the online environment.

Continuity of education was provided through live lessons, a Virtual Study Hall provided support for pupils with a teacher always on hand through the working day, and a Co-curricular programme of 35 activities was provided weekly. The timetable was modified to take into account the needs of the students during the remote learning phase and weekly tutor and house calls enabled strong support of students and enhanced partnership with parents. Teachers reconfigured courses, finding creative ways to teach practical aspects of our vocational courses and reordering the delivery of curriculum to enable optimal progress. The focus was on maintaining engagement and the joy of learning.

Centre assessed grades were awarded, with Vale (farewell) and Viva (live discussions of learning) meetings held online for all Middle Sixth form leavers and the Fifth Formers at the end of their GCSE courses, to review their achievement and mark the end of their courses, in place of the usual programme of terminal examinations.

For the first half of the year, throughout the school and across all subject departments, a range of activities, trips and visitors added an extra dimension to classroom studies. There was a succession of musical recitals and concerts across a wide variety of genres, from the traditional local Christmas community concert organised by BTEC Music students to digital music productions. The focus for the Drama Department was the Y9 Shakespeare in Schools Festival, directed by a Sixth Form BTEC Performing Arts student. Art and Photography exhibitions provided excellent showcases of pupil talent in these subjects.

Many departments organised trips to support pupil learning during this year, such as visits to the various art galleries and design museums in London, Science Live, a working trip for Countryside Management pupils to the Holkham Estate in Norfolk and a visit to Les Roches and Glion in Switzerland for Hospitality students. During site closure, webinars, external speakers and teaching staff delivered an evening lecture series attended by students, parents and wider community members. The Head's lecture series continued this year, with speakers including Entrepreneur in Residence, Charlie Bigham, who delivered a whole school presentation and business consultations online as part of our annual enterprise contest.

Sport and extra-curricular

The extra-curricular programme at Milton Abbey continues to be a core strength with 85% of all students representing the school in a competitive fixture during the year. Pupils take part in sports and activities four times a week, including traditional school sports such as rugby, hockey, netball, lacrosse, cricket and tennis, but also an impressive range of vibrant alternatives such as golf (the school has its own 9 hole golf course and PGA professional on the staff), road cycling and mountain biking, sailing, clay pigeon shooting and swimming. This year two of our pupils represented their respective counties at hockey, having passed through the rigorous England Player Pathway System. Milton Abbey 1st XI Cricket team was also delighted to receive the 'Team of the Year' award for the Southern District from the Middlesex County Cricket Club's 'Forty Club.' The year also saw the completion of the school's first off shore sailing programme, including a Day Skipper Course from Poole to the Solent and a Duke of Edinburgh Gold Award trip from Parkstone Yacht Club.

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Sport and extra-curricular (continued)

We play fixtures in a wide range of sports on a strong circuit of schools and compete well. Our football scholarship scheme operated in association with professional football academy Champion Sports Group continues to attract aspiring footballers, and the programme has evolved since September 2019 to include both male and female students. School teams are entered into the ISFA competitions at Under 15 and Under 18 levels. A Sevens tour to Lisbon provided a chance for our rugby players to compete at an international tournament.

The school continues to run a successful Combined Cadet Force and a Duke of Edinburgh's Award programme. All Year 9 students are entered for the Duke of Edinburgh Bronze Award, whilst Silver and Gold attract significant numbers of students each year. The Combined Cadet Force is a popular and fully voluntary activity, which continues to offer the cadets a wide range of experiences, plus the chance to achieve BTEC public service qualifications through their participation in the unit.

The site closure from March 2020 saw the creation of a wide ranging co-curricular programme online, with students taking part in sporting activities including cycling and running challenges, as well as a range of curriculum based clubs, many of which were led by students, including History Society and the popular cooking activities. Students contributed to the leading of a number of webinars featuring visiting guests from sporting, musical, film and hospitality backgrounds, whilst pupils' achievements in the co-curricular field were celebrated regularly in assemblies and school community events. Students' engagement with these activities was supported through the completion of a Milton Abbey MOLE Co-curricular Diploma, in which pupils nominated and achieved targets based around the ROUND Square IDEALS.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The school entered into a new long term banking arrangement with Barclays Bank plc in February 2020. The group now benefits from a £4.5million loan, structured over a 25 year repayment profile together with an increased overdraft facility of £1.5million. Previous borrowings from Svenka Handelsbanken were repaid and the balance of the new Barclays facilities are available to the school as working capital and to facilitate ongoing investment in the school facilities and infrastructure. These facilities have enabled the school to manage the covid-19 pandemic with confidence and to support a number of parents who have encountered financial challenges resulting in delays in meeting their fee commitments

In recognition of the site closure during the summer 2020 term, the school reduced fees charged and the financial impact of these reductions was mitigated by furloughing a number of staff who were not involved with the delivery of the MOLE programme using the Coronavirus Job Retention Scheme and other cost reduction measures including a staff salary sacrifice scheme. These measures enabled the group to return a modest net operating surplus amounting to £235,432 despite the impact of covid-19 (2019: £144,976; 2018: £509,979; 2017: £178,128). This surplus was somewhat lower than budgeted but was nevertheless sufficient to enable the school to continue with its debt reduction programme and to preserve a stable financial platform from which to manage the possible longer-term financial effects of the covid-19 pandemic.

As regards the current 2020/21 academic year, pupil numbers at the start of the year were slightly down at 209 (2019: 219) due to disruption to admissions activity during the summer 2020 term consequential to the pandemic. Moreover, costs have been elevated during the current year due to necessary operational adjustments to keep pupils, staff and visitors as safe as possible whilst the school did not increase the level of the school fee in support of its parent body. Nevertheless, the school was able to again budget for a small surplus though there was very significant uncertainty regarding the operational impact of covid-19 in advance of the commencement of the year. This uncertainty crystallised in numerous and ongoing operational changes including a second period of site closure during the Lent term. However the school has been able to navigate these challenges successfully to date and is on target to finish the year with a small surplus.

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FACILITIES DEVELOPMENT AND FUTURE PLANS

The school takes a balanced approach to the care of the fabric of the site and the requirement for ongoing enhancement and development of new facilities. Through cost-effective and high quality maintenance support services we aim to sustain and enhance the facilities at Milton Abbey for the benefit of pupils' education, welfare and wider development taking careful account of cost and using a mix of self-help and contractor support.

We have also addressed the need for strategic development of the site through establishment of an Estate Development Plan as a framework to provide for the accommodation, extra-curricular and academic facility requirements for the school, now and for the future. Fundraising is undertaken to supplement resources available from operating cashflows and from external finance where appropriate.

RESERVES POLICY

Milton Abbey's policy is that unrestricted reserves should not be accumulated from year to year other than in anticipation of an identified capital project and that, save to the extent they are required to meet the school's debt repayment obligations, any surpluses generated from the running of the school will be invested in developing its buildings and infrastructure. The school therefore holds limited free reserves.

The Group's unrestricted funds stood at £2,346,657 (including a revaluation gain of £1,988,592) at the year-end (2019: £2,080,211). These were wholly deployed as part of the school's premises and equipment, supplemented by appropriate working capital facilities.

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STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of The Council of Milton Abbey School Limited for the purposes of company law) are responsible for preparing the Governors' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the Governors are 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.

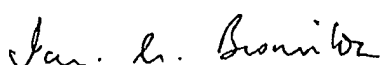
The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITOR

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re appointment of Ward Goodman Limited as auditors to the company was put to Governors and approved on 12 May 2021.

The Trustees' Report incorporating the Strategic and Directors' Reports was approved by the Board of Governors of The Council of Milton Abbey School Limited on 12 May 2021.

and signed on its behalf by:



**I G Bromilow
Chair of Governors**

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED

Opinion

We have audited the consolidated financial statements of Council of Milton Abbey School Limited and its trading subsidiary Milton Abbey School Services Limited ('the group') for the year ended 31 August 2020 on pages 14 to 32. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 affairs as at 31 August 2020 and of its 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 of 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 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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED

Key audit matters

The impact of COVID-19 on the UK economy has been significant. The trustees of the group have taken steps to address issues arising from the pandemic and to mitigate the financial impact on the group.

As the pandemic spread across the UK, it became clear that the school would be required to temporarily close its physical site to protect pupils, staff, visitors and due to government advice. The trustees reacted by making arrangements alongside the group's senior management team for the group to continue delivering its charitable objectives and aims using online systems until such time as the school site could be reopened safely. Where not required to deliver the school's online learning programme or for other essential roles, a number of staff were furloughed using the government's job retention scheme. This financial assistance enabled the trustees to reduce the school fees for the summer 2020 term both in compensation for the lack of access to the school's physical facilities and to provide financial assistance to contracted fee payers during the initial period of disruption due to COVID-19. Management accounts show that these measures have enabled the group to continue operating at a net surplus though at a lower level than budgeted.

The group has committed long term loan facilities together with a £1.5million overdraft facility that have been adequate to meet the group's working capital requirements since the start of the pandemic. The trustees have arranged for the production of cashflow forecasts which indicate that existing facilities, together with available working capital management strategies, will provide adequate working capital for the group, even in the event of severe disruption due to covid-19 over the next 12 months.

The audit was completed remotely for the year ended 31 August 2020 in line with the UK government Coronavirus guidelines and our audit work was not disrupted in any way. We can conclude that there are no other key matters associated with this audit.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page 8, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

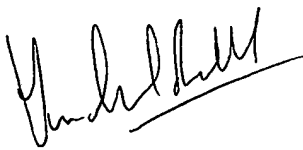
In preparing the financial statements, the trustees are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED**

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



Mr I Rodd BSc FCA FCCA (Senior Statutory Auditor)
for and on behalf of Ward Goodman Audit Services Limited

Statutory Auditor
4 Cedar Park, Cobham Road
Ferndown Industrial Estate
Wimborne
Dorset
BH21 7SF

Date: 25th May 2021

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Endowed £	Restricted £	Unrestricted £	Total 2020 £	Total 2019 £
Income						
Donations, grants and legacies		-	3,265	437,261	440,526	42,096
Income from charitable activities;						
School fees	5	-	-	6,550,596	6,550,596	6,912,928
Other educational income	6	-	-	190,865	190,865	319,513
Biomass rebates	6	-	-	43,721	43,721	71,713
Income from generated funds;						
Non ancillary trading income	6	-	-	26,949	26,949	243,589
Investment income	3	-	-	33,842	33,842	37,622
Total Income		-	3,265	7,283,234	7,286,499	7,627,461
Expenditure						
Costs of raising funds;						
Non ancillary trading expenditure	8	-	-	(30,606)	(30,606)	(109,700)
Fundraising costs	8	-	-	-	-	(93)
Financing costs	8	-	-	(427,282)	(427,282)	(563,649)
Expenditure on charitable activities;						
Education and grant making	8	-	(30)	(6,172,581)	(6,172,611)	(6,664,303)
Bad and doubtful debt provisioning*	5, 8	-	-	(420,568)	(420,568)	(144,741)
Total expenditure		-	(30)	(7,051,037)	(7,051,067)	(7,482,486)
Net income (expenditure) pre provisioning*		-	3,235	652,765	656,000	289,717
Net income (expenditure)		-	3,235	232,197	235,432	144,976
Transfers between funds		-	(34,249)	34,249	-	-
Net movement in funds		-	(31,014)	266,446	235,432	144,976
Total funds brought forward	15,16	112,858	361,464	2,080,211	2,554,533	2,409,557
Total funds carried forward	15,16	112,858	330,450	2,346,657	2,789,965	2,554,533

All income and expenditure are derived from continuing activities. There is no difference between the Statement of Financial Activities and the Income and Expenditure Report.

The notes on pages 18 to 32 form part of these accounts.

Company No 00532474
Registered Charity No 306318

**THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	2020		2019	
		£	£	£	£
Fixed Assets					
Tangible assets	10		11,478,946		11,556,051
Current Assets					
Stocks	11	47,295		45,714	
Debtors	12	271,451		283,769	
Cash at bank and in hand		182,945		447,241	
		<u>501,691</u>		<u>776,724</u>	
Creditors: Amounts falling due within one year	13	<u>(3,358,347)</u>		<u>(3,592,039)</u>	
Net Current (Liabilities) / Assets			<u>(2,856,656)</u>		<u>(2,815,315)</u>
Total Assets less current liabilities			<u>8,622,290</u>		<u>8,740,736</u>
Creditors: Amounts falling due after more than one year	14		(5,832,325)		(6,186,203)
Net Assets			<u>2,789,965</u>		<u>2,554,533</u>
Financed By: Funds	15,16,17				
Endowed			112,858		112,858
Restricted			330,450		361,464
Unrestricted		358,065		91,619	
Revaluation (forms part of unrestricted funds)		<u>1,988,592</u>		<u>1,988,592</u>	
Total unrestricted			<u>2,346,657</u>		<u>2,080,211</u>
			<u>2,789,965</u>		<u>2,554,533</u>

These accounts were approved and authorised for issue by the Board of Governors on 12th May 2021 and signed on its behalf by;

Jan. G. Bromilow

Mr I G Bromilow
Chair of Governors

The notes on pages 18 to 32 form part of these accounts.

Company No 00532474
Registered Charity No 306318

**THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
COMPANY BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	2020		2019	
		£	£	£	£
Fixed Assets					
Tangible assets	10		11,472,058		11,547,648
Investment in subsidiary	7		<u>1</u>		<u>1</u>
			11,472,059		11,547,649
Current Assets					
Stocks	11	47,295		45,714	
Debtors	12	269,577		279,048	
Cash at bank and in hand		<u>174,777</u>		<u>418,052</u>	
		491,649		742,814	
Creditors: Amounts falling due within one year	13		<u>(4,170,663)</u>		<u>(3,550,727)</u>
Net Current (Liabilities) / Assets			(3,679,014)		(2,807,913)
Total Assets less current liabilities			<u>7,793,045</u>		<u>8,739,736</u>
Creditors: Amounts falling due after more than one year	14		(5,003,770)		(6,186,203)
Net Assets			<u><u>2,789,275</u></u>		<u><u>2,553,533</u></u>
Financed By: Funds	16,17				
Endowed			112,858		112,858
Restricted			330,450		361,464
Unrestricted		357,375		90,619	
Revaluation (forms part of unrestricted reserves)		<u>1,988,592</u>		<u>1,988,592</u>	
Total unrestricted			<u>2,345,967</u>		<u>2,079,211</u>
			<u><u>2,789,275</u></u>		<u><u>2,553,533</u></u>

These accounts were approved and authorised for issue by the Board of Governors on 12th May 2021 and signed on its behalf by:

Jan. G. Bromilow

Mr I G Bromilow
Chairman of Governors

The notes on pages 18 to 32 form part of these accounts.

Company No 00532474
Registered Charity No 306318

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
CONSOLIDATED CASH FLOW STATEMENT
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Net cash flows from operating activities	18	865,992	1,493,599
Interest paid		(427,282)	(563,649)
Cash flows from investing activities			
Purchase of equipment		(143,117)	(221,209)
Disposal of property		150	20,967
Interest received		33,692	32,030
Net cash flows from investing activities		(109,275)	(168,212)
Cash flows from financing activities			
Repayment of borrowings		(4,535,300)	-
Repayment of borrowings under finance lease		(20,222)	(14,964)
New borrowings under finance lease		(54,000)	178,848
New loans raised		4,500,000	-
Income from fee arrangement schemes		125,003	1,125,288
Utilised fee arrangement schemes		(1,484,677)	(1,385,639)
Net cash flows from financing activities		(1,469,196)	(96,467)
Net increase/(decrease) in cash and cash equivalents		(1,139,761)	665,271
Cash and cash equivalents at the beginning of the year		447,241	(218,030)
Cash and cash equivalents at the end of the year		(692,520)	447,241
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		182,945	447,241
Bank overdrafts		(875,465)	-
Cash and cash equivalents		(692,520)	447,241

The notes on pages 18 to 32 form part of these accounts.

Company No 00532474
Registered Charity No 306318

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

1 ACCOUNTING POLICIES

a) Legal form

These accounts present the consolidated information of The Council of Milton Abbey School Limited, a registered charity (306318) and a limited company incorporated in England and Wales (00532474) and its wholly owned subsidiary, Milton Abbey School Services Limited, a limited company incorporated in England and Wales (04338771). Both entities have the same registered office – Milton Abbey School, Milton Abbas, Blandford Forum, Dorset DT11 0BZ.

b) Accounting convention

The financial statements have been prepared in accordance with 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 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Under FRS 102, the charitable company is a public benefit entity.

c) Going concern

The Governors have presented a business plan incorporating forecast financial information through to 31 August 2022 that reflects their view that the financial statements can be prepared on a going concern basis.

d) Basis of consolidation

These accounts consolidate the School and its subsidiary undertaking Milton Abbey School Services Limited to 31 August 2020, all inter group sales and profits have been eliminated on consolidation. The Group has taken advantage of section 408 of the Companies Act 2006 by not providing a separate statement of financial activities for the subsidiary. Net incoming resources attributable to the subsidiary are £nil (2019: £145k).

e) Tangible fixed assets

Tangible fixed assets other than freehold land and buildings are measured under the cost model, freehold land and buildings are measured under the revaluation model. Items below £500 are not capitalised.

No depreciation is provided in respect of freehold land. Depreciation of other tangible assets is charged by annual instalments at rates estimated to write off their cost or valuation less any residual value over their expected useful lives. Depreciation is not charged in the year of acquisition. The rates used to estimate these lives are:

- Freehold buildings (held for the charity's use) 0% to 20% straight line
- Fixtures, fittings and equipment 5% to 33% straight line

Depreciation is calculated on a combination of the written down value and straight line basis depending on the most appropriate method for the respective asset or group of assets.

During the year to 31 August 2017 properties were revalued, resulting in a gain on revaluation of £1,608,311. The trustees consider the market value to be at least equal to the future residual value of the property and therefore the property will not be depreciated further. This will be regularly reviewed.

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

1 ACCOUNTING POLICIES (continued)

f) Stocks

Stocks are stated at the lower of cost or net realisable value.

g) Fees and similar income

Fees receivable are stated after deducting bursaries, scholarships and other remissions granted by the School, but include contributions received from Restricted Funds for Scholarships and Bursaries. Where fees are paid in advance, the income is deferred until the term to which it relates. These deferred amounts are shown on the balance sheet within creditors: amounts falling due within one year and in more than one year.

h) Pension costs

The School contributes to the Teachers' Pension Scheme, a multi employer defined benefit scheme at the advised rates. The School's contributions to the scheme are charged in the accounts as they accrue. The School also contributes to personal pension schemes or to an occupational multi employer defined contribution scheme for non-teaching staff. The latter is administered by The Pensions Trust and the School contributes at rates set by the Trust. Contributions payable for the year are charged in the accounts as they accrue.

In accordance with section 28 of FRS 102, the defined benefit schemes are accounted for as defined contribution schemes, as they are both multi employer schemes and it is not possible or appropriate to identify the assets and liabilities of the schemes which are attributable to the School.

i) Resources expended

Expenses are charged to the statement of financial activities on an accruals basis. Expenditure is allocated to functional headings either on a direct cost basis or apportioned according to time spent.

Costs of generating funds - include all fund raising and financing support costs.

Charitable activities - include all costs relating to the provision of education and running of the School. Governance costs - include audit fees and Governors' expenses.

The irrecoverable element of VAT is included with the item or expense in which it relates.

j) Voluntary income and government grants

Donations received for the general purpose of the School are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds.

Government grants shall be recognised on the Statement of Financial Activities on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

k) Funds

Restricted funds comprise income funds subject to restrictions arising either from the donor's wishes or the terms of a particular fund raising initiative.

Unrestricted funds comprise the School's general funds, which are expendable at the discretion of the Governors.

Expendable endowed funds comprise income funds arising from a Charitable Trust. The capital of the funds cannot be spent without Governor approval. Income arising on the endowment fund (called Foundation Fund) is treated as restricted income in the School.

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

1 ACCOUNTING POLICIES (continued)

i) Taxation

The School is a registered charity and as such is entitled to certain tax exemptions on surpluses on any trading activities carried on in furtherance of the School's primary objectives.

m) Operating leases

Rentals payable under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

n) Grants and bursaries

Grants and bursaries from restricted funds are included as expenditure in the period for which the award is given. Bursaries and allowances from unrestricted funds towards School fees are treated as a reduction in those fees.

o) Recognition of assets

Trade debtors, other debtors, intercompany debtors and accrued income are recognised at the settlement amount due after any trade discounts have been offered. Prepayments are valued at the amount prepaid net of any trade discount due.

p) Recognition of liabilities

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.

q) Fixed asset valuation

The Mansion House, school buildings, land and staff accommodation were valued on 23 August 2017 at £9.1m.

r) Grant making

This year, the value of scholarships, grants, prizes and other awards made to the school's pupils out of unrestricted funds totalled £760,356 (2019: £596,303). The Governor's policy, in line with that of other Independent Schools, is to make these awards on the basis of the individual's educational potential. There is a policy to relieve hardship where the pupils' education and future prospects would otherwise be at risk, subject to the particular conditions imposed by the original donor where the award is out of restricted funds.

s) Reserves

The Group's unrestricted funds stood at £2,346,657 at the year end (2019: £2,080,211) (including a revaluation reserve of £1,988,592 (2019: £1,988,592)).

The Governors consider that free reserves of approximately £1 million or two months' expenditure are desirable in order to cover the risk and uncertainties of operating as an independent educational establishment. The policy is therefore to manage the school such that reserves at this level are maintained.

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

1 ACCOUNTING POLICIES (continued)

In the application of the company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 affects both current and future periods.

The following paragraph describes the critical judgements, apart from those involving estimates (dealt with separately below), that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

The only significant judgement relates to the provision of bad debts.

The following are areas that are considered to be key sources of estimation uncertainty.

Useful life and residual values of tangible fixed assets. The carrying value of tangible fixed assets at 31 August 2020 is £11,478,946 (2019: £11,556,051).

u) Financial instruments

Basic financial liabilities;

Basic financial liabilities, including trade and other payables, bank loans, and loans from group companies are initially recognised at transaction price. Financial liabilities due in more than one year are initially measured at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities constituting financing transactions are initially measured at the present value of the future payments discounted at a market rate of interest.

De-recognition of financial assets and liabilities;

Financial assets and liabilities are derecognised when the charity's contractual rights or obligations expire or are discharged, transferred or cancelled.

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

Basic financial assets;

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets due in more than one year are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of future receipts discounted at a market rate of interest.

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

2 NET INCOME

	2020	2019
	£	£
This is stated after charging the following:		
Depreciation – owned	264,890	246,059
Auditor’s remuneration		
- Audit	15,275	14,975
- other services	1,905	1,860
Interest payable	427,282	563,649
Loss on disposal of assets	7,667	-
Operating lease charges	44,445	59,551
	<u>44,445</u>	<u>59,551</u>

3 INVESTMENT INCOME

	2020	2019
	£	£
Gain on sale of fixed asset	-	5,592
Interest and charges levied on late school fees	33,692	32,030
	<u>33,692</u>	<u>37,622</u>

4 STAFF NUMBERS AND COSTS

The average number of persons (full time equivalent), excluding Governors and visiting staff, including part-time staff, employed by the School during the year was as follows:-

	2020	2019
Teaching staff	51	56
Administration staff	25	24
Maintenance staff	11	12
Domestic staff	24	30
	<u>111</u>	<u>122</u>

The aggregate payroll costs of these persons were as follows:-

	2020	2019
	£	£
Wages and salaries	3,297,696	3,723,817
Social security costs	290,642	325,885
Pension contributions	433,750	326,759
	<u>4,022,088</u>	<u>4,376,461</u>

Included in the above figures is £nil in respect of severance and redundancy payments (2019: £97,766).

During the year the Governors received £Nil (2019: £Nil) remuneration and no retirement benefits were accruing. Governors received reimbursed out of pocket expenses of during the year of £980 (2019: £107).

During the year employees' salaries in excess of £60,000 were in the ranges:

	2020	2019
£60,001 - £70,000	1	1
£70,001 - £80,000	1	2
£80,001 - £90,000	-	-
£90,001 - £100,000	1	-
£100,000 - £110,000	-	1
	<u>-</u>	<u>1</u>

Contributions of £38,492 (2019: £31,080) were made to pension schemes in respect of the above higher paid employees.

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

4 STAFF NUMBERS AND COSTS (continued)

Key management personnel salaries for the year totalled £484,062 (2019: £549,090). The Governors consider the key management personnel during the year to be;

Headteacher - Judith Fremont-Barnes

Senior Deputy Head - Matthew Porter

Finance Director - Steve Lane

Head of Operations - Tracy Edwards

Deputy Head Pastoral - Ruth Butler

Deputy Head Academic - Stephen Phillips

Deputy Head Co-Curricular – Chris Barnes

Head of Admissions - Claire Low

5 SCHOOL FEES

	2020	2019
	£	£
Fees receivable consist of:		
Gross fees	7,407,348	7,693,085
Less bursaries, scholarships and remissions	(856,752)	(780,157)
	<u>6,550,596</u>	<u>6,912,928</u>

£420,586 (2019: £144,741) has been provided for as irrecoverable trade debts.

6 OTHER INCOME

	2020	2019
	£	£
Other educational income:		
Entrance and registration fees	30,166	40,689
Extra tuition and learning support income	132,776	221,291
Tuck shop income	23,563	53,332
Other trading income	4,360	4,201
	<u>190,865</u>	<u>319,513</u>
Biomass income:		
Rebates for renewable energy overproduction	43,721	71,713
	<u>43,721</u>	<u>71,713</u>
Non ancillary trading income:		
MASS trading income	26,949	243,589
	<u>26,949</u>	<u>243,589</u>

See note 15 for donations income

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

7 TRADING INCOME AND TAXATION

The School owns 100% of the £1 ordinary share capital of Milton Abbey School Services Limited (04338771), which offers use of the school site and facilities for the purpose of lettings, weddings and other commercial purposes, primarily during the school holiday periods. It gifts its taxable profits to the School. Its trading results, extracted from its audited accounts were:

	2020	2019
	£	£
Turnover	26,949	243,589
Cost of sales	(6,120)	(59,822)
Gross profit	20,829	183,767
Administrative expenses	(21,139)	(59,736)
Operating profit	(310)	124,031
Interest receivable	-	-
Profit on ordinary activities	(310)	124,031
Gift Aid to The Council of Milton Abbey School Limited	-	(124,031)
Tax charge for year	-	-
Retained profit / (loss) for the year	-	-
Net asset / liabilities	(310)	1,001

During the year Milton Abbey School Services Limited paid a total of £nil (2019: £124,031) to The Council of Milton Abbey School Limited, which included £nil (2019: £124,031) of gift aided profits.

8 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs	Other	Depreciation	Total 2020	Total 2019
	£	£	£	£	£
Charitable Activities:					
Teaching	1,938,859	313,630	264,890	2,517,379	2,720,924
Welfare costs	678,631	169,436	-	848,067	1,121,231
Premises costs	471,355	743,652	-	1,215,007	1,487,313
Support costs of schooling	906,462	685,696	-	1,592,158	1,334,835
Provision for irrecoverable debts	-	420,568	-	420,568	144,741
	<u>3,995,307</u>	<u>2,332,982</u>	<u>264,890</u>	<u>6,593,179</u>	<u>6,809,044</u>
Costs of generating funds:					
Non ancillary trading expenses	-	30,606	-	30,606	109,700
Fundraising costs	-	-	-	-	93
Financing expenses	-	427,282	-	427,282	563,649
	<u>-</u>	<u>457,888</u>	<u>-</u>	<u>457,888</u>	<u>673,442</u>
Total resources expended	<u>3,995,307</u>	<u>2,790,870</u>	<u>264,890</u>	<u>7,051,067</u>	<u>7,482,486</u>

During the year to August 2020 an amount of £15,275 (2019: £14,975) was paid to the statutory auditors for audit fees.

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
 NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 AUGUST 2020

9 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Endowed	Restricted	Unrestricted	Total
	£	£	£	2019
				£
Income				
Donations and legacies	-	33,249	8,847	42,096
Income from charitable activities;				
School fees	-	-	6,912,928	6,912,928
Other educational income	-	-	319,513	319,513
Biomass rebates	-	-	71,713	71,713
Income from generated funds;				
Useful life and residual values of tangible fixed assets. The carrying value of tangible fixed assets at 31 August 2019 is £11,556,051 (2018: £11,582,418)	-	-	243,589	243,589
Investment income	-	-	37,622	37,622
Total Income				
	-	33,249	7,594,212	7,627,461
Expenditure				
Costs of raising funds;				
Non ancillary trading expenditure	-	-	(109,700)	(109,700)
Fundraising costs	-	-	(93)	(93)
Financing costs	-	-	(563,649)	(563,649)
Expenditure on charitable activities;				
Education and grant making	-	(30)	(6,664,273)	(6,664,303)
Bad and doubtful debt provisioning*	-	-	(144,741)	(144,741)
Total expenditure		(30)	(7,482,456)	(7,482,486)
Net income (expenditure) pre provisioning*	-	33,219	256,498	289,717
Net income (expenditure)	-	33,219	111,757	144,976
Transfers between funds	-	-	-	-
Unrealised gain on revaluation of fixed assets	-	-	-	-
Net movement in funds	-	33,219	111,757	144,976
Total funds brought forward	112,858	328,245	1,968,454	2,409,557
Total funds carried forward	112,858	361,464	2,080,211	2,554,533

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

10 FIXED ASSETS - GROUP AND COMPANY

TANGIBLE FIXED ASSETS	Freehold Land and Buildings	Biomass	Fixtures Fittings & Equipment	School Total	Subsidiary Trading Company	Group Total
	£	£	£	£	£	£
Cost						
At 1 September 2019	9,112,000	1,734,332	2,744,226	13,590,558	44,568	13,635,126
Additions	26,059	-	171,058	197,117	-	197,117
Disposals	-	-	(42,737)	(42,737)	-	(42,737)
At 31 August 2020	<u>9,138,059</u>	<u>1,734,332</u>	<u>2,872,547</u>	<u>13,744,938</u>	<u>44,568</u>	<u>13,789,506</u>
Depreciation						
At 1 September 2019	-	227,761	1,815,149	2,042,910	36,165	2,079,075
Charge for the year	-	69,373	195,517	264,890	1,515	266,405
Disposals	-	-	(34,920)	(34,920)	-	(34,920)
At 31 August 2020	-	<u>297,134</u>	<u>1,975,746</u>	<u>2,272,880</u>	<u>37,680</u>	<u>2,310,560</u>
Net Book Value						
At 31 August 2019	<u>9,112,000</u>	<u>1,506,571</u>	<u>929,077</u>	<u>11,547,648</u>	<u>8,403</u>	<u>11,556,051</u>
At 31 August 2020	<u>9,138,059</u>	<u>1,437,198</u>	<u>896,801</u>	<u>11,472,058</u>	<u>6,888</u>	<u>11,478,946</u>

The freehold land and buildings, including the Manor House, were valued by Christies on 8 October 2014 at £8m and by Carter Jonas on 23 August 2017 at £9.1m on an existing use basis. In 2017 a gain on revaluation of £1,608,311 was achieved which increased the revaluation reserve to £1,988,592.

If freehold land and buildings had never been revalued, they would be held at depreciated historical cost of £6,556,299.

Assets included above with a net book value of £1,437,198 are under Hire Purchase agreement (2019: £1,506,571).

The hire purchase creditor of £1,335,915 is repayable, £640,367 within 5 years and £531,038 in more than 5 years. The providers of the hire purchase have first charge over the assets.

11 STOCKS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Goods for resale	<u>47,295</u>	<u>45,714</u>	<u>47,295</u>	<u>45,714</u>

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

12 DEBTORS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	86,703	139,885	86,227	135,520
Prepayments and accrued income	181,175	141,609	181,075	141,253
Amounts due from subsidiary undertaking	-	-	-	-
VAT	1,298	-	-	-
Sundry debtors	2,275	2,275	2,275	2,275
	<u>271,451</u>	<u>283,769</u>	<u>269,577</u>	<u>279,048</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	212,484	264,360	205,036	256,013
Overdraft & bank loans	1,026,965	95,900	1,026,965	95,900
Amounts due to subsidiary undertaking	-	-	13,854	15,392
Other creditors	139,479	101,392	122,773	84,424
Taxation and social security	349,195	80,249	349,195	80,249
VAT	-	26,805	-	522
Accruals and deferred income	164,637	190,293	158,698	185,187
Fees in advance, pre term fees and deposits	1,301,077	2,706,186	1,301,077	2,706,132
Obligations under finance leases	164,510	126,908	164,510	126,908
	<u>3,358,347</u>	<u>3,592,093</u>	<u>3,342,108</u>	<u>3,550,727</u>

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Deposits	298,454	379,413	298,454	379,413
Advance fee scheme	-	124,195	-	124,195
Bank and other loans	4,363,200	4,454,100	4,363,200	4,454,100
Hire purchase	1,170,671	1,228,495	1,170,671	1,228,495
	<u>5,832,325</u>	<u>6,186,203</u>	<u>5,832,325</u>	<u>6,186,203</u>

BANK AND OTHER LOANS

Bank overdrafts	875,465	-	875,465	-
Due within one year	151,500	95,900	151,500	95,900
Due 1-2 years	181,800	181,800	181,800	181,800
Due 2-5 years	545,400	545,400	545,400	545,400
Due after 5 years	3,636,000	3,726,900	3,636,000	3,726,900
	<u>5,390,165</u>	<u>4,550,000</u>	<u>5,390,165</u>	<u>4,550,000</u>

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

As security the bank holds a legal charge dated 27 February 2020 over the freehold of Milton Abbey School, the Headmasters House, Green Walk Cottage and Abbey Gardens Cottage at Milton Abbey School; Milton Abbas. The market value of the security at that date was £9.1 million and the loan represented 48% of this value.

DEPOSITS

Deposits are held from all students and are repayable when they leave the School at the normal age.

	2020	2019
	£	£
Payable within 12 months (note 13)	255,149	49,396
Payable after 12 months	298,454	379,413
	<u>553,603</u>	<u>428,809</u>

ADVANCE FEE SCHEME

Parents may enter into a contract to pay to the School tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the School, advance fees will be applied as follows:

	2020	2019
	£	£
Within 2-5 years	0	50,407
Within 1-2 years	0	73,788
	<u>0</u>	<u>124,195</u>
Within 1 year	1,045,838	2,281,317
	<u>1,045,838</u>	<u>2,405,512</u>

The balance above represents the accrued liability under the contracts. The movements during the year were:

	2020	2019
	£	£
Balance at 1 September 2019	2,405,512	2,472,857
New contracts	125,003	1,318,294
Amounts utilised in the year	(1,484,677)	(1,385,639)
	<u>1,045,838</u>	<u>2,405,512</u>
Balance at 31 August 2020	<u>1,045,838</u>	<u>2,405,512</u>

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

15 RESTRICTED FUNDS (see note 16)

Toby Mann

This fund represents funds donated in order to provide scholarships for students of Milton Abbey School.

Foundation Fund

This fund represents funds donated through the 'Educating, not just teaching' campaign plus income from the expendable endowed funds donated in order to provide scholarships for students of Milton Abbey School and general fundraising assistance.

Cricket Equipment Fund

This fund represents funds donated for the purchase of cricket equipment.

Art Gallery and Centre Fund

This fund represents funds donated for the purposes of the Art Centre.

Equestrian Arena

This fund represents funds donated for the purpose of the development of the equestrian arena.

Countryside Management

This fund represents funds donated for the purpose of developing the school's countryside management facilities.

Social Space

This fund represents funds donated for the purpose of developing areas of the school to be enjoyed during social time and activities.

16 TOTAL UNRESTRICTED AND RESTRICTED FUNDS - GROUP

	Brought forward	Incoming resources	Resources expended	Net incoming/ (outgoing) resources	Transfers (to)/from unrestricted	Carried forward
	£	£	£	£	£	£
Toby Mann	73,963	265	(30)	235	-	74,198
Art Gallery and Centre	122,473	-	-	-	-	122,473
Countryside Management	126,065	-	-	-	-	126,065
Equestrian arena	1,169	-	-	-	-	1,169
Social space	6,545	-	-	-	-	6,545
Cricket nets	31,249	3,000	-	3,000	(34,249)	-
Total restricted funds	361,464	3,265	(30)	3,235	(34,249)	330,450
Unrestricted funds (Company)	2,079,211	7,283,544	(7,051,037)	232,507	34,249	2,345,967
Expendable Endowed Funds (Foundation Fund)	112,858	-	-	-	-	112,858
Total Funds (Company)	2,553,533	7,286,809	(7,051,067)	235,742	-	2,789,275
Total Unrestricted Funds (subsidiary)	1,000	26,949	(27,259)	(310)	-	690
Total Funds	2,554,533	7,313,758	(7,078,326)	235,432	-	2,789,965

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
 NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 AUGUST 2020

16 TOTAL UNRESTRICTED AND RESTRICTED FUNDS - GROUP 2019 (continued)

	Brought forward	Incoming resources	Resources expended		Transfers (to)/from unrestricted	Carried forward
	£	£	£	£	£	£
Toby Mann	71,993	2,000	(30)	1,970	-	73,963
Art Gallery and Centre	122,473	-	-	-	-	122,473
Countryside Management	126,065	-	-	-	-	126,065
Equestrian arena	1,169	-	-	-	-	1,169
Social space	6,545	-	-	-	-	6,545
Cricket nets	-	31,249	-	31,249	-	31,249
Total Restricted Funds	328,245	33,249	(30)	33,219	-	361,464
Unrestricted Funds (company)	1,967,454	7,594,212	(7,482,456)	111,757	-	2,079,211
Expendable Endowed Funds (Foundation Fund)	112,858	-	-	-	-	112,858
Total Funds (Company)	2,408,557	7,627,461	(7,482,486)	144,976	-	2,553,533
Total Unrestricted Funds (subsidiary)	1,000	243,589	(243,589)	-	-	1,000
Total Funds	2,409,557	7,871,050	(7,726,075)	144,976	-	2,554,533

Current year and 12 month comparatives for unrestricted and restricted funds

	Brought forward	Incoming resources	Resources expended	Net incoming/ (outgoing) resources	Transfers (to)/from unrestricted	Carried forward
	£	£	£	£	£	£
Toby Mann	71,993	2,265	(60)	2,205	-	74,198
Art Gallery and Centre	122,473	-	-	-	-	122,473
Countryside Management	126,065	-	-	-	-	126,065
Equestrian arena	1,169	-	-	-	-	1,169
Social space	6,545	-	-	-	-	6,545
Cricket nets	-	34,249	-	34,249	(34,249)	-
Total Restricted Funds	328,245	36,514	(60)	36,454	(34,249)	330,450
Unrestricted Funds (company)	1,967,454	14,877,756	(14,533,493)	344,264	34,249	2,345,967
Expendable Endowed Funds (Foundation Fund)	112,858	-	-	-	-	112,858
Total Funds (Company)	2,408,557	14,914,270	(14,533,553)	380,718	-	2,789,275
Total Unrestricted Funds (subsidiary)	1,000	270,538	(270,848)	-	-	690
Total Funds	2,409,557	15,184,808	(14,804,401)	380,718	-	2,789,965

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS (consolidated)

	Unrestricted	Revaluation	Restricted	Endowment	Total
	£	£	£	£	£
Fixed assets	9,479,816	1,988,592	10,538	-	11,478,946
Current assets	37,907	-	350,926	112,858	501,691
Current liabilities	(3,358,347)	-	-	-	(3,358,347)
Long term liabilities	(5,832,325)	-	-	-	(5,832,325)
Total assets / (liabilities)	327,051	1,988,592	361,464	112,858	2,789,965

18 RECONCILIATION OF NET INCOMING RESOURCES TO CASH GENERATED OPERATIONS

	2020	2019
	£	£
Net incoming resources	235,432	144,976
Adjustment for;		
Depreciation charges	266,405	246,060
Unrealised gain on revaluation of fixed assets	-	-
(Profit)/loss on sale of fixed asset	7,667	(5,592)
Other Investment income	(33,692)	(32,030)
Interest paid	427,282	563,649
Cash flows before movement in working capital	903,094	917,062
(Increase) / Decrease in stock	(1,581)	711
(Increase) / Decrease in debtors	12,318	76,075
Increase / (Decrease) in creditors	(47,839)	499,751
Cash generated by operations	865,992	1,493,599

19 OPERATING LEASE COMMITMENTS

At 31 August 2020, the group was committed to making the following payments in respect of operating leases expiring;

	2020	2019
	£	£
Within one year	44,445	59,552
More than 1 year	83,231	56,161
	127,676	115,713

THE COUNCIL OF MILTON ABBEY SCHOOL LIMITED
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

20 PENSION COSTS

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to consistently identify the liabilities of the TPS which are attributable to the School. As required by FRS102, the School accounts for this scheme as if it were a defined contribution scheme.

On 1 September 2015 contributions were increased to 16.48% and then further increased to 23.68% with effect from 1 September 2019. Employee rates from 1 April 2015 are varying between 7.4% and 11.7%.

The government have set a gross cost ceiling for the main public service pension schemes of 21.7% with a net cost ceiling of 12.1% and an average employee contribution of 9.6%.

The Government Actuary's Department has in a report dated 9 March 2012 concluded that the TPS Agreement scheme design is within this required cost ceiling. This conclusion is dependent on and sensitive to the data, methodology and assumptions adopted and further details on these are available in the full Government Actuary's report which is available on the Department for Education website.

At the year-end current liabilities includes £45,347 (2019: £38,766) due to the TPS pension scheme. Contributions included in pension costs in the SOFA for the TPS scheme come to £277,901 for the year (2019: £230,978).

Other pension schemes

The School also contributes to pension schemes for its non-teaching staff who are not members of the TPS which are 'money purchase' schemes and is to provide benefits to members on their retirement. The cost for the year represents the School's contributions to the schemes and amounted to £155,849 (2019: £95,801). At the year end current liabilities includes £8,630 (2019: £nil) due to these pension schemes.

21 RELATED PARTY TRANSACTIONS

All related party transactions during the year occurred between the charity and its wholly owned subsidiary undertaking.

Peter Bond is the parent of a pupil who previously attended Milton Abbey School. Mr Bond provided the Council of Milton Abbey School Limited with a loan of £100,000 on 30 September 2015. Interest at the rate of 3.5% per annum was payable on the loan. The loan was repayable on 30 September 2020, but was repaid early on 25th February 2020.

Katharine Butler was a trustee and director of the Council of Milton Abbey School Limited until 5 November 2018. Ms Butler provided the Council of Milton Abbey School Limited with a loan of £100,000 on 26 August 2015. Interest at the rate of 3.5% per annum was payable on the loan. The loan was repayable on 26 August 2020, but was repaid early on 25th February 2020.

During the year the trustees were reimbursed out of pocket expenses of £1,454 (2019: £107).

In addition to this during the year ended 31 August 2020 the trustees donated £1,000 to the school (2019: £20).