

Registered number: 00587487  
Charity number: 307793

**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
**(A Company Limited by Guarantee)**

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**CONTENTS**

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	Page
<b>Reference and Administrative Details of the Company, its Governors and Advisers</b>	1
<b>Governors' Report</b>	2 - 9
<b>Independent Auditor's Report on the Financial Statements</b>	10 - 13
<b>Statement of Financial Activities</b>	14
<b>Balance Sheet</b>	15
<b>Statement of Cash Flows</b>	16
<b>Notes to the Financial Statements</b>	17 - 32

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**Governors**

Mr S J Hodson, Chairman  
Mr S F Cloke  
Mr T N M Lawson  
Mrs A H Petch  
Mrs S R Reeves  
Mr P W Smallwood  
Mr H R F Somerset  
Mrs C A Wilson

**Company registered number**

00587487

**Charity registered number**

307793

**Registered office**

Marlborough House School Trust Limited, High Street, Hawkhurst, Cranbrook, TN18 4PY

**Head**

Mr E Newton

**Company Secretary**

Mr E Newton

**Independent auditor**

Crowe U.K. LLP, Riverside House, 40 - 46 High Street, Maidstone, Kent, ME14 1JH

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
**(A Company Limited by Guarantee)**

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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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The Governors present their Annual Report together with the audited financial statements for 1st September 2022 to 31st August 2023. The Governors confirm that the Annual Report and financial statements of the School comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Marlborough House School (the "School") is registered with the Department for Children, Schools and Families as School Number 886/6005. It is registered as Charity Number 307793, and holds the Company Registration number 587487, with the liability of its members limited to £1 each by guarantee. Within the insurance policies that the School holds is an extension that indemnifies the Trustees against any acts that result in action against them. None of the Directors of the School (the "Directors") has any beneficial interest in the Company. The Registered Office and principal address of the Company is at Marlborough House School, High Street, Hawkhurst, Kent TN18 4PY.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Status of the company**

Marlborough House School was founded in 1874 and was incorporated on 18th July 1957 under the Companies Acts 1948 as Marlborough House School Trust Limited, a Charitable Company limited by guarantee.

### **Governing body**

The School is governed by its Memorandum and Articles of Association. The Directors, who are also the Charity Trustees and the School Governors, who served during the year are shown below:

Mr S J Hodson (Chairman)  
Mr S F Cloke  
Mr T N M Lawson  
Mrs A Petch  
Dr R Ratnavel (Resigned, 28th June 2024)  
Mrs S R Reeves  
Mr O A Reynolds (Resigned, 1st December 2023)  
Mr P W Smallwood  
Mr H R F Somerset  
Mrs J M Webb (Resigned, 1st December 2023)  
Mrs C A Wilson

### **Board of Governors**

The Directors are required under the Articles to serve as Governors of the School. They are elected at a full Governors' Meeting on the basis of nominations received, after an appropriate recruitment process is undertaken from existing Governors and the Head taking independent advice as appropriate in order to ensure a suitable cross section of expertise, personal competence, specialist skills and local availability. Governors serve for an initial term of five years and are eligible to stand for re election for further five year terms.

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Governor training**

New Governors are inducted into the workings of the School and the Company as a Registered Charity, including Board Policy and Procedures, through a program arranged by the Head. Training Days and Extraordinary Meetings are scheduled periodically to provide updates for the Directors and to consider strategic planning and governance issues. New Governors are encouraged to attend the Association of Governing Bodies in Independent Schools (AGBIS) New Governors Course and all Governors have the opportunity to attend AGBIS briefings and specialist courses run by external organisations.

**Organisational management**

The Governors, acting as Directors, determine the general policies of the School and review its overall management and control. The day to day management of the School is delegated to the key management personnel, comprising the Head and the other members of the School's Senior Leadership Team. The Governors meet as a Board at least three times a year. The work of implementing most of the Board's policies is carried out by Committees of the Board comprising 4-5 Board members: the Finance and Property Committee (specifically to review the budgets, annual accounts and reports), the Education and Welfare Committee and the Health and Safety Committee. Each Committee meets at least three times a year prior to the Main Board meetings. Each Committee operates under specific terms of reference agreed by the Board of Governors and has its decisions reported to and ratified by the full Board. The Head attends all meetings of the full Board and all meetings of the Board Committees.

**Group structure and relationships**

The School is an active member of the Independent Association of Prep Schools ("IAPS") and the Boarding School Association ("BSA") for the promotion and maintenance of preparatory school standards generally and also takes part in peer group studies for the evaluation of quality and performance improvement methods. The School actively seeks to engage with local Charities, community and voluntary groups in continuing endeavours to widen public access to its facilities, to optimise the educational use of its cultural and sporting facilities and to awaken in the pupils an awareness of the wider social context of the education they receive at the School.

**OBJECTIVES AND ACTIVITIES**

The principal object of the Company, in accordance with its Memorandum and Articles of Association, is the education of children at the Independent Preparatory School of Marlborough House, Hawkhurst, Kent. In the furtherance of this object, the Directors, as the Charity Trustees, have complied with the duty in section 4 of the Charities Act 2011 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 that Act.

**Principal Activity**

Marlborough House School Trust's principal activity is the provision of a Preparatory School in Hawkhurst for girls and boys aged from 2 ½ to 13. In conducting its business, the School is one of the biggest local employers with many members of its staff resident within the immediate vicinity. The School uses the services of local businesses and suppliers wherever possible. Total pupil numbers stood at 202 with an additional 46 in Nursery giving a total school role of 248 (2022 – 235) in the Summer term 2023.

**Strategic Aim and Effect**

The Board's overall strategic aim is to satisfy the requirements of public benefit by operating Marlborough House School as a charitable Independent Preparatory School. While the families of most of the School's pupils pay full fees, the Board aims to set these fees at a level which enables the School to provide bursaries on a means-tested basis to the families of a number of pupils who otherwise would not be able to attend the School.

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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In addition, the Board's strategic aim for the School is for it to offer an outward-looking, secure and inclusive environment for the whole School community, using high quality resources and facilities and providing an excellent all round education for the School's pupils. To help achieve its objectives, the Board aims to ensure that the School is as close to capacity as possible, maintains a high "teacher to pupil" ratio and tailors its teaching and pastoral care services to suit pupils' individual needs.

### **Objectives for the Year**

The Board's main objectives for the School during the year under review were:

1. to support the Head's drive and passion to build on recent successes to develop the whole School community (e.g with events organised for staff, Pupils (and their families) and alumni to attend);
2. to continue to develop the School's strategy, focused on continued educational improvement and modernisation of the curriculum, as well as reviewing and agreeing new short and medium financial and staffing plans;
3. to work with the Head, and the Senior Leadership Team, to continue to improve the School's facilities;
4. to continue to educate pupils at the School to a very high standard, ensuring all pupils reach their full potential in all aspects of School life and are well prepared for their move into senior school;
5. to continue to provide bursaries and other financial support to the families of pupils who would otherwise not be able to attend the School;
6. to continue to work collaboratively with local charities, community and voluntary organisations and educational bodies to provide access to the School's facilities.

### **Grant making policies**

During the financial year under review, the School has maintained its means tested bursary support for 7 pupils (2022: 5 pupils) at a cost of £36,738 (2022: £32,708) through its own bursary scheme. This support is available on a needs basis as determined by the members of the Finance and Property Committee following discussions with the Head. The School's approach to awarding bursaries is kept under regular review by the Board with a focus on providing means-tested support to families who need it most.

### **STAFF**

#### **Volunteers**

The Friends of Marlborough House School continue to help with the School's charitable fundraising and cultural activities, with members devoting considerable time and resources on a voluntary basis. The Board is very appreciative of their work on behalf of the School.

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Remuneration of Employees**

The remuneration of the Head is set by the Board. The remuneration of other members of the Senior Leadership Team and all other staff is determined by the Head in accordance with the whole School remuneration policy and budget, which is set annually by the Board following a recommendation by the Finance and Property Committee. In setting this policy and budget, reference is made to comparisons with other schools to ensure that the School is sensitive to the broader issues of pay and employment conditions elsewhere. Staff costs are, by a long way, the largest single element of the School's regular charitable expenditure and the Board believes that successful delivery of the School's charitable vision and purpose is very significantly dependent on the skills, expertise and performance of the key management personnel and all other members of the School's staff.

### **REVIEW OF ACTIVITIES**

#### **Achievements and Performance**

In January 2023 the School was delighted to have been able to share the details of its latest full inspection report undertaken by the Independent Schools Inspectorate ("ISI"). The School was rated "Excellent" in all areas with pupils of all abilities said to be able to "employ highly effective study skills which enable them to make rapid progress in all subjects" and which allow them to "develop outstanding attitudes to learning, demonstrating initiative, independence and a willingness to work collaboratively". The full report is available on the ISI website.

The staff Academic Committee continues to monitor teaching and learning and look at various topics, such as ICT provision, differentiation and assessment and reporting.

This year the School made a conscious decision to support a number of local charities as well as some national ones. Donations were made as follows: Red Cross, Earthquake Appeal: £333.65, Children in Need: £402.02, Hands of Hope: £107.62, Nourish: £107.61 KSS Air Ambulance £103.20, Comic Relief: £466.91, Red Cross, Sudan Appeal: £133.81, Porchlight: £32.10 and various food donations to the Local Food Bank.

The development of facilities continued. The extension to the Art and DT Centre of Excellence was completed and became fully operational for use in the Autumn term 2022 and has become a valuable new facility for use by the whole School community. During the 2023 Easter break, the School's all-weather sports pitch was resurfaced, providing an excellent new facility for sports to be played throughout the year.

### **FUTURE DEVELOPMENTS**

The implementation of the Head's initial school improvement strategy has given rise to positive educational results for pupils and increased confidence for staff and parents, while recent physical improvements to the School's buildings and other facilities (including the completion of the refurbishment and expansion of the Art and DT buildings, the resurfacing and improvement of the all-weather sports pitch and the painting of the outside of the Old Gym) are providing benefits for pupils and staff. The ISI Inspection Report on the School published in January 2023, which rated the School "Excellent" in all areas, was an outstanding reflection on the dedication of our staff.

The total number of pupils enrolled in the 2023 Summer term increased by over 5% compared to the Summer term of 2022, and there continues to be a drive to increase pupil numbers, while controlling the operating costs of the School.

There are many challenges currently facing the independent schools sector, however, most notably the stated policies of the new UK Government to introduce VAT (or a similar levy) on school fees and to remove the current partial business rates relief applying to independent schools. If implemented, these policies are likely to add further to the cost pressures at private schools and to impact on the affordability of an independent school education for many children. Against this background, the Board has been giving, and is continuing to give, active consideration to the School's overall strategic position.

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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## **FINANCIAL REVIEW**

The Directors report a deficit before depreciation, revaluation of fixed assets and loss on sale of fixed assets for the year ended 31st August 2023 of £31,308 (2022 deficit: £255,456). Total income (before revaluation of fixed assets) was £3,562,831 (2022: £3,175,841), which was 12.2% higher than the previous year. Total expenditure (before depreciation and loss on sale of fixed assets) was £3,614,139 (2022: £3,431,297), which was 5.3% higher than the previous year.

During the year, the Governors decided that one of the School's properties was no longer required for educational purposes, and prepared it for potential sale. The property has therefore been designated as an Investment Property at 31st August 2023, which has resulted in a gain on revaluation of fixed assets during the year ended 31st August 2023 of £755,065.

A number of items on the fixed assets register which related to properties sold in prior years have been identified during the year. In addition, the existing value of the all weather sports pitch was written off upon its resurfacing during the year. Together these items resulted in a loss on sale of fixed assets recorded during the year ended 31st August 2023 of £172,959.

After deducting depreciation of £190,705 (2022: £186,785), and including the revaluation of fixed assets and deducting the loss on sale of fixed assets, a net increase in funds of £340,093 (2022 deficit: £434,078) was recorded for the year ended 31st August 2023.

Capital expenditure during the year totalled £172,771 (2022: £600,687). This was spent on fixtures and fittings, which included resurfacing of the all-weather sports facilities.

Investment powers are set out in the Memorandum and Articles of Association. These permit the Directors to invest the monies of the Trust not immediately required for its purposes in such investments, securities or property as may be thought fit, except for monies subject to (or representing property subject to) the jurisdiction of the Charity Commissioners for England and Wales or the Secretary of State for Children, Schools and Families, which may only be invested as may for the time being be prescribed by law. During the year investment income totalled £219 (2022: £232).

## **RESERVES POLICY**

At 31st August 2023, unrestricted funds (after excluding those funds which have been designated for specific purposes) stood at £5,172,328 (31st August 2022: £4,829,923). The School aims to increase its unrestricted funds each year by budgeting for a modest post depreciation surplus to be achieved and through careful financial management. This objective was not achieved during the year under review in terms of underlying financial performance.

At 31st August 2023, free reserves (after deducting the carrying value of fixed assets which are all held for the School's use), as defined by the Charity Commission, stood at a deficit of £847 (31st August 2022: surplus of £729,080).

At 31st August 2023, the School had total cash of £969 (2022: £167,610). After deducting outstanding loans, fees paid in advance, deposits and amounts received under the advance fee payment scheme, underlying net debt stood at £908,069 (2022: £740,884). Maintaining cash balances in addition to the committed debt and overdraft bank facilities that the School has in place, provides the School with financial security, as, in the event of a sudden significant drop in fee income, which could be caused by a substantial reduction in pupil numbers, it would enable the School's current activities to be continued, while consideration was given to ways in which operating costs could be reduced or additional funds raised to ensure that the School's finances were sustainable. The School's clear objective, which will only be likely to be achieved if enrolled pupil numbers show growth, is to rebuild its cash balances and unrestricted reserves.

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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During the year ended 31st August 2023, the School did not take part in or lead an active program of fundraising.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Board, through its Committees and with assistance from the School's Senior Leadership Team, keeps the School's activities under regular review, with particular regard to any risks which may arise. The Board discusses such risks and takes steps which aim to minimise the probability of occurrence and the extent of the impact that any of them may have on the continued success of the School.

The Board considers that the principal risks which could impact the School include the following:

- (i) a substantial reduction in pupil numbers. This could be caused, inter alia, by:
  - a decline in the affordability of school fees generally across the independent schools sector, meaning that fewer pupils attend independent preparatory schools, due, for instance, to a difficult economic environment, or changes in legislation or charity regulations; and
  - specific factors which could affect the School, such as a failure to recruit high quality staff, increased competition from nearby schools and the unlikely event of severe reputational damage to the School being caused by actions or events involving the School's staff and/or pupils;
- (ii) catastrophic events, which could cause significant damage to the School's premises, including, for instance, flood or fire;
- (iii) personal health and safety risks, including a major accident involving the School's pupils and/or staff, either on the School's premises or when away from the School on trips organised by the School; and
- (iv) significant financial fraud.

The School maintains a Risk Management Register, which identifies the major risks to which the School is subject and describes the Control Procedures, including internal controls and other viable means, such as insurance cover, used to reduce the likelihood of each event occurring and/or to mitigate its effect. The School's Senior Leadership Team is responsible for ensuring that the risks identified are managed appropriately, with reference to the Control Procedures. The Risk Management Register is considered in detail by the Head and two Governors on at least an annual basis and then reviewed by the Board as appropriate.

In addition, the Board oversees compliance with current legislation and the regulatory requirements of the ISI, as well as regularly reviewing and considering the effectiveness of the School's Policies, which cover a wide range of matters which are important for the successful management of the School.

The School is confident that it can take and maintain whatever steps are needed to ensure a safe environment for pupils, staff and visitors to the School. At any time, the School will always aim to be ready to adapt its premises in order to provide the best educational experience whilst being mindful of complying with Government rules and guidance.

The School considers that in the near term, the threat posed to independent fee paying schools that will be posed by a new Government in the UK deciding to require that VAT, or an equivalent levy, is charged on all fees that are paid for a child's education, is a very real concern. A paper, considering the likely impact of this change in the law being enacted as well as any other changes in taxation that might have an impact on the School, has been reviewed and discussed by the Board and the potential to mitigate any impacts has been discussed. This matter is being kept under close review.

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**GOING CONCERN**

Accounting standards require the Governors to consider the appropriateness of the going concern basis when preparing the financial statements.

The Governors have arranged for the preparation of cashflow forecasts for the next 12 months and beyond based on current expectations of pupil numbers, fees and expectations of pupil numbers, fees and expenditures. These forecasts also include the partial repayment of the CBILS and Societe Generale loan facilities described in note 16 of the financial statements and include assumptions about the availability and repayment of an additional £600,000 loan facility entered into during the year ended 31st August 2023 and drawn down after the end of the financial year, as well as the sale of certain fixed assets. These loan facilities were put in place to finance the refurbishment of the all-weather sports facilities and to provide additional working capital.

Taking into consideration all of the above factors, the Governors have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. The School therefore continues to adopt the going concern basis in preparing its financial statements.

**GOVERNORS' RESPONSIBILITIES STATEMENT**

The Governors (who are also directors of Marlborough House School Trust Limited for the purposes of company law) are responsible for preparing the Governors' 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. Under company law the Governors 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 School and of the incoming resources and application of resources, including the income and expenditure, of the School 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 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 School will continue in operation.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

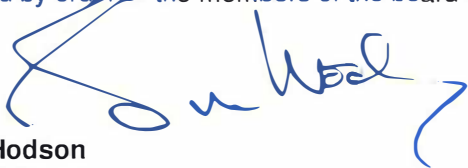
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**DISCLOSURE OF INFORMATION TO AUDITOR**

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

- so far as that Governor is aware, there is no relevant audit information of which the School's auditor is unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the School's auditor is aware of that information

Approved by order of the members of the board of Governors on 25 July 2024 and signed on their behalf by:



**Mr S J Hodson**  
(Chair of Trustees)

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**

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## **Opinion**

We have audited the financial statements of Marlborough House School Trust Limited (the 'charitable company') for the Year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 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 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the 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 charitable company'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 Governors with respect to going concern are described in the relevant sections of this report.

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARLBOROUGH HOUSE SCHOOL TRUST LIMITED (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Governors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

- 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 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 trustees**

As explained more fully in the Governors' Responsibilities Statement, the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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.

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARLBOROUGH HOUSE SCHOOL TRUST LIMITED (CONTINUED)**

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**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:

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and SORP 2015.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included:

- enquiry of management about the Group's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- enquiry of management and review and inspection of relevant correspondence;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- analytical procedures to identify any unusual or unexpected relationships;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; and
- review of accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARLBOROUGH HOUSE SCHOOL TRUST LIMITED (CONTINUED)**

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**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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Ian Weekes (Senior Statutory Auditor)**

for and on behalf of  
**Crowe U.K. LLP**

Statutory Auditor

Riverside House

40 - 46 High Street

Maidstone

Kent

ME14 1JH

Date: 30 July 2024

**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Donations and legacies	4	1,686	-	1,686	830
Charitable activities	5	3,548,255	-	3,548,255	3,156,355
Other trading activities	6	12,671	-	12,671	18,424
Investments	7	219	-	219	232
<b>Total income</b>		<b>3,562,831</b>	<b>-</b>	<b>3,562,831</b>	<b>3,175,841</b>
<b>Expenditure on:</b>					
Charitable activities	8	3,975,490	2,313	3,977,803	3,609,919
<b>Total expenditure</b>		<b>3,975,490</b>	<b>2,313</b>	<b>3,977,803</b>	<b>3,609,919</b>
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(412,659)</b>	<b>(2,313)</b>	<b>(414,972)</b>	<b>(434,078)</b>
<b>Other recognised gains/(losses):</b>					
Gains on revaluation of fixed assets		755,065	-	755,065	-
<b>Net movement in funds</b>		<b>342,406</b>	<b>(2,313)</b>	<b>340,093</b>	<b>(434,078)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		4,829,923	2,313	4,832,236	5,266,314
Net movement in funds		342,406	(2,313)	340,093	(434,078)
<b>Total funds carried forward</b>		<b>5,172,329</b>	<b>-</b>	<b>5,172,329</b>	<b>4,832,236</b>

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

The notes on pages 17 to 32 form part of these financial statements.

**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)  
REGISTERED NUMBER: 00587487

**BALANCE SHEET**  
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	12	5,173,175	5,559,003
Investment property	13	950,000	-
		6,123,175	5,559,003
<b>Current assets</b>			
Stocks	14	9,546	9,917
Debtors	15	59,855	83,941
Cash at bank and in hand		25,775	167,610
		95,176	261,468
Creditors: amounts falling due within one year	16	(763,119)	(696,568)
		(667,943)	(435,100)
<b>Total assets less current liabilities</b>		5,455,232	5,123,903
Creditors: amounts falling due after more than one year	17	(282,904)	(291,667)
<b>Total net assets</b>		5,172,328	4,832,236
<b>Charity funds</b>			
Restricted funds	18	-	2,313
Unrestricted funds	18	5,172,328	4,829,923
<b>Total funds</b>		5,172,328	4,832,236

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

The financial statements were approved and authorised for issue by the Governors on 26 July 2024 and signed on their behalf by:



**Mr S J Hodson**  
(Chair of Trustees)

**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

	<b>2023</b>	<i>2022</i>
	£	£
<b>Cash flows from operating activities</b>		
Net cash provided by/(used in) in operating activities	2,169	<i>(310,089)</i>
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	219	<i>232</i>
Purchase of tangible fixed assets	<b>(172,771)</b>	<i>(600,687)</i>
Proceeds from sale of investment properties	-	<i>565,163</i>
Interest paid	<b>(13,563)</b>	<i>(15,180)</i>
New loans	<b>130,339</b>	<i>-</i>
<b>Net cash (used in)/provided by investing activities</b>	<b>(55,776)</b>	<i>(50,472)</i>
<b>Cash flows from financing activities</b>		
Repayments of borrowing	<b>(113,034)</b>	<i>(391,262)</i>
<b>Net cash used in financing activities</b>	<b>(113,034)</b>	<i>(391,262)</i>
<b>Change in cash and cash equivalents in the Year</b>	<b>(166,641)</b>	<i>(751,823)</i>
Cash and cash equivalents at the beginning of the Year	<b>167,610</b>	<i>919,433</i>
<b>Cash and cash equivalents at the end of the Year</b>	<b>969</b>	<i>167,610</i>

The notes on pages 17 to 32 form part of these financial statements

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. General information**

Marlborough House School is a company limited by guarantee incorporated in England and Wales (company registration number 00587487 and charity number 307793). The principal activity is that of an independent school.

Its registered address is at:-

High Street  
Hawkhurst  
Cranbrook  
TN18 4PY

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

Accounting standards require the Governors to consider the appropriateness of the going concern basis when preparing the financial statements.

The Governors have arranged for the preparation of cashflow forecasts for the next 12 months and beyond based on current expectations of pupil numbers, fees and expenditures of pupil numbers, fees and expenditures. These forecasts also include the partial repayment of the CBILS and Societe Generale loan facilities described in note 16 of the financial statements and include assumptions about the availability and repayment of an additional £600,000 loan facility entered into during the year ended 31st August 2023 and drawn down after the end of the financial year, as well as the sale of certain fixed assets. These loan facilities were put in place to finance the refurbishment of the all-weather sports facilities and to provide additional working capital.

Taking into consideration all of the above factors, the Governors have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. The School therefore continues to adopt the going concern basis in preparing its financial statements.

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

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**2. Accounting policies (continued)**

**2.2 Income**

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

School fees receivable, less any bursaries or scholarships are billed termly in advance and the income is recognised on the first day of the new term to which they relate. Where fees are received in advance of the relevant period, they are recognised as deferred income.

Income receivable for extras to the core school fees is billed in arrears on the following term's bill when the amount of income receivable can be measured reliably. Amounts are recognised in the period to which they relate and held in trade debtors until payment is received.

Donations, legacies, grants and other voluntary income are accounted for when the following criteria are satisfied; entitlement has arisen, the amount can be reliably measured and the economic benefit is considered probable.

**2.3 Expenditure**

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

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**2.4 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.5 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**2. Accounting policies (continued)**

**2.5 Tangible fixed assets and depreciation (continued)**

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

Depreciation is provided on the following bases:

Freehold property	- over 10 - 50 years
Motor vehicles	- Straight line over 5 years
Fixtures and fittings	- Reducing balance at 15%
Computer equipment	- Straight line over 3 years

**2.6 Investment properties**

The Trustees' policy was to revalue the company's investment properties at each reporting date.

Governors assessed the value of the land and buildings based on an independent valuation carried out in 2023 and updated for current market prices.

No depreciation is provided in respect of investment properties in accordance with section 16 of FRS 102 "Investment Property".

There were no investment properties held in the current year.

**2.7 Stocks**

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

**2.8 Debtors**

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

**2.9 Cash at bank and in hand**

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

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**2. Accounting policies (continued)**

**2.10 Liabilities and provisions**

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

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

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

**2.11 Financial instruments**

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

**2.12 Pensions**

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the Year.

**2.13 Fund accounting**

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

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

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

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**3. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i) Tangible fixed assets: the trustees annually assess both the residual value of these assets and the expected useful life of such assets which is currently judged to be up to 50 years, based on experience.

ii) Recoverability of trade debtors: the directors annually assess whether a bad debt provision is required for any bad or doubtful debtor balances.

**4. Income from donations and legacies**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Donations	1,686	1,686

**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**4. Income from donations and legacies (continued)**

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations	830	830
	830	830

**5. Income from charitable activities**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Gross fee income	3,777,606	<b>3,777,606</b>
Less: bursaries, scholarships and allowances	(356,890)	<b>(356,890)</b>
Other charges to pupils	124,589	<b>124,589</b>
Registration fees	2,950	<b>2,950</b>
	3,548,255	<b>3,548,255</b>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Gross fee income	3,336,078	3,336,078
Less: bursaries, scholarships and allowances	(278,679)	(278,679)
Other charges to pupils	96,906	96,906
Registration fees	2,050	2,050
	3,156,355	3,156,355

**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**6. Income from other trading activities**

**Income from fundraising events**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Lettings	12,671	12,671

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Lettings	18,424	18,424

**7. Investment income**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Bank interest	219	219

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Bank interest	232	232

**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total 2023 £</b>
Teaching costs	2,246,925	2,313	2,249,238
Welfare costs	471,928	-	471,928
Premises	547,496	-	547,496
Support for schooling	691,360	-	691,360
Bank interest and charges	17,781	-	17,781
	<u>3,975,490</u>	<u>2,313</u>	<u>3,977,803</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total 2022 £</i>
Teaching costs	2,076,551	2,076,551
Welfare costs	434,500	434,500
Premises	577,587	577,587
Support for schooling	499,514	499,514
Bank interest and charges	21,767	21,767
	<u>3,609,919</u>	<u>3,609,919</u>

**9. Auditor's remuneration**

	<b>2023 £</b>	<b>2022 £</b>
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<b>16,675</b>	14,245
Fees payable to the Company's auditor in respect of: All non-audit services not included above	<b>1,000</b>	3,400
	<u>17,675</u>	<u>17,645</u>

**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**10. Staff costs**

	<b>2023</b>	<i>2022</i>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>2,278,142</b>	<i>2,191,452</i>
Social security costs	<b>198,599</b>	<i>193,431</i>
Contribution to defined contribution pension schemes	<b>219,314</b>	<i>234,290</i>
	<b><u>2,696,055</u></b>	<i><u>2,619,173</u></i>

The average number of persons employed by the Company during the Year was as follows:

	<b>2023</b>	<i>2022</i>
	<b>No.</b>	<b>No.</b>
Teaching	<b>58</b>	<i>59</i>
Domestic	<b>20</b>	<i>22</i>
Administration	<b>8</b>	<i>9</i>
	<b><u>86</u></b>	<i><u>90</u></i>

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

	<b>2023</b>	<i>2022</i>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	<b>1</b>	<i>1</i>
In the band £70,001 - £80,000	<b>1</b>	<i>-</i>
In the band £90,001 - £100,000	<b>-</b>	<i>1</i>
In the band £100,001 - £110,000	<b>1</b>	<i>-</i>

The total remuneration and benefits received by key management personnel during the year was £325,781 (2022: £ 367,335).

**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**11. Governors' remuneration and expenses**

During the Year, no Governors received any remuneration or other benefits (2022 - £NIL).

During the Year ended 31st August 2023, expenses totalling £NIL were reimbursed or paid directly to Governors (2022 - £NIL).

**12. Tangible fixed assets**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 September 2022	7,398,915	96,358	1,026,715	688,043	9,210,031
Additions	-	-	172,771	-	172,771
Disposals	(275,461)	-	(6,037)	-	(281,498)
Transfers between classes	(291,852)	-	(12,084)	-	(303,936)
At 31 August 2023	<u>6,831,602</u>	<u>96,358</u>	<u>1,181,365</u>	<u>688,043</u>	<u>8,797,368</u>
<b>Depreciation</b>					
At 1 September 2022	2,034,189	96,142	844,203	676,494	3,651,028
Charge for the Year	146,706	216	35,669	8,114	190,705
On disposals	(104,159)	-	(4,380)	-	(108,539)
Transfers between classes	(98,075)	-	(10,926)	-	(109,001)
At 31 August 2023	<u>1,978,661</u>	<u>96,358</u>	<u>864,566</u>	<u>684,608</u>	<u>3,624,193</u>
<b>Net book value</b>					
At 31 August 2023	<u>4,852,941</u>	<u>-</u>	<u>316,799</u>	<u>3,435</u>	<u>5,173,175</u>
At 31 August 2022	<u>5,364,726</u>	<u>216</u>	<u>182,512</u>	<u>11,549</u>	<u>5,559,003</u>

**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**13. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
Surplus on revaluation	755,065
Transfer between classes	194,935
	950,000
At 31 August 2023	950,000

Governors assessed the value of the land and buildings based on an independent valuation carried out in 2023 and updated for current market prices.

**14. Stocks**

	<b>2023 £</b>	<i>2022 £</i>
Finished goods	9,546	<i>9,917</i>

**15. Debtors**

	<b>2023 £</b>	<i>2022 £</i>
<b>Due within one year</b>		
Trade debtors	50,052	<i>60,204</i>
Prepayments and accrued income	9,803	<i>23,737</i>
	59,855	<i>83,941</i>

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**16. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Bank overdrafts	24,806	-
Bank loans	126,068	100,000
Trade creditors	83,046	46,294
Fees in advance and deposits	475,779	453,544
Other creditors	9,634	11,207
Accruals and deferred income	19,499	22,243
Advance payment scheme	24,287	63,280
	<u>763,119</u>	<u>696,568</u>

A CBILS bank loan of £500,000 was taken out in 2020.

Interest is being charged on the loan at 2.34% p.a over base rate.

The CBILS loan is repayable in instalments over 5 years.

A Societe Generale bank loan of £130,399 was taken out in 2023 and interest is being charged on the loan at 5.3% p.a.

The loan is repayable in instalments over 5 years.

**17. Creditors: Amounts falling due after more than one year**

	2023 £	2022 £
Bank loans	<u>282,904</u>	<u>291,667</u>

**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2023 £
<b>18. Statement of funds</b>					
<b>Statement of funds - current Year</b>					
<b>Unrestricted funds</b>					
General Funds	4,829,923	3,562,830	(3,975,490)	905,065	5,322,328
Unallocated amounts	-	-	-	(150,000)	(150,000)
	4,829,923	3,562,830	(3,975,490)	755,065	5,172,328
<b>Restricted funds</b>					
Restricted Funds - all funds	2,313	-	(2,313)	-	-
	4,832,236	3,562,830	(3,977,803)	755,065	5,172,328

Restricted funds consist of:  
A music fund to be used in awarding prizes to pupils and in purchasing new musical instruments for the school's music department. At the balance sheet date, the balance on the fund was £nil (2022: £2,313).

**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**18. Statement of funds (continued)**

**Statement of funds - prior Year**

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2022 £</i>
<b>Unrestricted funds</b>				
General Funds - all funds	5,264,001	3,175,841	(3,609,919)	4,829,923
<b>Restricted funds</b>				
Restricted Funds	2,313	-	-	2,313
<b>Total of funds</b>	<b>5,266,314</b>	<b>3,175,841</b>	<b>(3,609,919)</b>	<b>4,832,236</b>

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

	<b>2023 £</b>	<b>2022 £</b>
Net expenditure for the year (as per Statement of Financial Activities)	<b>(414,972)</b>	<b>(434,078)</b>
<b>Adjustments for:</b>		
Depreciation charges	<b>190,705</b>	<b>186,785</b>
Interest paid	<b>13,563</b>	<b>15,180</b>
Dividends, interests and rents from investments	<b>(219)</b>	<b>(232)</b>
Loss/(profit) on the sale of investment properties	<b>-</b>	<b>(8,163)</b>
Loss/(profit) on the disposal of fixed assets	<b>172,959</b>	<b>-</b>
Decrease/(increase) in debtors	<b>24,086</b>	<b>(9,047)</b>
Increase/(decrease) in creditors	<b>15,676</b>	<b>(60,534)</b>
Decrease/(increase) in stock	<b>371</b>	<b>-</b>
<b>Net cash provided by/(used in) operating activities</b>	<b>2,169</b>	<b>(310,089)</b>

**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**20. Analysis of cash and cash equivalents**

	2023 £	2022 £
Cash in hand	25,775	167,610
Overdraft facility repayable on demand	(24,806)	-
<b>Total cash and cash equivalents</b>	<b>969</b>	<b>167,610</b>

**21. Analysis of changes in net debt**

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	167,610	(141,835)	25,775
Bank overdrafts repayable on demand	-	(24,806)	(24,806)
Debt due within 1 year	(100,000)	(26,068)	(126,068)
Debt due after 1 year	(291,667)	8,763	(282,904)
	<b>(224,057)</b>	<b>(183,946)</b>	<b>(408,003)</b>

**22. Pension commitments**

The School previously participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff but exited the scheme on 1 May 2021. The pension charge for the year includes contributions payable to the TPS of £nil (2022: £nil) and at the year-end £nil (2022 - £nil) was accrued in respect of contributions to this scheme.

The charity also makes contributions to defined contribution pension schemes whose assets are held in an independently administered fund. During the year, contributions of £218,538 (2022 - £234,290) were made to the pension scheme with contributions of £nil (2022 - £1,599) outstanding at the balance sheet date.

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**MARLBOROUGH HOUSE SCHOOL TRUST LIMITED**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**23. Operating lease commitments**

At 31 August 2023 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2023</b>	<i>2022</i>
	£	£
Not later than 1 year	<b>31,646</b>	<i>4,057</i>
Later than 1 year and not later than 5 years	<b>110,825</b>	<i>6,867</i>
	<u><b>142,471</b></u>	<u><i>10,924</i></u>