

Montpelier Collegiate Trust

Annual report and financial statements for the year ended 31 December 2022

Montpelier Collegiate Trust

Annual report and financial statements for the year ended 31 December 2022

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Montpelier Collegiate Trust

Report of the Trustee for the year ended 31 December 2022

The Trustee presents its report and audited financial statements for the year ended 31 December 2022. The financial statements comply with current statutory requirements, the governing instruments and the Statement of Recommended Practice for Charities (SORP 2019).

Trustee, officers and advisers

The Trustee of the Charity is SMV Trustee Company Limited.

Listed below are those members who have served on the Board of SMV Trustee Company Limited during the year:

Patrick Despard	
Michael Bothamley	
Robert Bourns	
David Freed	
Gillian Camm	
Ross Ancell	
Charles Griffiths	(Retired 10 November 2022)
Alan Lewis	(Retired 10 November 2022)
Mohammed Saddiq	(Retired 10 November 2022)
Jonathon Baker	
Martin Thatcher	
Dr Steve Allpress	
Nick Baker	
Karl Tucker	
Katharine Finn	
David Powell	(Appointed 10 November 2022)
Mark Burchfield	(Appointed 10 November 2022)
Heather Frankham	(Appointed 10 November 2022)

Registered address of the Charity

Merchants' Hall
The Promenade
Clifton
Bristol BS8 3NH

Charity Number: 311737

Montpelier Collegiate Trust

Report of the Trustee for the year ended 31 December 2022 (continued)

Names and addresses of other relevant organisations

Auditor

KPMG LLP, 66 Queen Square, Bristol, BS1 4BE

Banker

NatWest Bank plc, 32 Corn Street, Bristol, BS99 7UG

Solicitor

Womble Bond Dickinson (UK) LLP, 3 Temple Quay, Temple Back East, Bristol, BS1 6DZ

Investment Manager

Evelyn Partners Investment Management LLP, Portwall Place, Portwall Lane, Bristol, BS1 6NA
(via The Merchant Venturers' Charities Investment Pool (MVCIP) Charity Number 1053459)

Reference and administrative information

Until 31 December 2003 the Trust was governed by a Charity Commission Scheme dated 15 February 1966, as amended by Schemes of 9 April 1970, 3 December 1984, 4 August 1988 and 29 November 1994 ("the Scheme"). During 2004 the full legal and accounting responsibility of Collegiate School and Montpelier High School transferred from the Trust to The Collegiate School Bristol Limited (Company number 2792699 and Charity number 1079552) and Venturers Trust Limited (Company number 2792527 and Charity number 1079551) respectively. These transfers did not include the land and buildings, which remain assets of the Trust and were leased to the two Schools on long leases at a peppercorn rent. The new Scheme was dated and approved on 9 January 2004.

On 1 September 2008 a new Academy school, Venturers Trust (Company number 6511936 and Charity number 1123317) opened and most of the existing operations of Montpelier High School were transferred to this Academy, as a non-fee-paying school. As a result, the lease to the School ceased and the Trust granted a new 125-year peppercorn lease for the benefit of Venturers Trust in respect of the land and buildings occupied by them at Cheltenham Road, Bristol.

Structure, governance and management

Governing document

The Trust is constituted under a Trust deed dated 15 February 1966 (see above) as varied by Schemes dated 22 August 2008 and 3 January 2017 and is a registered charity, number 311737.

Governing body and organisational management

The Trustee of the Charity is SMV Trustee Company Limited, a company limited by guarantee. All the members of the Society of Merchant Venturers' Standing Committee are Directors of SMV Trustee Company Limited.

The Board of SMV Trustee Company Limited meets regularly and periodically reviews the operation and financial results of the Charity.

Assisting the Trustee are the Investment Strategy Group, the Finance and Investment Sub-Committee and the Conflicts of Interest Advisory Sub-Committee.

Montpelier Collegiate Trust

Report of the Trustee for the year ended 31 December 2022 (continued)

Governing body and organisational management (continued)

The Conflicts of Interest Advisory Sub-Committee comprises of two individuals with no connection to either SMV or SMV TCL who would advise on areas where a conflict of interest might arise. The Society of Merchant Venturers provided administrative services to the charities listed in note 13 of which SMV TCL was trustee and made a charge for these. The Conflicts of Interest Advisory Sub-Committee has reviewed these charges and made a recommendation to the board of SMV TCL that the proposed charges are appropriate.

Recruitment and training of the Trustee

The Board of SMV Trustee Company Limited are elected annually from within the membership of the Society of Merchant Venturers and are apprised of the general duties of a trustee. In the event of significant changes to legislation or best practice, further relevant training is undertaken. They are also made aware of the specific responsibilities associated with the Trust.

Risk management

In the light of the Corporate Governance guidance contained within the Statement of Recommended Practice 2019 "Accounting and Reporting by Charities", the Trustee examined the major risks faced by the Charity.

The Trustee continues to monitor and manage ongoing risks relating to areas such as the achievement of the charitable objects and the protection of the charity's assets. Systems are in place to monitor and control these risks and to mitigate the impact that they may have on the charity in the future.

The Merchant Venturers' Audit Committee is responsible for assessing the scope and effectiveness of the systems and processes established by management to identify, assess, manage and monitor the financial and non-financial risks. The risk register is reviewed and updated as required and no less frequently than twice per year by Management and by the Merchant Venturers' Audit Committee and is noted by the Trustee.

The Charity is reliant on the income from its investments to enable it to fund donations in the furtherance of its charitable objectives. Should investment income fall, there would be a corresponding reduction to the donations to the Schools.

Objectives and activities

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Objects of the Trust

The objects of the Trust are the advancement of the education of young people under the age of 25 by (1) the provision of maintenance and support of Collegiate School and Montpelier High School and (2) the support of educational activities anywhere in the area of benefit and (3) the provision of bursaries, scholarships, grants or other payments to young people in need of financial assistance to assist them in pursuing their education either at Collegiate School or Montpelier High School or elsewhere in the area of benefit. In addition, the Scheme empowers the Trust to lease the land and property held in trust on behalf of the schools to them and to charge the property as security for any borrowings. The area of benefit of the Trust is the City of Bristol and the surrounding area formerly comprised in the County of Avon. The Trustee has met these objectives during the year.

Montpelier Collegiate Trust

Report of the Trustee for the year ended 31 December 2022 (continued)

Aims and intended impact

On 27 January 2004, the Trust granted a 125-year peppercorn lease to Montpelier High School, and on 23 April 2009 the Trust granted a 125-year lease for the benefit of Venturers Trust, over the properties utilised by the Schools. These leases include a reverter clause whereby the lease is terminable if the premises cease to be utilised by the schools in the pursuance of their objects. Separate 125-year peppercorn leases were granted over eight residential properties within the grounds of Collegiate School in order to enable these properties to be offered as security for borrowings by that School. There are no reverter clauses in these leases and the freehold interests continue to be held by the Trust. In July 2009 the lease of the main site was further varied to release from it the properties known as Seabrook House and 2 Fry's Close and new leases of both these properties were granted on 24 July 2009 on terms similar to those under which the eight residential properties mentioned above were let. These properties were then, with the consent of the Trust, offered as security to the Trustees of the Old Colstonian Charitable Trust in relation to loans made to Collegiate School by that trust.

There is separate provision for the payment of compensation to the Department for Education ("DfE") in respect of work carried out to the premises by DfE in the event of the lease for the benefit of Venturers Trust being brought to an end, but with such compensation being calculated by reference to the benefit from any improvements flowing to the Trust at that time. This provision is time limited to 30 years from 2008.

The Trust therefore provides properties from which both Collegiate School and Montpelier High School operate. In addition, it provides endowment income, grants and bursaries which are distributed for the benefit of both schools to widen access to educational opportunities.

In 2021 the Charity acquired the freehold of the former Kitto premises, which are strategically located between Montpelier High School and the Dolphin School and this was funded by way of a land swap, with a site fronting on to Station Road and a balancing payment being made.

Consent was obtained from the DfE for the current lease to Venturers Trust to be varied so as to exclude the site sold to Kitto but to include the premises acquired. At the same time, it was agreed by the DfE that the flats located above 180A – D Cheltenham Road be removed from the school's lease, and further that Venturers Trust be permitted to sub-lease the office building on the Kitto site to the Charity for 25 years to enable it to refurbish and let these premises. The income generated from the flats and the office building will be used to service the loan taken to purchase the Kitto site, with any surplus net income being passed to Venturers Trust.

Financial review

The Statement of financial activities is set out on page 12. During the year, the Trust has continued to make donations to Collegiate School and Montpelier High School.

The endowment income is distributed quarterly and, after various charges on the fund, the residual unrestricted income was distributed as follows (see note 2):

	2022 £	2021 £
4/5 to Collegiate School	5,520	7,024
1/5 to Montpelier High School	1,380	1,756
	6,900	8,780

The income from the restricted funds was distributed independently to the schools in line with the relevant restrictions.

Montpelier Collegiate Trust

Report of the Trustee for the year ended 31 December 2022 (continued)

Investment policy and performance

The Charity continued to invest in the Merchant Venturers' Charities Investment Pool (MVCIP) (Charity number 1053459) during the year. The Merchant Venturers' Finance and Investment Sub-Committee's policy is to increase income whilst preserving the real value of the investments. The income provides unrestricted funds to enable the Trustee to pursue the objects of the Charity, including plans for the future.

The year ended 31 December 2022 was a tumultuous year on almost every facet and financial markets were deeply affected. There was multi-decade record inflation and central banks responded with rapidly tightening monetary policy. Rising interest rates saw the correlation between bonds and equities turn positive, contributing to large declines across most asset classes. Funds flows diverted away from growth and momentum strategies, and yield curves flattened. The total return of the investment portfolio in the year was a loss of (10.6%) versus the MSCI PIMFA Balanced Index loss of (8.1%) (2021: gain of 10.31% versus the PIMFA Conservative Index benchmark gain of 6.89%).

Reserves policy

At 31 December 2022 the charity's endowment fund was £703,588 and comprised tangible fixed assets and investments. The tangible fixed assets comprise the freehold land and buildings at Collegiate School and Montpelier High School (part of the Venturers Trust). The endowment investments comprise the original capital contributions plus any subsequent additions to capital and incorporate all unrealised surpluses and deficits. All income derived from the endowment fund is unrestricted and is distributed in full to the schools after the deduction of administrative charges.

Restricted funds at 31 December 2022 totalled £363,223 and are used in accordance with the specific restrictions imposed by donors (see note 9).

The policy and target is reviewed on an annual basis by the Trustee to take account of the development of the charity and a review of the changing risks it faces, particularly in respect of income.

Grant making policy

Charitable donations, including supporting administrative costs, relate to the distributions made or approved to Collegiate School and Montpelier High School.

Going concern

The financial statements have been prepared on a going concern basis which the Trustee considers to be appropriate for the following reasons.

The Trustee has prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the charity will have sufficient funds to meet its liabilities as they fall due for that period.

Consequently, the Trustee is confident that the Charity will have sufficient funds to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore has prepared the financial statements on a going concern basis.

Montpelier Collegiate Trust

Report of the Trustee for the year ended 31 December 2022 (continued)

Future plans

The Trustee will continue to fulfil its duties as a responsible landlord in pursuit of the overall objectives of the Trust and also manage the endowment with the intention that income is maximised whilst preserving the real value of the investments.

Statement of Trustee's responsibilities in respect of the Trustee's Annual Report and the financial statements

Under charity law, the trustees are responsible for preparing a Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees are required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

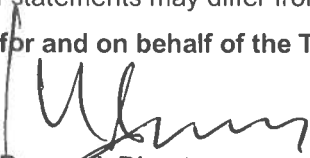
In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed for and on behalf of the Trustee


Patrick Despard, Director
Merchants' Hall, The Promenade, Clifton, Bristol, BS8 3NH

Date: 07 JULY 2023

Independent auditor's report to the Trustee of Montpelier Collegiate Trust

Opinion

We have audited the financial statements of Montpelier Collegiate Trust ("the charity") for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet and related notes, including the accounting policies on page 14.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management as to the charity's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.

Independent auditor's report to the Trustee of Montpelier Collegiate Trust (continued)

- Reading SMV Trustee Company Limited Board minutes, audit committee, and investment committee meeting minutes.
- Using analytical procedures to identify any unusual or unexpected year on year movements.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment we performed procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries.

On this audit we did not identify a fraud risk related to revenue recognition due to the simple recognition criteria and limited scope for judgement. We therefore assessed that there was limited opportunity for management to manipulate the income that was reported.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual accounts combinations.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Charity is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably. Firstly, the Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: certain aspects of charity legislation recognising the financial and regulated nature of the Charity's activities and its legal form.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

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. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

Independent auditor's report to the Trustee of Montpelier Collegiate Trust (continued)

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Report of the Trustee. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 7, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent auditor's report to the Trustee of Montpelier Collegiate Trust (continued)

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's trustees as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Brown

Jonathan Brown

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

66 Queen Square

Bristol,

BS1 4BE

Date: *07 JULY 2023*

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

Montpelier Collegiate Trust

Statement of financial activities for the year ended 31 December 2022

	Note	Unrestricted funds Investments £	Unrestricted funds Rents £	Restricted fund £	Permanent endowment fund £	2022 Total £	2021 Total £
Income from:							
Income	1	25,910	88,451	13,331	-	127,692	113,513
Total income		25,910	88,451	13,331	-	127,692	113,513
Expenditure on:							
Charitable activities							
Education:							
Collegiate School	2	(17,939)		(12,398)	-	(30,337)	(22,178)
Montpelier High School	2	(4,485)		(891)	-	(5,376)	(4,457)
Total charitable activities		(22,424)		(13,289)	-	(35,713)	(26,635)
Other	3	(4,730)	(87,705)		-	(92,435)	(120,391)
Total resources expended		(27,154)	(87,705)	(13,289)	-	(128,148)	(147,026)
(Loss)/gain on revaluation of investments	5	-		(54,842)	(106,549)	(161,391)	76,641
Transfer		1,244		(1,244)		-	-
Net (expenditure)/ income being net movement in funds	11	-	746	(56,044)	(106,549)	(161,847)	43,128
Reconciliation of funds:							
Total funds brought forward		-	(35,932)	419,267	810,137	1,193,472	1,150,344
Total funds carried forward	11		(35,186)	363,223	703,588	1,031,625	1,193,472

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The accompanying notes form an integral part of these financial statements.

There is no difference between the net incoming resources for the year and their historical cost equivalent.

Montpelier Collegiate Trust

(Charity Number 311737)

Balance sheet at 31 December 2022

	Notes	2022		2021	
		£	£	£	£
Tangible assets	4		569,664		593,400
Investments	5		1,058,389		1,219,780
			1,628,053		1,813,180
Current assets					
Debtors	6	16,083		19,760	
Cash		111,958		107,589	
		128,041		127,349	
Creditors: amounts falling due within one year	7	(102,189)		(21,481)	
Net current assets			25,852		105,868
Creditors: amounts falling due after one year			(622,280)		(725,576)
Net assets			1,031,625		1,193,472
Funds					
Unrestricted fund Investments			-		-
Unrestricted fund Rents	11		(35,186)		(35,932)
Restricted funds	9		363,223		419,267
Permanent endowment fund	10 & 11		703,588		810,137
			1,031,625		1,193,472

The financial statements on pages 12 to 21 were approved by the Trustee on 07 JULY 2023 and were signed on its behalf by:


Patrick Despard
Director


Michael Bothamley
Director

The accompanying notes form an integral part of these financial statements.

Montpelier Collegiate Trust

Principal accounting policies

Presentation of financial statements

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom, the accounting regulations issued under the Charities Act 2011 and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2019.

The accounting policies that the Charity has adopted to determine the amounts included in respect of material items shown in the balance sheet and also to determine the income and expenditure have been applied consistently in the current and preceding year and are shown below.

Montpelier Collegiate Trust 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.

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments, and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102).

Going Concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate.

The Trustees have reviewed the cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period.

Consequently, the Trustee is confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In applying the charity's accounting policies, the Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Investment income

Quarterly distributions from the investments in MVCIP are treated as income of the period in which they accrue.

Other income

Other income is credited to the statement of financial activities on a receivable basis.

Expenditure

- (a) All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenses.
- (b) Charitable donations, including supporting administration costs, relate to the distributions made or approved to Collegiate School, Montpelier High School and other entities as detailed in the objects of the Trust.
- (c) Governance costs relate to the strategic management of the Charity's assets, and compliance with constitutional and statutory requirements.

Montpelier Collegiate Trust

Principal accounting policies (continued)

Irrecoverable VAT

Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the asset where appropriate.

Fund accounting

The Trust has three types of funds for which it is responsible, and which require separate disclosure. These are as follows:

Unrestricted funds

Income arising from the endowment investments is credited to the unrestricted fund. These funds are expendable at the discretion of the Trustee in furtherance of the objects of the Trust.

Following the acquisition in 2021 of the former Kitto premises and the removal from the school's lease (as agreed by the DfE) of the flats located above 180A – D Cheltenham Road the charity has responsibility for oversight of the flats. Due to required maintenance spend, a net operating expenditure was generated by the rents in 2021 and 2022. The Trustee expects this to generate a net operating income in the future.

Permanent endowment fund

The permanent endowment fund comprises tangible fixed assets and investments. The tangible fixed assets comprise the land and buildings at Collegiate School and Montpelier High School. The investments comprise the original capital contribution plus any additions to capital and incorporate all unrealised gains and losses arising on the revaluation of the investments, all of which are invested in MVCIP.

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund are set out in the notes to the financial statements.

Investments

The Trust's investments in MVCIP are stated at mid-market value at the balance sheet date. This is not in accordance with FRS 102 which recommends bid value but is consistent with the entity's performance management process. Using bid values would lead to a movement in the valuation of these listed investments of an amount which is considered by the Trustee to be immaterial.

The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the period.

Cash flow statement

A statement of cash flows has not been prepared as the Charity has taken advantage of the exemption available in the SORP for smaller charities.

Taxation

Montpelier Collegiate Trust is a registered charity and as such tax exemption applies to the income arising from and expended on charitable activities and to its investment income and gains.

Fixed assets and depreciation

Fixed assets are stated at cost less depreciation.

Depreciation is calculated so as to write off assets on a straight-line basis over the expected useful economic lives of the assets concerned. The annual rates used for this purpose have been:

Freehold buildings and improvements	15 to 50 years
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Land and assets in the course of construction are not depreciated.

Assets with a cost of less than £1,000 are written off to expenditure during the year.

Montpelier Collegiate Trust

Notes to the financial statements for the year ended 31 December 2022

1 Incoming resources

	2022 £	2021 £
Investment income		
Distributions from MVCIP	39,218	36,991
Rental Income	88,451	76,521
Bank interest	23	1
	127,692	113,513

2 Analysis of total resources expended

Donations from the unrestricted fund comprise:

	Direct costs £	Support costs £	2022 £	2021 £
Collegiate School	5,520	12,419	17,939	11,268
Montpelier High School	1,380	3,105	4,485	2,817
	6,900	15,524	22,424	14,085

All support costs have been allocated to one charitable activity (education).

The Trust has no employees and no staff costs (2021: nil). However, a recharge is made by the Society of Merchant Venturers for staff as disclosed in note 11.

Details of restricted expenditure during the year are provided on note 9.

3 Other costs

	2022 £	2021 £
Audit fee	2,340	2,340
Professional Fees	11,897	19,510
Maintenance of residential properties	16,230	64,971
Loan Interest	35,490	31,410
Telephone and Fax	352	-
Depreciation	23,736	-
Trustee's indemnity insurance	2,390	2,160
	92,435	120,391

The audit fee excluding irrecoverable VAT was £1,950 for 2022 (2021: £1,950).

Montpelier Collegiate Trust

Notes to the financial statements for the year ended 31 December 2022 (continued)

4 Tangible fixed assets

	Investment Property £	Freehold land and buildings £
Cost or valuation		
As at 1 January and	593,400	6,693,509
Additions	-	-
Total cost	593,400	6,693,509
Accumulated depreciation		
As at 1 January	-	(6,693,509)
As at 31 December 2022	(23,736)	-
Net book value as at 31 December 2022	569,664	-
Net book value as at 31 December 2021	593,400	-

The beneficial use of the freehold land and buildings has been transferred to Collegiate School and Montpelier High School (part of Venturers Trust). As a result of this the Trustee considers that it is appropriate to record a value of these assets in these financial statements as £nil. The freehold interest remains with Montpelier Collegiate Trust.

5 Fixed asset investments

	Investments in MVCIP £
Cost	
As at 1 January and 31 December 2022	735,048
Revaluations	
Unrealised gains at 1 January 2022	484,732
Losses arising on revaluation in the year	(161,391)
Unrealised gains at 31 December 2022	323,341
Net book value at 31 December 2022	1,058,389
Net book value at 31 December 2021	1,219,780

All investments are held in the MVCIP. The portfolio for MVCIP was structured as follows at 31 December 2022:

	%
Investment assets in the UK	39.1
Investment assets outside the UK	42.6
Alternatives & Multi-Asset	16.8
Cash	1.5
	100.0

Montpelier Collegiate Trust

Notes to the financial statements for the year ended 31 December 2022 (continued)

6 Debtors

	2022 £	2021 £
Accrued investment income	10,685	12,701
Prepayments	5,398	7,059
	16,083	19,760

7 Creditors: amounts falling due within one year

	2022 £	2021 £
Collegiate School	4,611	4,053
Montpelier High School	857	753
Other creditors	18,938	16,675
Bank loan due within one year	77,783	-
	102,189	21,481

8 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Age analysis of bank loan		
Due within one year	77,783	56,549
Due after more than one year:		
Between one and two years	77,783	59,832
Between two and five years	544,497	609,195
More than five years	-	-
Total due after more than one year	622,280	669,027
Total	700,063	725,576

The Charity took out a loan with NatWest Bank during 2021 to finance the acquisition of the freehold of the former Kitto premises, which are strategically located between Montpelier High School and the Dolphin School. The loan had a balance of £700,063 at 31 December 2022 (£725,576 at 31 December 2021), was secured on 180a, 180b, 180c and 180d Cheltenham Road and interest was payable at 4.5% above base rate. The Charity took advantage of a capital repayment holiday for 12 months from the date of inception. The loan will be repaid by monthly instalments. Repayment is permitted over a shorter or longer period, ending no later than the final repayment date of 19 February 2026.

Montpelier Collegiate Trust

Notes to the financial statements for the year ended 31 December 2022 (continued)

9 Restricted funds

	As at 1 January 2022 £	Net incoming/ (outgoing) resources £	Loss in market value of investment £	As at 31 December 2022 £
RSW Clarke	54,090	-	(7,157)	46,933
CCS Trusts	17,556	-	(2,323)	15,233
CCS Prize	18,332	-	(2,425)	15,907
CCS Bursaries and Scholarships	219,906	-	(29,096)	190,810
F A Clark	95,702	-	(12,663)	83,039
A M McWatters	11,282	78	(1,214)	10,146
Transfer	2,399	(1,244)	-	1,155
	419,267	(1,166)	(54,878)	363,223

- The RSW Clarke Fund was established to provide travel for teachers at Montpelier High School.
- The CCS Trusts, Prize, and Bursaries and Scholarships Funds each consist of a number of small personal donations to provide scholarships, bursaries, prizes and other assistance to pupils at Collegiate School.
- The income from the F A Clark Fund is to be used at the discretion of the Trustee and Governors of Collegiate School for special projects at that School.
- The A M McWatters Fund was established to provide a history travel prize for pupils at Collegiate School.

10 Permanent endowment fund

The permanent endowment fund comprises the Trust's investment in MVCIP excluding the restricted investments transferred from Collegiate School and Venturers Trust, the value of which was £699,424 at 31 December 2022 (2021: £805,291).

The fund also contains the Trust's freehold land and buildings which were valued at £26,941,250 on 31 December 2003 by Alder King in accordance with the RICS Appraisal and Valuation Standards in particular in accordance with UK Practice Statement 1 and Financial Reporting Standard 15. On 27 January 2004 and 23 April 2009, the Trust granted 125-year peppercorn leases over these assets thereby transferring the beneficial use to the two schools. As a result of this the Trustee considers that it is appropriate to record the value of these assets in these financial statements at £nil.

Montpelier Collegiate Trust

Notes to the financial statements for the year ended 31 December 2022 (continued)

11 Analysis of funds

	Unrestricted funds Rent	Unrestricted funds Investment Income £	Restricted funds £	Permanent endowment fund £	Total £
At 1 January 2022	(35,932)	-	419,267	810,137	1,193,472
Net movement in funds	746	(1,244)	(54,800)	(106,549)	(161,847)
Transfer	-	1,244	(1,244)	-	-
At 31 December 2022	(35,186)	-	363,223	703,588	1,031,625
Represented by					
Investments	-	-	359,647	698,742	1,058,389
Tangible fixed assets	569,664	-	-	-	569,664
Current assets	105,768	-	5,974	16,299	128,041
Current liabilities	(10,555)	-	(2,398)	(11,453)	(24,406)
Long Term liabilities	(700,063)	-	-	-	(700,063)
	(35,186)	-	363,223	703,588	1,031,625

12 Trustee's remuneration

The Trustee did not receive remuneration or reimbursement of expenses for their services to the Trust during the year, nor held any beneficial interest in any contract with the Trust during the year (2021: £nil).

The Society of Merchant Venturers charged £6,188 (2021: £2,624) to the Charity to recover costs incurred on behalf of the charity. Of this, £nil is outstanding at the year-end (2021: £nil).

Montpelier Collegiate Trust

Notes to the financial statements for the year ended 31 December 2022 (continued)

13 Related party transactions

The Trust had a number of related party transactions with the following organisations:

The Society of Merchant Venturers

The Society of Merchant Venturers recharged the charity £6,044 during the year (2021: £6,586) in relation to costs associated with school functions. Of this, £6,044 is outstanding at the year-end (2021: £6,586).

Venturers Trust and Collegiate School

The schools are connected organisations (note 14). The Trust holds investments for the benefit of the Collegiate School and Montpelier High School, the income from which is paid to the schools. For details of donations paid to the schools see the statement of financial activities. For details of outstanding balances at the year-end see note 7.

Merchant Venturers' Charities Investment Pool (MVCIP)

The Trustee is also the Trustee for MVCIP. For details of the investments held and income received from these investments see notes 1 and 5. At the year-end £10,685 was outstanding from MVCIP (2021: £9,408).

14 Connected organisations

Collegiate School and Venturers Trust are connected organisations, with governor nomination rights from the Society of Merchant Venturers. Collegiate School can be contacted at Bell Hill, Stapleton, Bristol, BS16 1BJ and Venturers Trust can be contacted at Gatehouse Avenue, Bristol, BS13 9AJ. For details of transactions with those entities see note 12.

15 Kitto Project

During 2021, the Charity acquired the freehold of the former Kitto premises, which are strategically located between Montpelier High School and the Dolphin School. This was funded by way of a land swap, with a site fronting on to Station Road and a balancing payment being made, financed via a bank loan from NatWest Bank Plc.

Consent was obtained from the DfE for the current lease to Venturers Trust to be varied so as to exclude the site sold to Kitto but to include the new Kitto premises. At the same time it was agreed by the DfE that the flats located above 180A – D Cheltenham Road be removed from the School's lease, and further that Venturers Trust be permitted to sub-lease the office building on the Kitto site to the Charity for 25 years. The income generated from the flats and the office building will be used to service the loan taken to purchase the Kitto site, with any surplus net income being passed to Venturers Trust for the benefit of Montpelier High School.