

**MAGDALEN COLLEGE SCHOOL OXFORD LIMITED**  
**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

Registered Company Number: 02106661

Registered Charity Number: 295785



**MAGDALEN COLLEGE SCHOOL OXFORD LIMITED**  
**YEAR ENDED 31 JULY 2020**

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# **MAGDALEN COLLEGE SCHOOL OXFORD LIMITED**

## **YEAR ENDED 31 JULY 2020**

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### **GOVERNORS' REPORT**

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The Chairman and Governors of Magdalen College School Oxford Limited present their Report for the year ended 31<sup>st</sup> July 2020 under the Charities Act 2011. This Report includes the Governors' Report and the Strategic Report, together with the audited financial statements for the year. The Chairman and Governors, who are Directors of the Company and trustees of the charity, confirm that the audited financial statements comply with the requirements of the Companies Act 2006 and with the Company's Memorandum and Articles of Association.

#### **REFERENCE & ADMINISTRATIVE INFORMATION**

Magdalen College School was founded in 1480 by William of Waynflete. It was established in 1987 as a charitable company, charity registration number 295785, company registration number 02106661. The Members of the Company are the President and Fellows of Magdalen College Oxford and the Bursar of Magdalen College Oxford, and the liability of the Members is limited to £1 each by guarantee. The Registered Office and principal address of the Company is at Cowley Place, Oxford OX4 1DZ.

#### **OBJECTS, AIMS AND PRINCIPAL ACTIVITIES**

The Objects of the Charity, in accordance with its Memorandum and Articles of Association, are to promote and provide for the advancement of education of children in the United Kingdom and in connection therewith to conduct, carry on, acquire and develop any boarding or day school or schools.

The School is a selective day school for boys between the ages of 7 and 18 and girls from 16 to 18. Shaped by its Christian collegiate foundation and by its links with the university city of which it is part, the School aims to inspire in all its pupils a desire to learn, to flourish and to serve. The Junior School (boys aged 7-11) retains an identity separate from the Senior School (11-18), being located in School House but making extensive use of the wider School's facilities and premises. The School educates the boy choristers of Magdalen College who number up to 16 at any one time under the terms of the College's founding charter. In 2019-20 the average number of pupils enrolled was 924, including 138 in the Junior School.

The Governors, in consultation with the Master and Senior Management Team, regularly review the School's Aims and conducted such a review at the Governors' Away Day in March 2020. The School's aims are as follows:

- To facilitate a full and rich intellectual and moral education in a liberal community, fostering a joy in learning which enables each pupil to develop an independent and searching mind.
- To nurture confidence and a willingness to embrace a challenge, developing each individual's participation in and enjoyment of a broad range of pursuits, both within and beyond the classroom.
- To provide a safe, friendly and supportive environment in which individuality is valued through mutual support, respect and toleration.
- To equip pupils to make a positive and lasting contribution to their communities, both now and in the future.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing Document**

The Company is governed by its Memorandum and Articles of Association dated 5 March 1987.

##### **Governors, Directors and Charity Trustees**

The Governors of Magdalen College School are the School's trustees under charity law and the directors of the charitable company. The members of the Governing Body who served in office as Governors during the year, together with their membership of the various committees of the Board, are listed below and given in the table on page 5. In the list below '\*' denotes a Governor nominated by Magdalen College Oxford.

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**YEAR ENDED 31 JULY 2020**

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**GOVERNORS' REPORT (CONTINUED)**

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**Dr Paul Withers**  
**Chairman**

Senior Independent Director of Tyman plc and Devro plc. Former director of Keller plc until 31<sup>st</sup> July 2020. Trustee of Cambridge University Boat Club Foundation and parent of one former pupil.

**Professor Stuart Mackenzie \***  
**Vice-Chairman**

Professor of Chemistry at the University of Oxford and Official Tutor in Physical and Theoretical Chemistry at Magdalen College.

**Neil Record**

**Vice-Chairman (retired 31<sup>st</sup> December 2019)**

Chairman of Record plc, a currency and risk asset manager. Old Waynflete.

**Adrian James**

**Vice-Chairman (from 1<sup>st</sup> January 2020)**

Architect and member of the RIBA. Founder and director of Adrian James Architects Limited. Parent of one former pupil.

**Dr Catharine Benson \* (retired 31<sup>st</sup> December 2019)**

GP Principal in central Oxford with a special interest in Child & Adolescent Health.

**Professor Constantin Coussios \***

Lecturer and Tutorial Fellow in Engineering and Professorial Fellow of Magdalen College Oxford. Parent of one current pupil.

**Tim Edwards**

Director of Record plc; Trustee of the Institute for Research in Schools; Chair of Storm Therapeutics Ltd, Karus Therapeutics Ltd and AstronauTx Ltd. Parent of two former pupils.

**Patricia Griffin (retired 31<sup>st</sup> March 2020)**

Formerly Head of Middle School and Pastoral Deputy at St George's School (retired 2013). Independent Schools Inspector working in the UK and internationally. *Joined the Board with effect from 1<sup>st</sup> January 2020.*

**Simon Hope (joined 1<sup>st</sup> April 2020)**

Group Executive Director of Savills UK Ltd, Chairman of Tilstone LLP, co-founder and non-executive of the Warehouse REIT, Chairman of Racing Homes and Trustee of Racing Welfare, The Jockey Club's charity. Parent of two former and one current pupil.

**Professor Daniel Kroening \***

Professor of Computer Science at the University of Oxford and a Fellow of Magdalen College (2007). Parent of one current pupil.

**Judy Brooks Longworth**

Formerly Development Director at Balliol and University Colleges (Oxford) and Radley College.

**Jan Phillips**

Partner of a US international law firm (managing partner and head of tax practice in the London office, leader of graduate recruitment programme and compliance officer for finance and administrative matters).

**Dr Rachel Phillips (joined 1<sup>st</sup> April 2020)**

Consultant Radiologist at The Churchill Hospital and Honorary Senior Clinical Lecturer at Oxford University. Fellow of the Royal College of Physicians and a Fellow of the Royal College of Radiologists

**Robert Price**

A former member of Oxford City Council (1983-2018) and Leader of the Council for the last 10 years. Chair of the Pegasus Youth Theatre, Trustee to the Pegasus Theatre and a member of the Advisory Boards of the Oxford Festival of Arts and the Oxford Philharmonic Orchestra. *Joined the Board with effect from 5<sup>th</sup> July 2020*

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**YEAR ENDED 31 JULY 2020**

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**GOVERNORS' REPORT (CONTINUED)**

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**Dr Nigel Richardson (retired 31<sup>st</sup> December 2019)**

Formerly Head of the Perse School, Cambridge and the Dragon School, Oxford. Former Chairman of HMC. Board member of AGBIS (Association of Governing Bodies of Independent Schools) since 2014

**Dr Richard Saldanha**

Director of Oxquant Consulting Ltd; Independent Adviser to Oxford Portfolio Advisers Ltd; Teaching Fellow in the School of Economics and Finance, Queen Mary University of London. Parent of one former pupil.

**Ben Vessey**

Head of Canford School. Old Waynflete.

**Charles Young**

Formerly Investment Bursar and Fellow of Magdalen College (retired 2014).

**Governing Body and Governance**

During the year under review, 18 individuals served as Governors. Four individuals retired during the course of the year and two joined. At 31<sup>st</sup> July 2020 the Board of Governors numbered 14. The maximum number of Governors, as approved by the Members, is 16.

Governors are required under the Memorandum and Articles of Association to serve as Directors of the Company. They also serve as Trustees of the Charity. The Chair is supported by two Vice-Chairmen (Stuart Mackenzie and Adrian James) and by the other members of the Governing Body.

Four Governors are nominated by the Governing Body of Magdalen College Oxford to represent the Members' interests. Other Governors are identified and chosen by the Board's Nominations Committee and are proposed to a meeting of the full Board of Governors. Candidates' selection is based on eligibility, personal competence and specialist professional skills which can benefit the School; local availability is also a consideration in order to facilitate attendance at meetings. The Nominations Committee meets at least annually and as often as required. All Governors, as Trustees, give their time freely and no remuneration is paid to them. No Governor or a person connected with a Governor received any benefit from either contractual work from the School or any form of fee remission.

New Governors are inducted into the workings of the School as a Company and as a Charity by their attendance at the termly meetings of the Board of Governors and the various committees. New Governors may attend these meetings as observers before they take up their position as a Governor. They are issued with the AGBIS (Association of Governing Bodies of Independent Schools) Guidelines for Governors and the Charity Commission's "The Essential Trustee" as well as further guidance specific to the School. Governors are encouraged to attend courses run by AGBIS. Governors are also encouraged and are expected to attend events during the School year (Open Days, Prize-giving, Commemoration, and the major drama events and concerts) and occasions at which they are particularly welcome to observe first-hand various aspects of the School's daily life, including days in School observing lessons, drama, music and sporting activities.

**Section 172 statement – promoting success of Magdalen College School**

Under section 172(1)(a) to (f) of the Companies Act 2006, directors of a company must act in a way most likely to promote the success of the company, and in doing so must have regard to:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the company

In outline, the Chairman and Governors, who are the Directors of the Company and Trustees of the Charity fulfil their duties as follows:

**Governance, risk management and oversight of decision making:** Whilst day-to-day decision making is delegated to the School staff, the Governors retain oversight of the School's performance through the committee structure. Committees ensure the management is acting in accordance with the strategy, policies and delegated authorities agreed by the Board. The School's aims and ethos are clear and strong, and underpin all decision making, thus ensuring the Governing Body's intent pervades all aspects of School life. MCS is approaching its 550<sup>th</sup> anniversary in 2030, and the Governing Body ensures that decisions are taken to ensure the success of the School for at least another half millennium. For further details of Governance structures see pp.4-5 and risks p.16.

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**GOVERNORS' REPORT (CONTINUED)**

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**The MCS Community and the wider community:** The Governors recognise that all members of the MCS Community; staff, pupils, parents, Old Waynfletes and trusted commercial partners are integral to the long-term success of the School. MCS' excellent reputation is founded though on the quality of its educational provision, and therefore the Governors ensure that the staff remuneration and benefits package continues to attract high calibre staff across all area of the school, and there is a strong focus on staff wellbeing and professional develop. The School has well developed communication structures with different sections of the Community, and key messages are shared regularly. The Chairman of Governors communicates at various points through the year to all parents and staff. The Governors are mindful of MCS' impact on, and responsibility to, the wider community in OX4 and the City of Oxford in particular; and this is evident in our successful and extensive Partnership work. For further information about the School's public benefit activities see pp.10-11.

**Maintaining a reputation for high standards of business conduct:** The Governors recognise that high educational standards are vital to the success of MCS, and that these are driven by a staff and an organisation as a whole that has high standards of business conduct. The Governing Body works to ensure the School reaches the highest regulatory standards set by the Independent Schools Inspectorate. See p.12-13 for further information about the School's achievements and the ISI Regulatory Compliance Report can be read [here](#).

**Organisational Management**

The business of the Governing Body is carried out through meetings of the Board and its committees. Information on the membership of these committees is provided on page 5.

The Board of Governors meets four times per annum. The September meeting is a review and planning meeting at which the Board considers progress made towards the achievement of strategic objectives during the previous year, and identifies likely themes for the forthcoming year. The meetings in December, March and June are decision-making sessions, at which the Board receives reports and considers recommendations from the various sub-committees.

In addition to the four scheduled meetings per annum Governors meet for an Away Day each March at which items of strategic importance are discussed.

Of the committees, the following meet at least once per term:

- Education
- Finance & General Purposes (F&GP)
- Estates
- Development

The Nominations and Remuneration Committee meets at least annually or as required.

The Internationalisation Committee meets as required.

The Disbursements Committee, which includes two Governors, meets twice a year.

Committee membership may also include co-opted non-Governors to offer professional advice and experience in their fields.

The Master attends meetings as an ex officio member of the Board and of each sub-committee. The Clerk to the Governors (who is also the School's Bursar) attends meetings and acts as secretary to the Committees. The Usher, the Deputy Head (Academic) and the Deputy Head (Education Development) attend meetings of the F&GP Committee, Education, and Disbursements Committees as ex officio members of those Committees; the Usher attends meetings of the Estates, Development and Internationalisation Committees as an ex officio member of those Committees. Other members of staff of the School attend sub-committee meetings as required and when their areas of responsibility are discussed.

The day-to-day running of the School is delegated by the Governors to the Senior Management Team of the School (comprising the Master, the Usher, the Bursar, the Deputy Head (Academic) and the Deputy Head (Education Development)). The Senior Management Team is in turn supported by the Master's Advisory Committee, which includes the Head of the Junior School, the Head of Sixth Form and other members of the School's teaching and support staff.

The Senior Management Team holds a twice termly meeting of the Health & Safety Committee which one Governor attends. During the pandemic, a Covid Steering Group of Governors supported the Senior Management Team.

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## YEAR ENDED 31 JULY 2020

### GOVERNORS' REPORT (CONTINUED)

#### Governors and membership of committees 2019 - 20

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
P Withers	Chair of Governors, Chair of Nominations and Remuneration Committee	X	X		X	X**		X	
N P Record	Vice-Chair, Chair of Development Committee (retired 31 <sup>st</sup> December 2019)				X	X		X	
Prof S Mackenzie *	Vice-Chair, Chair of Education Committee		X		X				
A James	Vice-Chair (from 1 <sup>st</sup> January 2020), Chair of Estates Committee (retired 31 <sup>st</sup> December 2019)	X		X					
Dr C Benson *			X				X		
Prof. C Coussios *			X					X	
T Edwards		X				X			
P Griffin	(retired 31 <sup>st</sup> March 2020)		X						
Prof D Kroening *			X						
J Longworth						X			X
J Phillips	Chair of F&GP Committee (from 1 <sup>st</sup> January 2020)	X			X				
R Price		X		X					
Dr N Richardson	Member of Nominations and Remuneration Committee (retired 31 <sup>st</sup> December 2019)		X		X				
R Saldanha	Chair of Internationalisation Committee	X						X	X
B Vessey			X						
C Young		X		X					
Dr R Phillips	(From 1 <sup>st</sup> January 2020)		X				X		
Simon Hope	(From 1 <sup>st</sup> April 2020)					X			

(1) Finance and General Purposes Committee

(2) Education Committee

(3) Estates Committee

(4) Nominations and Remuneration Committee

(5) Development Committee

(6) Health and Safety Committee

(7) Internationalisation Committee

(8) Disbursements Committee

\* denotes a Governor nominated by Magdalen College Oxford

\*\*denotes by invitation

#### Governors' Policies

As a charitable trust, the School seeks to benefit the public through its stated aims. The Governors set the academic fees each year so as to ensure the School's continued financial viability while providing an excellent education to its pupils, who are welcomed from all backgrounds. In setting fees, the Governors give consideration to such factors as:

- the recruitment and retention of the most able teaching and professional staff;
- the maintenance and refurbishment of premises and facilities to ensure a safe environment for pupils and one which facilitates high quality academic and extra-curricular activities;
- the School's policy with respect to financial reserves;
- the affordability of the School for current and potential pupils and their families.

The School provides financial assistance to pupils who might otherwise not be able to attend the School via a bursary scheme under the direction of the Bursar, the Registrar and other key members of staff. Entrance examinations and interviews are undertaken to ensure that potential pupils will be able to cope with the pace of learning and to benefit from the high level of education and extra-curricular activities which the School provides.

The School's published policies include its commitment to equal opportunity and to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. Reasonable adjustments are made on a case-by-case basis to meet the needs of staff and pupils who are temporarily or permanently disabled.

Pastoral care, and the welfare and safeguarding of pupils, are given the highest priority by all staff. The school nurtures a culture of openness and confidentiality in order to ensure that pupils always have someone to talk to, and that staff are appropriately informed so as to best support pupils. House tutors are the first port of call for pupils and parents; tutor teams are led by Heads of Year who are given the time to get to know the pupils alongside house tutors; Heads of Year report to

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**GOVERNORS' REPORT (CONTINUED)**

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Heads of Section and the Usher as Deputy Head Pastoral. The Head of the Junior School and Senior School Heads of Section are Deputy Designated Safeguarding Leads, the Usher is the school's Designated Safeguarding Lead.

The School Medical Centre provides further support, looking after both the Physical and Mental Health of all pupils. The Medical Centre can refer pupils to secondary care, which includes the school counselling service. The School Chaplain offers pastoral support to the whole of the school community.

Online tutoring time, as well as pupil/parental meetings, were invaluable during lockdown in providing continuity of care and support to all pupils and parents.

**STATEMENT OF GOVERNORS' RESPONSIBILITIES IN CONNECTION WITH THESE FINANCIAL STATEMENTS**

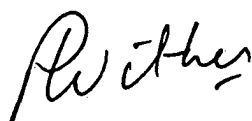
The Governors (who are also directors of Magdalen College School Oxford Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

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

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

So far as the Governors are aware, there is no relevant audit information of which the company's auditor is unaware. The Governors have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.



**Dr P N Withers**

Chair of Governors  
2<sup>nd</sup> December 2020



**MAGDALEN COLLEGE SCHOOL OXFORD LIMITED**  
**YEAR ENDED 31 JULY 2020**

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**GENERAL COMPANY INFORMATION**

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Members:	The President and Fellows of the College of St Mary Magdalen, Oxford ("Magdalen College, Oxford") & The Bursar of Magdalen College, Oxford	
Registered office:	Cowley Place Oxford OX4 1DZ	
Registered company number:	02106661	
Registered charity number:	295785	
Bankers:	National Westminster Bank plc 43 Cornmarket Street Oxford OX1 3HA	Svenska Handelsbanken AB Seacourt Tower West Way Oxford OX2 0JJ
Solicitors:	Royd Withy King North Bailey House New Inn Hall Street Oxford OX1 2EA	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH
Auditor:	Critchleys Audit LLP Beaver House 23-38 Hythe Bridge Street Oxford OX1 2EP	
Investment adviser:	Cazenove Capital Management A trading name of Schroder & Co. Ltd 1 London Wall Place London EC2Y 5AU	
Insurance broker:	SFS Group Ltd Spring Court Dorking Surrey RH4 1EB	
Master:	H L Pike	
Usher:	T M G J Beaumont	
Deputy Head (Academic):	B D White	
Deputy Head (Education Development):	Dr S R Crawford	
Bursar and Clerk to Governors:	J D Clarke (until 13/07/20), A H West from (14/07/20)	
Head of Junior School:	T E Skipwith	
Head of Sixth Form:	Dr C G Pearson	

**MAGDALEN COLLEGE SCHOOL OXFORD LIMITED**  
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**GENERAL COMPANY INFORMATION (CONTINUED)**

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**Group Structure and Relationships**

The School has two wholly-owned non-charitable subsidiaries:

- Magdalen College School Asset Management Limited;
- Magdalen College School International Limited.

The activities and trading performance of these companies during 2019-20 are described in the *Financial Review and Results of the Year* below.

The School is a member of the Headmasters' and Headmistresses' Conference (HMC), the Association of Governing Bodies in Independent Schools (AGBIS), the Independent Schools Bursars Association (ISBA) and the Independent Association of Prep Schools (IAPS), the Council for the Advancement and Support of Education (CASE), and the Institute of Development Professionals in Education (IDPE).

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## YEAR ENDED 31 JULY 2020

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### STRATEGIC REPORT

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The School's objectives have been set by the Governors, after careful consideration to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education. The main objective has been consistent with previous years, being the provision of both an excellent academic education and a wide range of extra-curricular activities to the School's pupils.

The extent to which the School is meeting its main objective was examined in March 2017 when the School was subject to Focused Compliance Inspection and Education Quality Inspection by the Independent Schools Inspectorate, and again in January 2020 when an interim Focused Compliance Inspection was carried out by the ISI. In both 2017 and 2020 the School was found to be wholly compliant with the standards specified in the Education (Independent School Standards) Regulations 2014. The Education Quality Inspection Report was highly complimentary of the School, commenting on the "exceptional" achievements of pupils in academic and extra-curricular spheres and the high quality of teaching provision throughout the School. The School was glad to receive such an endorsement, although it remains focused on continued development.

#### Strategic Development Plan

The Master and her Senior Management Team have produced a Development Strategy for the School based on three strategic tenets:

- to remain a top-flight academic school which is a leading and guiding educational voice in the UK and beyond;
- to build on extra-curricular excellence by improving current success and ensuring a reputation for that excellence locally and nationally; and
- to operate on a sustainable basis which secures an MCS education for future generations of pupils, regardless of their background.

During the year 2019-20 the focus of the Pastoral, Academic and Professional Development Policy Committees, as set by the Senior Management Team, has continued to be on the School's fourth aim:

- to equip pupils to make a positive and lasting contribution to their communities, both now and in the future.

The focus during 2019-20 has been on taking forward the new initiatives implemented during the previous two years while continuing to innovate, including:

- bedding in the introduction of Computer Science at IGCSE (now three sets) and offering it as an A-Level from September 2019;
- providing greater choice of Modern Foreign Languages (MFL) at IGCSE and introducing Mandarin as the first non-European MFL at MCS from September 2019;
- reform of language teaching and offer in the Junior School;
- following very positive feedback from pupils and parents, building on the successful introduction of an Activities Afternoon in the Junior School with very small impact on core academic delivery;
- continued reflection on marking and assessment timing;
- introduction of a Sixth Form Open Evening and Second Form taster evening;
- embedding and reviewing the Liliun (PSHCE) curriculum;
- continued work on dispositions;
- the formation of a Digital Strategy group to look at this area of the curriculum in greater depth
- partnerships work crystallised around OX3 and OX4 postcodes in particular, including the Rose Hill Community Larder which remained operational throughout lockdown.
- Work with Walters and Cohen Architects on a new Masterplan for the future of the School
- A successful summer bursary campaign, Conveniamus, to support the school's endowed bursary ambitions and to support hardship applications
- the school successfully secured funding from the DFE one of its partnership initiatives, though the pandemic has put this project on hold until 2020-21

During the year there has continued to be a focus on the development of the Junior School. The future of the Junior School forms a key element of the School-wide Development Strategy. During 2019-20 the School has continued to investigate, with advice from our architects and planners, the potential for developing the Junior School within its current home, the late 19<sup>th</sup> century School House.

The pandemic accelerated the work of the Digital Strategy group, and the School created the Virtual MCS platform in order to deliver home and in future blending learning with optimal effect.

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**STRATEGIC REPORT (CONTINUED)**

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The senior team also worked on the summer on a new Diversity and Sustainability strategy, for workshopping and implementation during 2020-21 and beyond.

Governors review the Development Strategy, particularly at the annual March Away Day.

**Public Benefit: Principal activities**

The School's principal activity is to provide a high quality education to pupils from Oxfordshire and neighbouring counties from the ages of 7 to 18 for boys and from 16 to 18 for girls. During the course of the academic year it had an average of 924 pupils. Entry for boys takes place at ages 7, 11, 13 and 16, and for girls at 16. The School continues to have a large number of applicants of high academic ability for the places on offer. The School does not offer boarding facilities, so all pupils are day pupils.

**Public Benefit: Financial support for pupils (access and bursaries)**

Entry to the School is based on examination and interview. It is not, however, limited to those whose family circumstances enable them to pay the fees in full. The School is a diverse community and pupils clearly benefit from mixing with and understanding the perspectives of pupils from a broad social mix.

The School's bursaries policy has been put in place to ensure that qualifying entrants from families who would have difficulty in paying the fees can access the high quality education that the School offers. The Governors' Bursary awards are offered on a means-tested basis and take into account family net worth, income and other circumstances. The Waynflete Awards Fund and the Leo Goldschmidt Fund are endowment funds, the income from which provides bursaries for a small number of pupils. Other bursaries are funded directly from fee income, annual donations and from restricted income funds. During the year Governors approved the creation of three new expendable endowment funds to support the School's bursary-related fundraising activities.

Bursaries are subject to annual re-assessment. Although in many cases bursaries are re-awarded in successive years, the process of re-assessment does sometimes result in an increase or a reduction in the amount of financial assistance that is offered, reflecting material changes in the financial position of the recipient families. Some financial assistance is designated as "hardship bursaries", this support being awarded for limited defined periods in the first instance, normally to assist families who experience redundancy or serious illness. Bursary grants are also made available to cover the costs of "extras" such as trips, uniform and travel.

In recent years the amount of financial assistance provided by the School to pupils and their families has increased significantly. In 2019-20 Governors' Bursaries ranging from 5% to 100% of fees were awarded to 53 pupils. In addition, a further 14 pupils were awarded bursaries funded from the endowment and restricted income funds mentioned above and 13 pupils received financial assistance from hardship funds supported jointly by the School and the Old Waynfletes' Club.

In addition to those pupils who received support from the School and its associated funds, a number of pupils received assistance from external independent organisations having varying degrees of association with the School. At least 12 pupils also received financial support from separate charitable organisations remitted to support education in general, and the School and Oxfordshire schools in particular.

Governors' bursaries	£600,663	(2018-19: £632,851)
Endowed & restricted funds bursaries	£155,705	(2018-19: £154,994)
Bursaries from external sources	<u>£ 40,859</u>	(2018-19: £41,459))
	£797,227	(2018-19: £829,304)

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## YEAR ENDED 31 JULY 2020

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### STRATEGIC REPORT (CONTINUED)

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#### Public Benefit: Links with the Community

MCS publishes details of its partnership and community engagement work on its website, alongside regular impact reports. Details of ongoing partnership projects are also listed on the ISC Schools Together website (<https://www.schoolstogether.org>). In 2019-2020, MCS pupils carried out over 3,250 hours of voluntary service at over 20 organisations locally through the School's Community Service Organisation (CSO).

Many of the School's partnership activities are supported by its donors. The Coronavirus (COVID-19) pandemic prevented the School from operating some of its long-standing partnership events (e.g. our Gifted and Talented summer school), but new opportunities emerged through the increased use of online technology.

MCS's partnership work was highlighted in the ISC's *The Missing Two Thousand* report into how independent and state schools work together to help the most disadvantaged students achieve their aspirations. The School also featured in *The Week's Independent Schools Guide 2020* as 'Best for Philanthropy' and was a finalist for the Independent School of the Year award for Community Outreach. In January 2020, MCS hosted a partnership conference attended by representatives from over 25 schools.

The school's Rose Hill Community Larder has operated continuously throughout the COVID-19 pandemic providing access to inexpensive, high-quality food while reducing wastage. In March 2020, the larder moved from its base in the Rose Hill Primary School to the neighbouring community centre. In September 2020, the larder was successful in securing funds from Oxford City Council to remain in the community centre for the next two years. This was a significant endorsement from the council for our work in Rose Hill.

MCS has received funding from the Department for Education following a successful bid for a cross-sector partnership grant. This grant was given for a new project, the Waynflete Primary Science Partnership, a collaboration between MCS and two local primary schools, St Francis and Rose Hill. One of the aims of the project is to allow pupils from the primary schools involved to gain exposure to a wider range of STEM topics and concepts, including an opportunity to develop practical laboratory skills. The project is scheduled to get underway in Trinity 2021.

The main activities in the School's programme of partnership and community engagement during 2019-20 are listed below.

**Academic:** A Maths Challenge afternoon was held for local maintained primary schools; MCS teachers supported maintained school sixth formers with the development of problem solving skills and exam revision, in collaboration with MEI and the Further Maths Support programme; teachers from MCS supported the teaching of A Level Latin and Chemistry at local maintained secondary schools; MCS Sixth Formers ran weekly Latin, French and Spanish clubs in local primary schools; MCS hosted a German language play for local secondary schools; a Model United Nations conference was attended by 25 schools; pupils from Magdalen College School in Brackley participated in weekly taught sessions as part of the Waynflete Studies programme; a Careers in Medicine Conference for eleven local maintained schools offered insight into medical careers; practice university interviews were held for local maintained school pupils; MCS hosted the Oxford German Network, an Oxford University initiative, which supports German in all schools in Oxfordshire; Sixth Form pupils visited local primary schools to run Science Extension Workshops; a History Conference on the French Revolution and Napoleon attracted over 200 pupils from eight visiting schools; a series of mathematics extension resources for Year 7 and 8 pupils were made available through the MCS Partnerships website; assorted lectures, speaker events and performances run by departments were open to pupils from local school; MCS funded two colleagues to spend a day per week on specialist partnership work in Maths and STEM/Medicine.

**Creative Arts:** MCS hosted the Virtual Oxford Festival of the Arts, a free 18-day online festival themed around the events of 1520 in the Field of Cloth of Gold involving theatre, politics, opera, history, jazz, dance, choral and classical music; MCS distributed Tudor-themed design activity packs for 7-11-year-olds across the region as part of the Virtual OFA; Sixth Form artists produced art work designed specifically for local hospital and charity settings; Sixth Form pupils led concerts in primary schools and the community; MCS hosted author events for local primary schools, including one event that attracted 600 primary pupils; MCS staff and pupils contributed to the Fun Palaces event at the Oxford Playhouse; MCS employed a Resident Director and Producer who contributed to a variety of community based creative art projects in collaboration with the Oxford Playhouse; MCS funded a colleague to spend a day per week on specialist partnership work in English and the Creative Arts.

**Community Service and Fundraising:** Every pupil who takes part in the Duke of Edinburgh Award Scheme engages in some form of volunteering, activities have included: charity shop work, raising money for charity, and conservation work; Lower Sixth pupils hosted a weekly (until March 2020) afternoon tea event for elderly people in the local community; Lower Sixth pupils visited (until March 2020) care homes on a weekly basis as part of the CSO programme; MCS continues to host the MCC cricket hub for U13-U15 players as part of a nationwide project; MCS sponsored the Oxfordshire cricket club Aston Rowant; the Charities Co-ordinator led on fund-raising projects across the School; £37,000 was raised for our partner primary school in Uganda, a figure that was match-funded by a donor; £2,854 was raised for the Charlie Waller Trust; seven MCS teachers served as governors in local primary and secondary schools; the School operates a weekly community food larder in Rose Hill helping to tackle food waste and food poverty in association with the charity, Sofea.

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## YEAR ENDED 31 JULY 2020

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### STRATEGIC REPORT (CONTINUED)

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#### Operational Performance of the School

The School's primary operational focus was on the education of its pupils. The average figure enrolled during the year was 924.

The March 2017 ISI Inspection Report demonstrated that the School continues to perform at a high level in the competitive independent schools sector. It commented on the "exceptional" achievements of pupils in academic and extra-curricular spheres and the high quality of teaching provision throughout the School. The Regulatory Compliance Inspection in January 2020 confirmed that the school meets the quality standards expected of it and "no further action is required as a result of the inspection".

In addition to the bursaries awarded in cases of financial need, scholarships and exhibitions are awarded to pupils for academic merit or for noteworthy achievement in art, music or sports. The total number of scholarships awarded in 2019-20, both existing and new awards, was 383. The value of these awards was £142,773. The boy choristers of Magdalen College Chapel received a subsidy to their School fees from the College of £190,883.

The 2019-20 academic year was disrupted by Covid-19. Exams were replaced with Centre-Assessed Grades. The results at MCS were in line with the performance of previous years, and showed an excellent performance as one might expect from a school with such a consistent record of high achievement in public exams. League tables were not published this year.

At A Level (and Pre-U with grades converted to A Level) in 2020, Upper Sixth pupils achieved 98.5% A\*-B (96.1% in 2019, 96.7% in 2018, 97.4% in 2017, 98.2% in 2016, 96.5% in 2015, 97.4% in 2014), 86.3% A\*-A (83.9% in 2019, 84% in 2018, 82.1% in 2017, 87.9% in 2016, 82.0% in 2015, 86.6% in 2014), and 53.2% A\* (45.7% in 2019, 46.3% in 2018, 41.2% in 2017, 50.1% in 2016, 44.8% in 2015, 43.5% in 2014). 55 pupils gained three or more A\* grades.

Lower Sixth pupils sat internal exams from home in all of their subjects. The exams were rigorously marked and standardised in line with the AS results of previous cohorts.

At GCSE in 2020, Fifth Form pupils achieved 96.6% 9-7 grades (A\*-A) (94.3% in 2019, 95.7% in 2018, 96.7% in 2017, 94.6% in 2016, 92.7% in 2015, 92.2% in 2014). 86.3% of all results were 9 or 8 grades (A\* equivalent) (84.0% in 2019).

Of the pupils in the Upper Sixth form, 116 out of 152 took up a university place in autumn 2020 (2019: 129 out of 155; 2018: 104 out of 152; 2017: 117 out of 147; 2016: 149 out of 175; 2015: 118; 2014: 115) and 36 deferred to take up a place in autumn 2021. 85% of the pupils applying for entry to university for autumn 2020 gained places at their first-choice university (2019: 83%; 2018: 88.5%; 2017: 82%). 44 pupils were offered places at Oxford or Cambridge Universities (2019: 46; 2018: 47; 2017: 36; 2016: 48; 2015: 32; 2014: 44). The total number gaining final places at Russell Group universities was 150 (2019: 157; 2018: 142; 2017: 142; 2016: 166; 2015: 123; 2014: 144).

#### Co-Curricular and the Arts

Magdalen College School is well known for the range and quality of activities outside the classroom, and continues to build on current success in order to consolidate a reputation for excellence both locally and nationally. Participation remains just as important to the school as performance: the increasing numbers playing music, and the typically 85%+ of pupils who represent the school in a competitive fixture each year, are testament to that. Lockdown, and precautions involved in dealing with the pandemic, led to inevitable changes during 2019-20 but the school retains all its commitments to co-curricular excellence and the investment required to sustain them.

The extensive trips programme was also curtailed, but there was time for, amongst others, sports tours, DofE expeditions, and an Art Department trip to Venice.

#### Sport

Hockey Teams made their usual progress through county and national competitions, with the Girls' 1<sup>st</sup> XI getting further than ever in national competition, reaching the final 4 of South Tier 2. The boy's season was stopped with the 1<sup>st</sup> XI through to the last 16 of the National Plate. The Rugby and (curtailed) netball seasons were also very successful, with the 1<sup>st</sup> XV producing some scintillating rugby, and the 1<sup>st</sup> VII reached the regional semi-finals. The cricket and tennis seasons were largely lost to the pandemic, but there was enough time for some tennis and MCS has been ranked 11<sup>th</sup> in the National Schools Tennis rankings for the second year in a row. There has also been continued success in other sports including bronze in the Regional Finals of England Schools Badminton and Gold in the U13 National Schools' Real Tennis Doubles. One Fifth Form pupil won the Hobbs Silver Jubilee Memorial Prize for Outstanding U16 Schoolboy Cricketer and became the youngest player ever to represent Sussex County Cricket Club in first class cricket.

**MAGDALEN COLLEGE SCHOOL OXFORD LIMITED**  
**YEAR ENDED 31 JULY 2020**

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**STRATEGIC REPORT (CONTINUED)**

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**The Arts, Music, and Drama**

The Oxford Festival of the Arts went online at short notice in response to lockdown. This enabled it to reach a global audience as never before, setting up its own YouTube channel to host another wide array of speakers with discussions ranging from goddesses to politics, with workshops, activities, and concerts along the way.

MCS Drama continues its partnerships both with the Oxford Playhouse and the Pegasus Theatre, which is also part of the school's outreach programme. Alongside a series of high quality, small cast performances, the standout production of the curtailed dramatic year was the musical *Guys and Dolls*. During lockdown pupils wrote and performed a serialised radio play, *We'll Meet Again*, to commemorate the 75<sup>th</sup> anniversary of VE Day.

Three pupils gained places in the National Youth Orchestra this year; Music at Magdalen was the major concert of the year possible but MCS musicians lit up lockdown with a series of virtual events, most memorably an interactive *Jazz and Blues Evening* which showcased the talent and fun at the heart of the school.

**Clubs, Societies and Activities**

The school continued its success in debating, Model United Nations, and chess (including individual victory in the U14 ECF Bullet Chess Championship). Pupils further benefit from a vast array of clubs and societies, many associated with departments. The school remains indebted to the many and outstanding speakers who come to speak to the pupils, allowing us also to invite pupils from our neighbours and partner schools to attend, for example at this year's Blackwell History Conference

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## YEAR ENDED 31 JULY 2020

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### STRATEGIC REPORT (CONTINUED)

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#### Fundraising performance

At the end of the 2018/2019 school year, new expendable endowment funds were created to underpin bursaries at MCS in perpetuity. The level of endowment to protect the current bursary offering (10% of the Senior school receive bursary support ranging from 10 – 100% of fees) has been calculated to be £15 million, from which a 4% return would need to be drawn annually, whilst still preserving the real value of the capital. The school undertook its first annual contribution to the endowment of 1.25% of Senior School fees. It is planned that this will rise to 2.5% but the hope is that philanthropic donations will achieve this level of endowment by 2030. Gifts to the endowment are to be marked in a newly-commissioned Benefactors Book.

The Covid-19 pandemic led to the suspension of many planned fundraising and alumni relations activities. Events cancelled included the Bob Stanier Society Annual lunch for legators, the New York choir tour and event, the OW Dinner and Drinks in Westminster Abbey, a London networking breakfast, the Benefactors Garden Party and other more informal gatherings and meetings. The Office's work pivoted in March to online communications. Weekly e-newsletters went to OWs and Friends (former MCS parents, staff and others). These achieved a 50% or higher open rate, meaning that more than 2,500 people were reading about MCS most weeks between March and July.

The main fundraising activity planned for the year was a two and a half week Telethon in March/April 2020. This too was cancelled and the MCS community was urged to support needs and organisations local to OWs and Friends. In July, the office launched a campaign to address bursaries and hardship need. *Conveniamus* – which conveys the sentiment if only we could meet - was launched with an offer from an OW to match the first £50,000 of gifts in memory of former MCS teacher Nigel Bates. At the time of writing, the campaign which runs into FY 2020/21 has exceeded £180,000 in funds raised.

The total income in 2019-20 from gifts received, Gift Aid and dividends was £833,889.20, with the school's contribution adding £177,791. Membership of the Stanier Legacy Society and the 1480 Society have grown in the past year.

In July 2020, MCS was notified of a cybercrime affecting some parts of the data in the Blackbaud database software used in the Waynflete Office. The breach was reported to the Information Commissioner's Office and The Charity Commission. All those affected were emails and additionally those affected through the financial systems were written to by post. A statement about the breach was also posted on the school website.

The Governors' Development Committee oversees fundraising, alumni relations and the wider remit of the Waynflete Office and so also monitors wider engagement indicators, such as number of donors, event attendance and communications activity.

The School is registered with the Fundraising Regulator and has signed up to the Fundraising Preference Service. All fundraising is undertaken by School staff overseen by the Development Committee, which is a sub-committee of Governors. The School does not employ any commercial participator to carry out fundraising activity. The School is aware of its duties to protect vulnerable people and so applies restrictions to its campaigns.

#### Premises and infrastructure

The School is committed to maintaining and improving the quality of its estate and facilities. Buildings' refurbishment, repair and maintenance remains a significant area of expenditure. Investment plans for the estate are produced with forecast expenditure based on the Condition Survey Report of 2017 (next review 2022). Annual expenditure on refurbishment, repairs and maintenance has been reduced due to the financial pressures experienced 2019-20 caused by Covid-19. Delayed work will be programmed for future years.

Projects completed during the year include the replacement of a large domestic hot water calorifier in the Sports Department and resurfacing of the tennis courts on Milham Ford. New underground ducts were installed to link Junior School, Quin Building and Colin Sanders Building. When the fibre cable is installed this will give resilience to IT services. The White Bridges also underwent some structural repairs to ensure that safe access to the wonderful School Field is maintained.

The campus was modified as part of a unified response to Covid-19. We supplemented our site handwashing facilities for pupils and staff by installing external sinks at various locations and the number of internal hand sanitisers was also increased. Protective screens were installed in the Dining Hall, Receptions, Libraries and the minibus fleet.

In June 2020, the Governors' approved the updated Masterplan, which sets a framework for future strategic developments. The work builds on the 2014 version but has produced a much more integrated solution for the campus through rationalisation of existing spaces in some instances, creating more functional links, improving external spaces and presenting opportunities for the School to be more prominent within the public realm, especially around the Plain roundabout and Iffley Road. Work to liaise with Oxford City Council and Oxfordshire County Council, as well as exploring funding options form part of the work plans going forward.



**MAGDALEN COLLEGE SCHOOL OXFORD LIMITED**  
**YEAR ENDED 31 JULY 2020**

**STRATEGIC REPORT (CONTINUED)**

**GHG emissions and energy use data for the period 1 August 2019 - 31 July 2020**

	Current Reporting Year 2019-2020
	UK GHG Emission and Energy Data
Energy consumption used to calculate emissions (kWh); all mandatory energy sources are included.	2,661,615.5
Scope 1: Emissions from the combustion of Natural Gas tCO <sub>2</sub> e	262.1
Scope 1: Emissions from combustion of Fuel for transport and / or heating tCO <sub>2</sub> e (see evidence pack for breakdown)	9.7
Scope 1: Emissions of Biomass Pellets tCO <sub>2</sub> e	0.0
Scope 3: Emissions from business travel in employee owned vehicles, where the company repaid mileage claims tCO <sub>2</sub> e (average vehicle / fuel source unknown)	1.1
Scope 2: Emissions from purchased Electricity tCO <sub>2</sub> e	277.7
Total gross CO <sub>2</sub> e based on above (tCO <sub>2</sub> e)	550.7
Intensity Ratio 1: kg CO <sub>2</sub> e gross based on mandatory fields above per pupil: 924 pupils	596.0 kg CO <sub>2</sub> e per Pupil

**Methodology**

An evidence based methodology was adopted in accordance with BS EN ISO 14064-3:2019, Section 4.3; verifiable data has been collected from the following sources:

Energy Data:	Energy metering, invoices, supply summaries / statements, repayment claims for business mileage, fuel cards and correspondence with suppliers and school.
Previous Audit Data:	ESOS Phase I and Phase II (ongoing)
Emission Conversions:	All emissions factors for CO <sub>2</sub> e, have been calculated using Defra Conversions 2020, as the period covers five months of 2019 and seven months of 2020, in accordance with Defra guidelines.

**Third party verification**

The energy data has been compiled and audited by Sean Midgeley (ESOS Lead Assessor) of Powerful Allies, Limited, CIBSE Registration No: ESOS185262.

**Energy efficiency action**

Magdalen College School (MCS) have started a process of decarbonisation of the school estate as follows:

- a. During the financial year 98.2% of electricity supplied to the school was from 100% REGO Backed Renewable Zero Carbon Generation.

**MAGDALEN COLLEGE SCHOOL OXFORD LIMITED**  
**YEAR ENDED 31 JULY 2020**

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**GOVERNORS' REPORT (CONTINUED)**

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- b. MCS has centralised all its compatible AMR Energy metering data and is upgrading to SMART / AMR metering, as the improved visibility and granularity, will assist in identifying possible waste, control issues and promote energy efficient behaviour across the trust.
- c. MCS has a rolling program of lighting upgrades to LED, as lighting in schools can account for approximately 30% of all electricity consumption. Switching to LED lighting will reduce consumption of electricity for lighting by approximately 50% or 15% of total electricity consumption / 41 tCO<sub>2</sub>e per year.
- d. MCS has replaced the boiler at one of the large school buildings during this financial year, with a highly efficient condensing boiler. Another boiler system is planned to be replaced during 2020/21. The new boilers should provide an increased efficiency of around 20%-30%, reducing GHG by approximately 17.5 tCO<sub>2</sub>e per year.
- e. MCS is currently in the process of developing a Sustainability Policy, which will lead to an action plan based on SMART objectives and endorsed by the Governors.

All energy data used along with supporting documents in this report are contained within the SECR Evidence Pack.

**Staff - remuneration**

The Governors' Nominations & Remuneration Committee met during the most recent year in order to make recommendations to the Board of Governors. At its June 2020 meeting it reviewed the salaries of senior members of staff. The Committee's recommendations are with reference to information on remuneration levels at independent schools in south-east England and London, drawing in particular on the annual Baines Cutler Teacher Salary, Benefits and Workload Survey. Remuneration of members of teaching staff is in accordance with an internal system of scale points which rewards teachers for (a) their level of experience and (b) the duties and responsibilities they assume. Remuneration of support staff is determined with reference to the market for comparable roles and is set by the members of the Senior Management Team responsible for the appointment, in consultation with the Bursar.

Children of members of staff benefited from fee remission of up to 50% of the annual fee, which amounted to £170,139.

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## YEAR ENDED 31 JULY 2020

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### STRATEGIC REPORT (CONTINUED)

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#### FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Consolidated Statement of Financial Activities (SOFA) shows the School as having generated net incoming resources in 2019-20 of £1.4 million. The corresponding figure in 2018-19 was £1.9 million. Making further adjustment in each for the receipt of donations (the level of which cannot be relied on from year to year), net incoming resources derived purely from the operations of the School totalled £0.632 million, compared with £1.246 million in 2018-19.

Total income in 2019-20 was £17.84 million, compared with £17.99 million in 2018-19. Eliminating the impact of donations to arrive at a figure for underlying income (that is, income derived solely from the School's operating activity), the School's income in 2019-20 was £17.05 million, compared with £17.31 million in 2018-19. Income from school fees in 2019-20 was £15.77 million, compared with £15.73 million in 2018-19.

Total expenditure in 2019-20 was £16.34 million, compared with £16.09 million in 2018-19. Expenditure on core teaching activities totalled £9.47 million, of which £8.0 million was expenditure directly related to the employment of teaching staff. The School continues to experience significant pressures in respect of expenditure on teaching staff as it seeks to recruit and retain able teachers in a highly competitive, London-influenced market.

The School is committed to maintaining and improving the quality of its estate and facilities. Buildings' refurbishment, repair and maintenance remains, therefore, a significant area of expenditure. For the fifth year running the School spent a figure close to £1 million on this line of activity, a sum larger than the annual premises depreciation charge.

Historically, the two main areas of business of the School's trading subsidiary (MCS Asset Management Ltd) have been to (a) manage the School's transport fleet; and (b) to hire out the School's facilities to other educational bodies, sports clubs, religious organizations and others. The second of these activities has been severely curtailed in recent years, first as the School decided not to continue with Easter revision classes; and second because the June 2015 fire severely reduced the School's capacity to offer facilities for hire. The trading subsidiary has therefore recorded annual financial deficits and low level activity. Management of the School's minibus fleet has been managed directly by the School itself.

A second subsidiary company, MCS International Limited, is the vehicle through which the School is exploring opportunities for expansion into regions outside the UK.

The Charity's trustees ensure that all net income is applied for educational purposes. The Charity benefits from tax exemption on educational activities and investment income and these benefits are applied to the School's charitable aims. However, as an educational charity, the School is unable to reclaim VAT input tax on its costs as it is exempt for VAT purposes. The usual employer's payroll taxes are payable by the School. A further unquantified financial benefit to the community exists through the School's bursary scheme and outreach initiatives which are social assets without cost to the Exchequer.

#### Investment Policy and Objectives

The School does not benefit from a large endowment. The limited pool of endowed funds is managed by Cazenove Capital Management under parameters set by the Governors. The Governors' objectives are to maximise total investment returns whilst preserving the real value of endowed investments. Asset allocation is reviewed regularly by the F&GP Committee: the Chair of that Committee or another appropriately qualified member and the Bursar meet with the manager at least annually. Quarterly detailed reports provide both valuations and market benchmarking. Investments are benchmarked against the FTSE all-share index (Equities), the FTSE All-Share Gilts Index (UK Bonds) and FTSE Sterling Corporate Bonds Index (International Bonds). The School's funds managed by Cazenove Capital Management grew from £1.865m in July 2019 to £2.011m in July 2020. This was a net result of an additional investment of £0.20m and a negative impact on funds due to the turmoil in Financial Markets created by the Covid-19 pandemic. Discounting the new investment, funds reduced by 2.9% in the year on a total return basis.

**MAGDALEN COLLEGE SCHOOL OXFORD LIMITED**  
**YEAR ENDED 31 JULY 2020**

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**STRATEGIC REPORT (CONTINUED)**

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**Reserves Policy**

At the end of the financial year the School's free reserves under SORP totalled £3.706 million, a sum deemed adequate by the Governors for the School's purposes, being sufficient to meet at least one half term's predicted expenditure.

While the level of free reserves is a reasonable guide to the School's ability to maintain its operations in the short-term, in their regular monitoring of the School's financial position the Governors pay particular attention to the operating surplus (before depreciation), cash flow and levels of borrowing as providing more clarity as to the School's long-term financial security. The Governors monitor other key financial targets which facilitate comparison with similar independent schools. Chief among these measures is the Investment Surplus (the cash surplus as a percentage of net fees). In 2019-20 the School's Investment Surplus was 16.7% compared with 21.0% in 2018-19. Governors are mindful, however, that this measure, like other measures of charitable entities' financial performance, is dependent in part on the receipt of donations, the level of which varies each year.

**Risks**

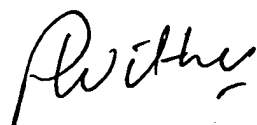
The Governors maintain a register of risks to which, in their opinion, the School is exposed and the measures that have been put in place to mitigate those risks. The register is reviewed in full at least annually, as an item on the agenda for the Michaelmas Term F&GP Committee and Board meetings. The full register identifies more than 30 potential areas of risk. The principal areas of identified risk relate to:

- **Education**  
The Governors believe that maintenance of academic standards, exemplified by success in public exams and in pupils' gaining places at prestigious universities, is important in ensuring the School's ongoing prosperity. In order to mitigate the risk of a decline in standards the Governors' Education Committee meets termly to review the implementation of educational and pastoral policy by the School's Master and Senior Management Team.
- **Safety and Welfare**  
The Governors believe that the safety and welfare of pupils is an essential responsibility of the School and that failure in this respect would damage the reputation of the School. In order to mitigate the risk of such failure, the Governors monitor the implementation of the School's safeguarding policies, procedures, and training programme; the Governors Estates Committee oversees an ongoing programme of repairs refurbishment of premises; and the Health & Safety Committee develops policies to ensure the well-being of pupils (and members of staff).
- **Finance**  
Financial loss occasioned by mismanagement or fraud could have a negative impact on the School's ability to function. Mitigation of this risk is achieved by the Governors' F&GP Committee's termly monitoring of the Finance Office's (formerly the Bursary) activities and control procedures.

During the year, Covid-19 emerged as a strategic and operational risk. The School managed this through the development of Virtual MCS to ensure continuity of education, careful financial management and a comprehensive risk assessment for the return to site, with numerous new Health and Safety processes introduced.

In addition the Governors have adopted a number of measures to ensure that their own standards of governance are maintained and that regulatory compliance is achieved. The School maintains a full range of Risk Assessments to cover all types of activity. Risk Assessments are updated annually and are monitored by the Health and Safety Committee which is in turn advised by an external consultant.

Approved by the Board of Governors of Magdalen College School Oxford Limited on 2<sup>nd</sup> December 2020 and signed on its behalf by:



**Dr P N Withers**  
Chair of Governors  
2<sup>nd</sup> December 2020

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

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### Opinion

We have audited the financial statements of Magdalen College School Oxford Limited (the "Charity") for the year ended 31 July 2020 which comprise the Consolidated Statement of Financial Activities, Group and Company Balance Sheets, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and Charity's affairs as at 31 July 2020 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

### Other information

The governors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGDALEN COLLEGE SCHOOL OXFORD LIMITED (continued)

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the governors' report and the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' report and the strategic report.

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

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

### Responsibilities of the governors

As explained more fully in the governors' responsibilities statement (set out on page 5), the governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they 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 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 the governors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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

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.

### Use of our report

This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



15 January 2021

Robert Kirtland (Senior Statutory Auditor)

For and on behalf of Critchleys Audit LLP (Statutory Auditor)  
Beaver House  
23-38 Hythe Bridge Street  
Oxford  
OX1 2EP

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating a Consolidated Income and Expenditure account) YEAR ENDED 31 JULY 2020

		Unrestricted School £	Funds Other £	Restricted Funds £	Endowed Funds £	Total Funds 2020 £	Total Funds 2019 £
<b>INCOME AND ENDOWMENTS</b>							
<b>FROM:</b>							
<b>Charitable activities</b>							
School fees	2(a)	15,766,756	-	-	-	15,766,756	15,734,098
Other educational income	4	972,774	-	-	-	972,774	1,210,508
Ancillary trading income	4	250,150	-	-	-	250,150	308,086
<b>Other trading activities</b>	3	-	-	-	-	-	-
<b>Donations and legacies</b>		29,745	-	375,723	383,133	788,601	681,561
<b>Investments</b>	5	<u>22,274</u>	<u>-</u>	<u>23,590</u>	<u>14,520</u>	<u>60,384</u>	<u>56,254</u>
<b>Total</b>		<u>17,041,699</u>	<u>-</u>	<u>399,313</u>	<u>397,653</u>	<u>17,838,665</u>	<u>17,990,507</u>
<b>EXPENDITURE ON:</b>							
<b>Raising funds</b>							
Other trading activities	3	-	28,336	-	-	28,336	5,726
Costs of raising donations and legacies		<u>341,623</u>	<u>-</u>	<u>1,122</u>	<u>10,290</u>	<u>353,035</u>	<u>330,453</u>
		341,623	28,336	1,122	10,290	381,371	336,179
<b>Charitable activities</b>							
Education and grant making		<u>15,725,608</u>	<u>-</u>	<u>199,434</u>	<u>32,196</u>	<u>15,957,238</u>	<u>15,757,988</u>
<b>TOTAL</b>	8	<u>16,067,231</u>	<u>28,336</u>	<u>200,556</u>	<u>42,486</u>	<u>16,338,609</u>	<u>16,094,167</u>
Net gains/(losses) on investments	10	<u>-</u>	<u>-</u>	<u>(4,564)</u>	<u>(75,042)</u>	<u>(79,606)</u>	<u>31,495</u>
<b>NET INCOME/(EXPENDITURE)</b>		974,468	(28,336)	194,193	280,125	1,420,450	1,927,835
Transfer between funds	14a,c	<u>(177,791)</u>	<u>-</u>	<u>-</u>	<u>177,791</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>		796,677	(28,336)	194,193	457,916	1,420,450	1,927,835
<b>Reconciliation of funds:</b>							
<b>Total funds brought forward</b>		<u>24,482,360</u>	<u>(49,222)</u>	<u>1,052,263</u>	<u>2,338,603</u>	<u>27,824,004</u>	<u>25,896,169</u>
<b>Total funds carried forward</b>	14	<u>25,279,037</u>	<u>(77,558)</u>	<u>1,246,456</u>	<u>2,796,519</u>	<u>29,244,454</u>	<u>27,824,004</u>

All amounts relate to continuing operations. The notes on pages 24 to 39 form part of these financial statements.

**MAGDALEN COLLEGE SCHOOL OXFORD LIMITED**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating a Consolidated Income and Expenditure account)**  
**FOR THE YEAR ENDED 31 JULY 2019**

		Unrestricted School £	Funds Other £	Restricted Funds £	Endowed Funds £	Total Funds 2019 £
<b>INCOME AND ENDOWMENTS</b>						
<b>FROM:</b>						
<b>Charitable activities</b>						
School fees	2(a)	15,734,098	-	-	-	15,734,098
Other educational income	4	1,210,508	-	-	-	1,210,508
Ancillary trading income	4	308,086	-	-	-	308,086
<b>Other trading activities</b>						
	3	-	-	-	-	-
<b>Donations and legacies</b>						
		37,711	-	212,000	431,850	681,561
<b>Investments</b>						
	5	<u>14,647</u>	<u>-</u>	<u>25,937</u>	<u>15,670</u>	<u>56,254</u>
<b>Total</b>		<u>17,305,050</u>	<u>-</u>	<u>237,937</u>	<u>447,520</u>	<u>17,990,507</u>
<b>EXPENDITURE ON:</b>						
<b>Raising funds</b>						
Other trading activities	3	-	5,726	-	-	5,726
Costs of raising donations and legacies		<u>319,130</u>	<u>-</u>	<u>1,692</u>	<u>9,631</u>	<u>330,453</u>
		319,130	5,726	1,692	9,631	336,179
<b>Charitable activities</b>						
Education and grant making		<u>15,550,531</u>	<u>-</u>	<u>176,970</u>	<u>30,487</u>	<u>15,757,988</u>
<b>TOTAL</b>	8	<u>15,869,661</u>	<u>5,726</u>	<u>178,662</u>	<u>40,118</u>	<u>16,094,167</u>
Net gains/(losses) on investments		<u>-</u>	<u>-</u>	<u>3,181</u>	<u>28,314</u>	<u>31,495</u>
<b>NET INCOME/(EXPENDITURE)</b>		1,435,389	(5,726)	62,456	435,716	1,927,835
Transfer between funds	14b	<u>292,148</u>	<u>-</u>	<u>(292,148)</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>		1,727,537	(5,726)	(229,692)	435,716	1,927,835
<b>Reconciliation of funds:</b>						
Total funds brought forward		<u>22,754,823</u>	<u>(43,496)</u>	<u>1,281,955</u>	<u>1,902,887</u>	<u>25,896,169</u>
Total funds carried forward	14	<u>24,482,360</u>	<u>(49,222)</u>	<u>1,052,263</u>	<u>2,338,603</u>	<u>27,824,004</u>



# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

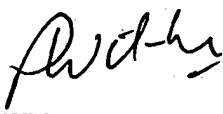
COMPANY NUMBER: 02106661

## GROUP AND COMPANY BALANCE SHEETS

AS AT 31 JULY 2020

		Group		Company	
	Notes	2020	2019	2020	2019
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	9	25,225,329	25,711,528	25,225,329	25,711,528
Investment assets	10	<u>2,022,807</u>	<u>1,864,681</u>	<u>2,022,809</u>	<u>1,864,683</u>
		27,248,136	27,576,209	27,248,138	27,576,211
<b>CURRENT ASSETS</b>					
Stock		30,202	33,332	30,202	33,332
Debtors	11	729,780	797,100	804,537	843,721
Cash at bank and in hand		<u>7,061,531</u>	<u>5,775,653</u>	<u>7,061,531</u>	<u>5,775,653</u>
		7,821,513	6,606,085	7,896,270	6,652,706
<b>CREDITORS: Amounts falling due within one year</b>	12	<u>(3,653,759)</u>	<u>(3,951,768)</u>	<u>(3,650,960)</u>	<u>(3,949,169)</u>
<b>NET CURRENT ASSETS</b>		4,167,754	2,654,317	4,245,310	2,703,537
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		31,415,890	30,230,526	31,493,448	30,279,748
<b>CREDITORS: Amounts falling due after one year</b>	13	<u>(2,156,420)</u>	<u>(2,378,648)</u>	<u>(2,156,420)</u>	<u>(2,378,648)</u>
<b>Interest rate swap liability</b>	1(p)	<u>(15,016)</u>	<u>(27,874)</u>	<u>(15,016)</u>	<u>(27,874)</u>
<b>NET ASSETS</b>		<u>29,244,454</u>	<u>27,824,004</u>	<u>29,322,012</u>	<u>27,873,226</u>
<b>CAPITAL AND RESERVES</b>					
<b>ENDOWED RESERVES</b>	14a	2,796,519	2,338,603	2,796,519	2,338,603
<b>RESTRICTED RESERVES</b>	14b	1,246,456	1,052,263	1,246,456	1,052,263
<b>DESIGNATED RESERVES</b>	14c	1,958	1,958	1,958	1,958
<b>UNRESTRICTED FUNDS</b>	14c	<u>25,199,521</u>	<u>24,431,180</u>	<u>25,277,079</u>	<u>24,480,402</u>
<b>TOTAL FUNDS</b>	14	<u>29,244,454</u>	<u>27,824,004</u>	<u>29,322,012</u>	<u>27,873,226</u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on

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**Dr P N Withers**

Chair of Governors

The notes on pages 24 to 39 form part of these financial statements.

**MAGDALEN COLLEGE SCHOOL OXFORD LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 JULY 2020**

	2020 £	2020 £	2019 £	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Net cash provided by operating activities (reconciliation below)</b>		2,624,022	3,186,508	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from the sale of property, plant and equipment	5,760		7,399	
Purchase of property, plant and equipment	(536,172)		(593,527)	
Proceeds from sale of investments	797,058		286,020	
Purchase of investments	<u>(1,034,790)</u>		<u>(316,947)</u>	
<b>Net cash provided by (used in)/investing activities</b>		(768,144)	(617,055)	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayments of borrowing	(570,000)		(570,002)	
Cash inflows from new borrowing	<u>-</u>		<u>-</u>	
<b>Net cash (used in)/provided by financing activities</b>		<u>(570,000)</u>	<u>(570,002)</u>	
<b>Change in cash and cash equivalents in the reporting period</b>		1,285,878	1,999,451	
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>5,775,653</u>	<u>3,776,202</u>	
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>7,061,531</u>	<u>5,775,653</u>	
<b>Net income for the reporting period (as per the statement of financial activities)</b>		1,420,450	1,927,835	
<b>Adjustments for:</b>				
Depreciation charges		1,022,371	1,009,674	
(Gains)/losses on investments		79,606	(31,495)	
Loss/(profit) on the sale of fixed assets		(5,760)	(5,163)	
Decrease/(increase) in stocks		3,130	(1,299)	
Decrease/(increase) in debtors		67,320	(122,888)	
Increase in creditors		49,763	424,597	
(Decrease) in provisions		<u>(12,858)</u>	<u>(14,753)</u>	
<b>Net cash provided by operating activities</b>		<u>2,624,022</u>	<u>3,186,508</u>	
<b>Analysis of changes in net debt</b>	At 1 August 2019	Cashflows	Other non-cash changes	At 31 July 2020
	£	£	£	£
Cash at bank and in hand	5,775,653	1,285,878	-	7,061,531
Loans falling due within one year	(2,504,999)	570,000	(330,000)	(2,264,999)
Loans falling due after more than one year	<u>(1,779,993)</u>	<u>-</u>	<u>330,000</u>	<u>(1,449,993)</u>
<b>Total</b>	<u>1,490,661</u>	<u>1,855,878</u>	<u>-</u>	<u>3,346,539</u>

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

### 1 ACCOUNTING POLICIES

**(a) Basis of accounting**

The financial statements of the public benefit entity have been prepared in compliance with all applicable accounting standards, FRS 102, the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" (FRS 102) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

**(b) Basis of consolidation**

The consolidated Statement of Financial Activities and Balance Sheet include the financial statements of Magdalen College School Oxford Limited and its wholly owned subsidiaries MCS Asset Management Limited (Company number: 04110883) and Magdalen College School International Limited (Company number: 10587126), both being companies incorporated in the United Kingdom, made up to the year ended 31 July 2020.

As permitted by section 408 of the Companies Act 2006, the Parent Company's Income and Expenditure account has not been included in these financial statements. The Parent Company's net income was £1,448,785 (2019: £1,935,106).

**(c) Going concern**

The School depends on its existing bank facilities to meet its day to day working capital requirements. Current forecasts indicate that the company expects to be able to operate within these facilities for the foreseeable future. These facilities are renewed annually and are not guaranteed for the period covered by the going concern review. The Governors are not aware, however, of any circumstances that may adversely affect the renewal of these facilities. Accordingly, the directors believe it is appropriate to prepare the financial statements on the going concern basis.

**(d) Fees and similar income**

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants. Fees received for education to be provided in future years are carried forward as deferred income in the Balance Sheet.

Turnover is the amount derived from ordinary activities, and stated after trade discounts, other sales taxes and net of VAT.

**(e) Donations**

Donations are accounted for on a received basis. Donations receivable for the general purposes of the Charity are credited to unrestricted funds or as a designated fund as allocated by the Governors. Donations for purposes restricted by the wishes of the donor are taken to restricted funds where these wishes are legally binding on the Governors. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowed expendable or permanent funds according to the nature of the restriction.

**(f) Expenditure**

Expenditure is accounted for on an accruals basis. Certain expenditure is apportioned to cost categories based on the estimated amount attributable to that cost in the year. The irrecoverable element of VAT is included with the item of expense to which it relates.

Cost of generating funds includes all the financing costs of the entity in addition to the costs of the development office.

Included within Governance costs are the costs of complying with constitutional and statutory requirements of the School.

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

### 1 ACCOUNTING POLICIES (Continued)

#### (g) Taxation

As a registered Charity the School is entitled to taxation exemptions on all its income and gains, as long as they are properly applied for its charitable purpose.

#### (h) Operating leases

Rentals payable in respect of operating leases are charged on a time basis over the lease term.

#### (i) Pension schemes

The Charity contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme, which are attributable to the School. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme. The Company also contributes to personal pension schemes for non-teaching staff and these contributions are accrued accordingly.

#### (j) Tangible fixed assets

The School has a policy of capitalising fixed assets where expenditure on such assets is in excess of £2,000. Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Assets under construction	Nil
Leasehold properties	2 – 2.5% straight line
Equipment	10% straight line
Computers	33% straight line
Motor vehicles	20% straight line

The School holds its properties on a lease from Magdalen College for a period of 200 years from 29th September 1987 at a rent of £4 per annum. The grant of lease is dated 22nd February 1989 with a deed of variation dated 27th November 1996. The rent is subject to review in September 2115. The leasehold property was valued by James Styles and Whitlock (Chartered Surveyors) at £5,090,000 on 27 July 1999. The School has taken advantage of the transitional provisions of FRS 102 whereby the valuation of the property has been frozen at its value as at 27 July 1999. Subsequent additions have been included at cost.

#### (k) Investments

Listed investments are valued in the Balance Sheet at the market value on the last day of the accounting year. Gains and losses arising from the sale of investments are disclosed as realised gains or losses, being the difference between the sale proceeds and the market value at the last accounting date. Changes in the valuation of investments during the year are shown as unrealised gains or losses.

#### (l) Stocks

Stock are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

#### (m) Liabilities

Liabilities are recognised once there is a legal or constructive obligation that commits the Charity to the obligation.

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

### 1 ACCOUNTING POLICIES (Continued)

#### (n) Funds

Unrestricted funds are expendable at the discretion of the Governors in furtherance of the objects or administration of the Charity.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Permanent endowment funds arise where donors specify that the funds should be retained as capital for the permanent benefit of the Charity. The investments earned from the investment of permanent endowment funds is accounted for as a restricted fund.

Expendable endowment funds are similar to permanent endowment in that they have been given, or the Governors have determined based on the circumstances that they have been given, for the long term benefit of the Charity. However, the Governors may at their discretion determine to spend all or part of the capital.

#### (o) Finance leases

Assets obtained under finance leases are capitalised as tangible fixed assets and depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### (p) Interest rate swap

Under FRS 102, an asset or liability is recognised to represent that fair value of the interest rate swaps on loans at the year end. Movements on the asset or liability are recognised in the statement of financial activities. The basis of the valuation is a mid-market price.

### 2. SCHOOL FEES

	2020 £	2019 £
<b>(a) The School's fee income comprised:</b>		
Gross fees	16,680,331	16,696,059
Less: Total bursaries, scholarships, grants & allowances	<u>(1,101,859)</u>	<u>(1,116,955)</u>
	15,578,472	15,579,104
Add back: Bursaries, scholarships and discounts paid for by Restricted Funds	<u>188,284</u>	<u>154,994</u>
	<u>15,766,756</u>	<u>15,734,098</u>
<b>(b) Awards, prizes and discounts paid for by Restricted Funds comprised:</b>		
	2020 £	2019 £
Bursaries & scholarships	188,284	154,994
Prizes and leaving awards	<u>1,211</u>	<u>3,411</u>
	<u>189,495</u>	<u>158,405</u>

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 JULY 2020

#### 3. SUBSIDIARY TRADING ACTIVITIES

The School owns MCS Asset Management Limited, which in the past has provided leisure facilities, lettings and promotional goods relating to the School (although there was very little activity via this company in 2020 and 2019), and Magdalen College School International Limited, which was established in 2017 to investigate the possibility of expanding operations of the School overseas. The trading results for the year, as extracted from the audited financial statements, are summarised below:

	MCS International		MCS Asset Management	
	2020	2019	2020	2019
	£	£	£	£
Turnover	-	-	-	-
Administration expenses	(26,703)	(2,563)	(1,633)	(3,163)
Operating profit/(loss)	(26,703)	(2,563)	(1,633)	(3,163)
Gift aid	-	-	-	-
Profit/(Loss) for year	<u>(26,703)</u>	<u>(2,563)</u>	<u>(1,633)</u>	<u>(3,163)</u>
Shareholders' Funds	<u>(40,524)</u>	<u>(13,821)</u>	<u>(37,032)</u>	<u>(35,399)</u>

The net liabilities at the end of the reporting period were £77,556 (2019: £49,220).

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

### 4. OTHER INCOME

	2020 £	2019 £
<b>Other educational income</b>		
Registration and assessment fees	62,215	45,252
Music and drama lessons	323,456	465,848
Departmental income	56,720	83,248
Games income	24,080	50,598
Coronavirus Job Retention Scheme	97,863	-
Other School income	66,605	81,377
Income recovered in respect of extra-curricular activities	<u>341,835</u>	<u>484,185</u>
	<u>972,774</u>	<u>1,210,508</u>
<b>Other ancillary trading income</b>		
Lunch tickets and other catering costs	248,870	308,086
Merchandise	<u>1,280</u>	<u>-</u>
	<u>250,150</u>	<u>308,086</u>

### 5. INVESTMENT INCOME

	2020 £	2019 £
Dividends receivable	38,110	41,607
Bank interest receivable	<u>22,274</u>	<u>14,647</u>
	<u>60,384</u>	<u>56,254</u>

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 JULY 2020

<b>6. NET INCOME</b>	<b>2020</b>	<b>2019</b>
Net income is stated after charging:	<b>£</b>	<b>£</b>
Bank loan interest	121,958	140,774
Auditors' remuneration:		
For audit services	14,484	12,800
For tax compliance services	3,780	1,440
For other services	5,820	7,420
Operating lease costs	11,340	19,448
Depreciation:		
Assets owned by the Group	1,022,371	1,009,674
Loss/(gain)/loss on disposal of fixed assets	<u>(5,760)</u>	<u>(5,163)</u>
<b>7. STAFF COSTS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	8,469,556	8,042,644
Social security costs	850,344	803,159
Pension contributions	<u>1,454,487</u>	<u>1,052,233</u>
	<u>10,774,387</u>	<u>9,898,036</u>

Included within wages and salaries are termination and redundancy costs of £76,323 (2019: £13,625) relating to four (2019: two) employees.

Staff costs include compensation paid to key management personnel (including employer' national insurance) amounting to £786,410 (2019: £690,787).

The average number of employees in the year was 275 (2018: 275) of which 163 (2018: 165) were teaching staff.

The number of higher paid employees, whose emoluments fell within the following bands, was:

	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
£60,001 - £70,000	8	12
£70,001 - £80,000	4	1
£80,001 - £90,000	2	1
£90,001 - £100,000	1	1
£110,001 - £120,000	-	1
£190,001 - £200,000 *	-	1
£210,001 - £220,000 *	<u>1</u>	<u>-</u>

\* In addition the Master is required under her contract to occupy accommodation provided by the School and HMRC have assessed the benefit-in-kind value of this as approximately £50,000 (2019: £46,000).



# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

### 8. ANALYSIS OF TOTAL EXPENDITURE - 2020

	Staff costs £	Other costs £	Depreciation £	Total £
<b>Costs of alumni relations and fundraising</b>	<u>253,994</u>	<u>99,041</u>	<u>-</u>	<u>353,035</u>
<b>Charitable activities</b>				
Teaching	7,995,922	1,291,626	182,396	9,469,944
Welfare	213,440	586,945	18,573	818,958
Premises	723,922	1,398,290	815,642	2,937,854
Support costs	1,833,040	719,742	-	2,552,782
Financing costs	-	159,204	-	159,204
Governance costs	-	31,354	-	31,354
Movement in liabilities recognised at fair value	<u>-</u>	<u>(12,858)</u>	<u>-</u>	<u>(12,858)</u>
	<u>10,766,324</u>	<u>4,174,303</u>	<u>1,016,611</u>	<u>15,957,238</u>
<b>Total for Company</b>	11,020,318	4,273,344	1,016,611	16,310,273
Trading costs of the subsidiaries	<u>-</u>	<u>28,336</u>	<u>-</u>	<u>28,336</u>
<b>Total for Group</b>	<u>11,020,318</u>	<u>4,301,680</u>	<u>1,016,611</u>	<u>16,338,609</u>

### ANALYSIS OF TOTAL EXPENDITURE – 2019

	Staff costs £	Other costs £	Depreciation £	Total £
<b>Costs of alumni relations and fundraising</b>	<u>214,858</u>	<u>115,595</u>	<u>-</u>	<u>330,453</u>
<b>Charitable activities</b>				
Teaching	7,648,356	1,663,353	167,532	9,479,241
Welfare	205,516	715,486	16,982	937,984
Premises	670,275	1,326,175	825,160	2,821,610
Support costs	1,670,667	691,980	-	2,323,647
Financing costs	-	146,791	-	146,791
Governance costs	-	24,468	-	24,468
Movement in liabilities recognised at fair value	<u>-</u>	<u>(14,753)</u>	<u>-</u>	<u>(14,753)</u>
	<u>10,194,814</u>	<u>4,553,500</u>	<u>1,009,674</u>	<u>15,757,988</u>
<b>Total for Company</b>	10,409,672	4,669,095	1,009,674	16,088,441
Trading costs of the subsidiaries	<u>-</u>	<u>5,726</u>	<u>-</u>	<u>5,726</u>
<b>Total for Group</b>	<u>10,409,672</u>	<u>4,674,821</u>	<u>1,009,674</u>	<u>16,094,167</u>

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

### 9. TANGIBLE FIXED ASSETS – GROUP AND COMPANY

	Long leasehold property £	Freehold property £	Equipment & computers £	Assets under construction £	Company Total £
<b>Cost</b>					
At 1 August 2019	28,577,250	1,611,089	4,314,328	123,197	34,625,864
Additions	50,713	-	377,728	107,731	536,172
Disposals	-	-	(9,694)	-	(9,694)
Reallocate assets no longer under construction	-	-	-	-	-
At 31 July 2020	<u>28,627,963</u>	<u>1,611,089</u>	<u>4,682,362</u>	<u>230,928</u>	<u>35,152,342</u>
<b>Depreciation</b>					
At 1 August 2019	6,069,142	32,222	2,812,972	-	8,914,336
Charge for year	679,724	-	342,647	-	1,022,371
Disposals	-	-	(9,694)	-	(9,694)
At 31 July 2020	<u>6,748,866</u>	<u>32,222</u>	<u>3,145,925</u>	<u>-</u>	<u>9,927,013</u>
<b>Net book values</b>					
At 31 July 2020	<u>21,879,097</u>	<u>1,578,867</u>	<u>1,536,437</u>	<u>230,928</u>	<u>25,225,329</u>
At 31 July 2019	<u>22,508,108</u>	<u>1,578,867</u>	<u>1,501,356</u>	<u>123,197</u>	<u>25,711,528</u>

The leasehold property was valued by James, Styles & Whitlock (Chartered Surveyors) at £5,090,000 on 27 July 1999. Subsequent additions are included at cost.

The Governors valued the equipment at the School at £50,000 on 29 September 1987. This equipment has now been fully written down. The valuation has not been updated since this date as in the Governors' opinion the market value has not materially changed. Subsequent additions have been included at cost.

**MAGDALEN COLLEGE SCHOOL OXFORD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

**10. INVESTMENTS**

	Unlisted £	Waynflete Award Fund £	The Leo Goldschmidt Fund £	D A Brunton Fund £	Other listed £	Total £
<i>Company:</i>						
At 1 August 2019	22	787,086	891,982	185,593	-	1,864,683
Additions	-	412,529	522,884	81,235	11,000	1,027,648
Disposals	-	(379,601)	(333,589)	(83,868)	-	(797,058)
Realised gains	-	(33,748)	(22,068)	(5,432)	-	(61,248)
Unrealised gains	-	(8,268)	(10,958)	118	750	(18,358)
Change in Cash	-	<u>(18,056)</u>	<u>19,608</u>	<u>5,590</u>	<u>-</u>	<u>7,142</u>
<b>Balance at 31 July 2020</b>	<b><u>22</u></b>	<b><u>759,942</u></b>	<b><u>1,067,859</u></b>	<b><u>183,236</u></b>	<b><u>11,750</u></b>	<b><u>2,022,809</u></b>
Group:						
Consolidation						
Adjustment: Unlisted investments	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2)</u>
<b>Group</b>	<b><u>20</u></b>	<b><u>759,942</u></b>	<b><u>1,067,859</u></b>	<b><u>183,236</u></b>	<b><u>11,750</u></b>	<b><u>2,022,807</u></b>
These comprise (all UK):						
Listed investments	-	718,998	977,075	163,739	11,750	1,871,562
Cash deposits	-	40,944	90,784	19,497	-	151,225
Unlisted investments	<u>20</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20</u>
Historical cost of investments	<u>20</u>	<u>672,011</u>	<u>927,896</u>	<u>155,033</u>	<u>11,000</u>	<u>1,765,960</u>

Unlisted investments consists of 14.3% (2019:14.3%) of the share capital of Oxford Schools Bus Partnership (OSBP) Limited which had a nil surplus in the year. The OSBP is a company established by the School and other schools in Oxford for the operation of a shared service for pupils.

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

### 11. DEBTORS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
School fees and trade debtors	352,383	421,624	352,383	421,624
Other debtors	122,633	60,871	122,633	60,871
Prepayments	254,764	314,605	254,764	314,605
Owed by subsidiary companies	-	-	74,757	46,621
	<u>729,780</u>	<u>797,100</u>	<u>804,537</u>	<u>843,271</u>

### 12. CREDITORS: Amounts falling due within one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loan (see note 13)	2,264,999	2,504,999	2,264,999	2,504,999
Trade creditors	475,395	499,473	475,395	499,473
Taxation and social security	229,823	215,995	229,823	215,995
Deposits held	81,275	90,422	81,275	90,422
Other creditors	245,526	345,880	245,526	345,880
Accruals	194,240	173,707	191,441	171,108
Fees in advance for the following term	162,501	121,292	162,501	121,292
	<u>3,653,759</u>	<u>3,951,768</u>	<u>3,650,960</u>	<u>3,949,169</u>

### 13. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loan (see below)	1,449,993	1,779,993	1,449,993	1,779,993
Deposits held	706,427	598,655	706,427	598,655
	<u>2,156,420</u>	<u>2,378,648</u>	<u>2,156,420</u>	<u>2,378,648</u>
The bank loans are repayable by instalments:				
Due within two to five years	329,999	1,449,994	329,999	1,449,994
Due within one to two years	1,119,994	329,999	1,119,994	329,999
	<u>1,449,993</u>	<u>1,779,993</u>	<u>1,449,993</u>	<u>1,779,993</u>
Due within one year	2,264,999	2,504,999	2,264,999	2,504,999
	<u>3,714,992</u>	<u>4,284,992</u>	<u>3,714,992</u>	<u>4,284,992</u>

The bank loans are secured on an informal deposit of the lease of the School premises and a charge over freehold property.

Interest is charged at 1.65% above LIBOR on £1,935,000 of the bank loans, a fixed rate of 2.89% on £499,997 and a fixed rate of 2.97% on £1,279,996. The school has entered into an interest rate swap on part of the loan balance. Interest is charged at a fixed rate of 3.98%.

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

### 14. NET ASSETS OF THE FUNDS OF THE COMPANY AND GROUP

The net assets belong to the various funds as follows:

	Fixed assets	Net current assets	Long term liabilities	Fund Balances
	£	£	£	£
<b>2020</b>				
Endowed Funds	1,827,801	968,718	-	2,796,519
Restricted Funds	183,236	1,063,220	-	1,246,456
Unrestricted Funds	<u>25,237,101</u>	<u>2,213,372</u>	<u>(2,171,436)</u>	<u>25,279,037</u>
<b>Company</b>	<u>27,248,138</u>	<u>4,245,310</u>	<u>(2,171,436)</u>	<u>29,322,012</u>
Subsidiary reserves	(2)	(77,556)	-	(77,558)
<b>Group</b>	<u>27,248,136</u>	<u>4,167,754</u>	<u>(2,171,436)</u>	<u>29,244,454</u>
<b>2019</b>				
Endowed Funds	1,679,068	659,535	-	2,338,603
Restricted Funds	185,593	866,670	-	1,052,263
Unrestricted Funds	<u>25,711,550</u>	<u>1,177,332</u>	<u>(2,406,522)</u>	<u>24,482,360</u>
<b>Company</b>	<u>27,576,211</u>	<u>2,703,537</u>	<u>(2,406,522)</u>	<u>27,873,226</u>
Subsidiary reserves	(2)	(49,220)	-	(49,222)
<b>Group</b>	<u>27,576,209</u>	<u>2,654,317</u>	<u>(2,406,522)</u>	<u>27,824,004</u>

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

### 14A ENDOWED FUNDS: MOVEMENTS IN THE YEAR

	Balance at 1 August 2019	Income	Expended	Transfers and investment gains	Balance at 31 July 2020
	£	£	£	£	£
Waynflete Award Fund	1,187,573	19,876	(4,674)	(42,016)	1,160,759
The Leo Goldschmidt Fund	842,741	214,520	(37,812)	(33,026)	986,423
Magdalen College Endowed 550th School Anniversary Fund	63,939	-	-	-	63,939
1480 Society	62,500	45,795	-	177,791	286,086
	<u>181,850</u>	<u>117,462</u>	<u>-</u>	<u>-</u>	<u>299,312</u>
<b>Company and Group</b>	<b><u>2,338,603</u></b>	<b><u>397,653</u></b>	<b><u>(42,486)</u></b>	<b><u>102,749</u></b>	<b><u>2,796,519</u></b>
	Balance at 1 August 2018	Income	Expended	Transfers and investment gains	Balance at 31 July 2019
	£	£	£	£	£
Waynflete Award Fund	1,004,044	187,500	(4,659)	688	1,187,573
The Leo Goldschmidt Fund	834,904	15,670	(35,459)	27,626	842,741
Magdalen College Endowed 550th School Anniversary Fund	63,939	-	-	-	63,939
1480 Society	-	62,500	-	-	62,500
	<u>-</u>	<u>181,850</u>	<u>-</u>	<u>-</u>	<u>181,850</u>
<b>Company and Group</b>	<b><u>1,902,887</u></b>	<b><u>447,520</u></b>	<b><u>(40,118)</u></b>	<b><u>28,314</u></b>	<b><u>2,338,603</u></b>

The Waynflete Award Fund is invested to provide an income which will be used to provide bursaries to qualifying pupils.

The Leo Goldschmidt Fund is an expendable endowment fund which funds two endowed bursaries at MCS.

The 550th School Anniversary Fund and the 1480 Society are both expendable endowment funds established to support the provision of means-tested bursaries at MCS. £177,791 was transferred into the 550th fund from unrestricted funds in the year.

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

### 14B RESTRICTED FUNDS: MOVEMENTS IN THE YEAR

	<i>Balance at 1 August 2019</i>	<i>Income</i>	<i>Expended</i>	<i>Investment gains (losses)</i>	<i>Transfers</i>	<i>Balance at 31 July 2020</i>
	£	£	£	£		£
Magdalen College						
Restricted funds	3,770	-	-	-	-	3,770
Master's Fund	1,438	-	-	-	-	1,438
Dr. Winch Memorial Fund	69,181	-	(17,992)	-	-	51,189
Prize and Other Funds	79,948	5,055	(1,211)	-	-	83,792
Buildings	-	77,440	-	-	-	77,440
Other Restricted Funds	40,322	100,502	(41,428)	750	-	100,146
Waynflete Award Fund	502,052	196,673	(122,033)	-	-	576,692
The David Brunton Fund	171,300	4,796	(13,397)	(5,314)	-	157,385
OW Hardship Fund	90,147	1,185	(2,842)	-	-	88,489
Lily Club	50,000	6,250	(706)	-	-	55,544
Staff Bursary	41,050	7,412	-	-	-	48,462
Canada Bursary	3,055	-	(947)	-	-	2,108
<b>Company and Group</b>	<b><u>1,052,263</u></b>	<b><u>399,313</u></b>	<b><u>(200,556)</u></b>	<b><u>(4,564)</u></b>	<b><u>-</u></b>	<b><u>1,246,456</u></b>

	<i>Balance at 1 August 2018</i>	<i>Income</i>	<i>Expended</i>	<i>Investme nt gains (losses)</i>	<i>Transfers</i>	<i>Balance at 31 July 2019</i>
	£	£	£	£		£
Magdalen College						
Restricted funds	3,770	-	-	-	-	3,770
Master's Fund	1,438	-	-	-	-	1,438
Dr. Winch Memorial Fund	76,318	10,416	(17,553)	-	-	69,181
Prize and Other Funds	76,269	7,090	(3,411)	-	-	79,948
Buildings	211,334	80,814	-	-	(292,148)	-
Other Restricted Funds	42,827	42,147	(44,652)	-	-	40,322
Waynflete Award Fund	505,218	72,309	(75,475)	-	-	502,052
The David Brunton Fund	174,385	5,868	(12,134)	3,181	-	171,300
OW Hardship Fund	108,465	-	(18,318)	-	-	90,147
Lily Club	46,312	8,088	(4,400)	-	-	50,000
Staff Bursary	35,619	5,431	-	-	-	41,050
Canada Bursary	-	5,774	(2,719)	-	-	3,055
<b>Company and Group</b>	<b><u>1,281,955</u></b>	<b><u>237,937</u></b>	<b><u>(178,662)</u></b>	<b><u>3,181</u></b>	<b><u>(292,148)</u></b>	<b><u>1,052,263</u></b>

The Master's Fund was set up for the use of the Master to promote academic excellence at the School.

The Dr Winch Memorial Fund was set up to create a programme of bursary awards at the School.

Prize and other funds represent a number of individual prize funds.

# MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

### 14B RESTRICTED FUNDS: MOVEMENTS IN THE YEAR (Continued)

The Buildings Fund was set up to fund the construction of new buildings at the School.

Further details of the purposes of expenditure is set out in the annual Donor Report.

### 14C UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR

Company and Group	Balance at 1 August 2019 £	Income £	Expended £	Transfers £	Balance at 31 July 2020 £
<b>Designated funds</b>					
Master's Fund	<u>1,958</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,958</u>
	1,958	-	-	-	1,958
<b>Unrestricted funds</b>					
Income and Expenditure Account	<u>24,480,402</u>	<u>17,041,699</u>	<u>(16,067,231)</u>	<u>(177,791)</u>	<u>25,277,079</u>
<b>Company</b>	<u>24,482,360</u>	<u>17,041,699</u>	<u>(16,067,231)</u>	<u>(177,791)</u>	<u>25,279,037</u>
Non-charitable trading funds	<u>(49,222)</u>	<u>-</u>	<u>(28,336)</u>	<u>-</u>	<u>(77,558)</u>
<b>Group</b>	<u>24,433,138</u>	<u>17,041,699</u>	<u>(16,095,567)</u>	<u>(177,791)</u>	<u>25,201,479</u>
	Balance at 1 August 2018 £	Income £	Expended £	Transfers £	Balance at 31 July 2019 £
<b>Designated funds</b>					
Master's Fund	<u>1,958</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,958</u>
	1,958	-	-	-	1,958
<b>Unrestricted funds</b>					
Income and Expenditure Account	<u>22,752,865</u>	<u>17,305,050</u>	<u>(15,869,661)</u>	<u>292,148</u>	<u>24,480,402</u>
<b>Company</b>	<u>22,754,823</u>	<u>17,305,050</u>	<u>(15,869,661)</u>	<u>292,148</u>	<u>24,482,360</u>
Non-charitable trading funds	<u>(43,496)</u>	<u>-</u>	<u>(5,726)</u>	<u>-</u>	<u>(49,222)</u>
<b>Group</b>	<u>22,711,327</u>	<u>17,305,050</u>	<u>(15,875,387)</u>	<u>292,148</u>	<u>24,433,138</u>



## MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

#### 15. CONTRACTS AND COMMITMENTS

At the year end the group has capital commitments totalling £nil (2018: £30,000), relating to the various building projects.

Operating lease commitments	2020 £	2019 £
Total future lease payments:		
Payable within one year	5,885	8,478
Payable between one and five years	-	4,931
	<u>5,885</u>	<u>13,409</u>

#### 16. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,185,985 (2019: £784,906) and at the year-end £141,304 (2019: £101,844) was accrued in respect of contributions to this scheme.

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pension Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

Although members may be employed by various bodies, their retirement and other pension benefits are set out in the regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

##### Valuation of the Teachers' Pension Scheme

The latest actuarial valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

A copy of the latest valuation report is on the Teachers' Pension Scheme website at the following location:  
<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>

## MAGDALEN COLLEGE SCHOOL OXFORD LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 16. PENSION SCHEMES (Continued)

##### Scheme changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

The School also runs a scheme for its non-teaching staff, which is a defined contribution scheme. The total contribution payable to this scheme during the year was £268,503 (2019: £254,687) and at the year-end £nil (2019: £66,771) was accrued in respect of contributions to this scheme.

#### 17. GOVERNORS AND RELATED PARTY TRANSACTIONS

Neither the Governors nor persons connected with them received any emoluments from the School during the year (2019: £Nil).

Four Governors received reimbursement of out of pocket expenses amounting to £702 in the current year (2019: £1,458 for two Governors).

Donations from Governors in the year amounted to £101,795 (2019: £4,650).

Under the provisions of FRS 102, related party transactions with MCS Asset Management Limited and Magdalen College School International Limited are exempt from disclosure as the companies are wholly controlled subsidiaries of Magdalen College School Oxford Limited.

There are no other related party transactions to disclose.

#### 18. GENERAL INFORMATION

Magdalen College School is a company limited by guarantee incorporated in England and Wales, company registration number 02106661. It is registered as a charity with the Charity Commission, registration number 295785. Its registered office address and principal place of business is Magdalen College School, Cowley Place, Oxford, OX4 1DZ.