

**TWICKENHAM PREPARATORY SCHOOL**  
**(A Company Limited by Guarantee)**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Company Number: 3475951**  
**Registered Charity Number: 1067572**

**TWICKENHAM PREPARATORY SCHOOL**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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## **TWICKENHAM PREPARATORY SCHOOL**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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The Directors present their annual report for the year ended 31 August 2022 under the Companies Act 2006 and the Charities Act 1993, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Companies Act 2006, the Company's Articles of Association, the Charities Act 2011 and the Charities SORP (FRS 102).

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

#### **DIRECTORS**

The Directors of the Company, who are also the charity trustees and the Governors of the School, who served during the year and subsequently were:

|                          |  |
|--------------------------|--|
| Mr Harry Bates           | (Chairman)   |
| Mr Michael J Fisher      | (Resigned 22 November 2022 both as Deputy Chairman and Director) |
| Mr Philippe L Buron      |  |
| Mr Gavin J Donaldson     | (Resigned 8 July 2022)   |
| Mrs Elizabeth M Ferguson |  |
| Miss Barbara A Flight    |  |
| Mrs Jessica A Harvey     |  |
| Mr Brian M Jones         | (Resigned 8 June 2022)   |
| Mrs Ruby Jones           |  |
| Mr Mike Michael          |  |
| Mr Andrew J Murray       |  |
| Ms D Jane O'Connor       | (Appointed 18 November 2021)                                     |
| Mr Thomas JJ Owens       |  |

### **KEY MANAGEMENT PERSONNEL AND PROFESSIONAL ADVISERS**

#### **HEADMASTER**

Mr Oliver Barrett

#### **KEY MANAGEMENT PERSONNEL**

Key management personnel includes the Headmaster, four members of the Senior Leadership Team and two others.

#### **BANKERS**

Barclays Bank plc  
Onslow Hall  
Little Green  
Richmond  
Surrey  
TW9 1QS

#### **AUDITORS**

Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

#### **SOLICITORS**

Veale Wasbrough Vizards LLP  
Narrow Quay House  
Narrow Quay  
Bristol  
BS1 4QA

## **TWICKENHAM PREPARATORY SCHOOL**

### **DIRECTORS' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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

Twickenham Preparatory School (TPS) was founded in 1969. The School is incorporated as a Company Limited by Guarantee and is a registered charity, number 1067572. Its registered company number is 3475951. The Registered Office and address of the school is at 43 High Street, Hampton, Middlesex, TW12 2SA.

During the year, the Company was governed by its Articles of Association which were modernised in 2019 to reflect changes in legislation, best practice in the charities and independent school sectors, and the manner in which the charity is governed and operates in practice.

The Directors are elected at a full Directors' Meeting on the basis of their eligibility, personal competence, specialist skills and local availability. New Governors are inducted into the workings of the School, and also of the Company as a registered Charity. All Governors are encouraged to attend relevant trustee training opportunities.

The Directors meet as a Board at least three times a year to determine the general policy of the charitable company and to review its overall management and control, for which they are legally responsible. Sub-committees of the Board comprising Directors, together with some key management personnel representation, also meet at least three times a year or as required to undertake more detailed reviews of operational management; these committees report directly to the Board and make recommendations for Board approval. Currently, there are four sub-committees of the Board: Education and Strategic Planning, Finance, Risk and Premises. The welfare and safety of the School community is of paramount importance and a school Health and Safety committee, comprising employees and with Director representation, reports to the Risk Committee.

The day-to-day running of the School is delegated to the Headmaster supported by the Senior Leadership Team and two others and together this group are the key management personnel. Remuneration is set by the Board, with the policy objective of ensuring appropriate incentives to encourage enhanced performance and rewarding individual contributions to the School's success. The appropriateness and relevance of the pay policy is reviewed annually including reference to comparisons with other independent schools to ensure that we remain sensitive to the broader issues of pay and employment conditions within the sector. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel; staff costs are the largest single element of our charitable expenditure.

### **OUR AIMS**

The objects, as set out in the Articles of Association adopted on 7 November 2019, are to advance education including (but not limited to) the provision of a school or schools in Great Britain. These updated objects clarify the charitable purpose and will allow the charity to further its purposes for the public benefit in a broader manner.

Our mission statement is:

*"To be the Preparatory School of choice providing an excellent, innovative and inspiring education where personal success is achieved through our nurturing and caring ethos".*

The key elements of this statement underlie all our strategic decision making.

We aim to provide a first-class education within a structured environment that develops our pupils' capabilities, competences and skills enabling them to fulfil their potential. We promote the academic, moral and physical development of our pupils through our academic curriculum, pastoral care, sporting and other activities. We actively seek to build pupils' self-confidence and resilience and to inculcate in them a desire to contribute to the wider community. In so doing, we aim to prepare our pupils for the opportunities, responsibilities and experience of later life.

### **OUR OBJECTIVES**

Our objectives are set to reflect the educational aims and ethos of the School.

In setting our objectives and planning our activities, the Directors have given careful consideration to the Charity Commission's public benefit guidance.

## **TWICKENHAM PREPARATORY SCHOOL**

### **DIRECTORS' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **OUR OBJECTIVES (continued)**

Key objectives for the year were:

##### **Academic and Pastoral**

- To enhance further the curriculum including the introduction of a new whole school Maths scheme and a reading programme;
- To enhance further the co-curricular activities including increased use of specialist sports and after school club teachers and the launch of a school radio station;
- To improve the provision for our more able pupils through establishing staff specifically responsible for Gifted and Talented provision across the Prep and Pre-Prep;
- To review the curriculum taught in Year 7 and Year 8 in line with national expectations and through feedback from local senior schools;
- To introduce a more effective staff performance appraisal process with individual objectives aligned to the strategic plan objectives;
- To review remuneration of staff including flexible benefits and pension provision.

##### **Community**

- To continue to develop the principle of 'involvement for all' and engagement with the local community, including further collaboration and shared use of facilities, particularly with our partnership school;
- To ensure that the School has a stronger presence locally and regionally through initiatives which see the establishment of links with the local community and associations, whilst using marketing in a targeted manner to share news about School's partnerships and charitable work.

##### **Infrastructure**

- To continue refurbishment of the School and upgrading of equipment including commission of a thermal study, aligned with the architectural masterplan, to reduce carbon emissions towards net-zero.

#### **REVIEW OF ACTIVITIES AND ACHIEVEMENTS**

##### **Coronavirus pandemic**

Following the previous two years of adjustment due to the pandemic, 2021/22 has seen a return to normality with a full programme of on-site learning together with events, trips and fixtures. Whilst in-person meetings were able to resume, the new technology platforms adopted during "lockdown" periods have continued to be utilised to great effect for many meetings with parents, external contacts and staff training, allowing greater cost and time efficiency and convenience for the participants. The Directors continue to place wellbeing of the staff and pupils as a high priority in all aspects of School decision-making.

##### **Inspection by the Independent Schools Inspectorate (ISI)**

In March 2022 the School underwent a focused compliance and educational quality inspection by the ISI. We are delighted with the outcome in which the School demonstrated it meets all the standards of regulatory compliance and achieved 'Excellent' in both the quality of pupils' academic and other achievements and of their personal development. This affirmation was a welcome reflection of the School we recognise daily, whilst also highlighting particular aspects of the outcomes for pupils that sets TPS apart from other schools. Inspectors commented on the excellent communication skills of the pupils and the strong contribution made by the collaborative learning opportunities, along with high levels of perseverance and commitment shown by pupils in lessons. In addition, the commentary highlighted the initiative and independence of the children and their enthusiasm to take on leadership roles within their learning, whilst also pointing out high levels of independent study skills and intellectual curiosity. The report pleasingly highlighted the excellent progress made by pupils of all abilities in their time at TPS, with children thriving on the culture of aspirational challenge and achieving highly in both academic and non-academic aspects of school life. It also pointed out the many extra-curricular activities on offer for the pupils to enjoy.

## **TWICKENHAM PREPARATORY SCHOOL**

### **DIRECTORS' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **REVIEW OF ACTIVITIES AND ACHIEVEMENTS (continued)**

##### **Inspection by the Independent Schools Inspectorate (ISI) (continued)**

Within their evaluation of the School, the inspectors also highlighted the very high levels of spirituality and moral understanding demonstrated by our pupils. They found pupils to be caring and compassionate towards others, respectful of differences and eager to learn about other cultures. They know how to stay safe and healthy whilst also demonstrating excellent collaborative skills and high levels of self-esteem, confidence, discipline and resilience. These attributes will enable TPS pupils to succeed in the future, recognising opportunities to learn from others and contribute positively to society.

The Directors are delighted with this very positive affirmation of all that the School does and they are grateful to Mr Barrett and his staff for providing such a first-class education to our pupils. The ISI inspection report is available to read on the school website [www.twickenhamprep.co.uk](http://www.twickenhamprep.co.uk)

##### **Academic achievements**

The School achieved excellent results again this year in our girls' and boys' senior school 11+ examinations and boys' 13+ entrance to a variety of secondary schools, some highly academically selective.

There was wide variety in destination schools for our Year 6 girls with Surbiton High, St Catherine's, Lady Eleanor Holles and Sir William Perkins's schools being the most popular. Year 6 boys' results were also very strong with offers including those to Hampton, St George's, Reeds, Halliford, RGS Guildford, King's Wimbledon and St James. From the Year 6 cohort, the TPS pupils were offered three academic scholarships, two drama scholarships, one art scholarship and one music scholarship.

The Coronavirus pandemic changed the requirements for Common Entrance exams in the Summer and senior schools were more flexible in their expectations. At TPS the academic staff decided to continue with the programme, with the boys completing the CE syllabus and associated examinations, with a group of boys also completing the scholarship programme in preparation for the assessments in May, resulting in several academic scholarship offers. In total, the Year 8 boys achieved four academic scholarships, two sports scholarships and one music scholarship to their chosen senior schools.

##### **Strategic and curriculum activities and achievements**

We continue to seek new initiatives to enhance the curriculum further for the benefit of our pupils. During the year and as planned, new Maths schemes were introduced in both the Prep and Pre-Prep departments and Accelerated Reader was successfully launched throughout the school to foster a love of reading whilst at the same time enabling teachers the opportunity to manage and monitor reading practice. A new Head of ICT and Computing was appointed and an ICT strategy group formed to drive the development of ICT throughout the school. We aim to increase flexibility for staff and pupils in accessing learning resources whilst also improving efficiency and the sharing of information through the systems used. The rolling programme of providing both staff and pupils with Microsoft Surface devices has been continued. Microsoft Teams is being used to promote collaborative working amongst both senior pupils and staff. The School has not yet appointed a member of staff specifically responsible for Gifted and Talented provision across the school; this objective will be pursued in the forthcoming year.

The PSHE programme, including revised Relationships and Sex Education (RSE) and Health Education in line with statutory guidance, was launched at the start of the academic year. Details of topics to be covered were shared with the parent body, with some parent workshops to compliment the programme, and where appropriate external specialist speakers were engaged to deliver aspects of the curriculum to pupils. We continue to enhance our STEM offering with specialist third party Science workshops, with cross-curricular PSHE and career focus, and the popular Science club. The rocket club developed a rocket and took part in the water rocket competition for schools organised by the National Physical Laboratory. During the year, the purchase of radio station equipment enabled pupils to develop their broadcasting skills with several successful transmissions taking place and we look forward to increased activity in the future.

**REVIEW OF ACTIVITIES AND ACHIEVEMENTS (continued)**

**Strategic and curriculum activities and achievements (continued)**

The extra curriculum programme has benefitted hugely from the further introduction of externally led specialist clubs offering music and dramatic art, dance and various sports. TPS staff also introduced many new clubs during the year, including the Junior Duke programme (a junior version of the Duke of Edinburgh scheme), Spanish and other languages, performance poetry, book illustration, mixed cricket and cooking. The Art Scholarship club continues to benefit those pupils preparing a portfolio for awards to senior schools, with a good degree of success. The School continues to embrace Think Tank MindLab, a thinking skills programme taught throughout the School which promotes different methods and techniques for dealing with problem solving activities and enhances the academic curriculum.

Changes in the Common Entrance curriculum across key academic subjects were fully adopted in September 2021. The proposed review of curriculum for Years 7 and 8 was deferred to academic year 2022/23, given that there is no longer set expectation from the senior schools for feeder schools to follow the Common Entrance syllabus. The provision for our senior cohort and their personal development is being considered carefully and we aim to maximise their beneficial use of the facility at the Hub@51.

**Co-curricular activities and achievements**

The School continues to place great importance on opportunities for the children beyond the curriculum in order to broaden their learning experiences and range of skills. The co-curricular provision offering sports camps within the holiday periods, through an association with Premier Education, has proved extremely popular and the number of camps has been expanded. Mr Malam's chess and thinking skills club continues to be offered in school holidays and a school run holiday Art Club has been introduced during the year. Extra-curricular clubs continue to thrive and there was a flurry of educational trips, once permitted, organised for pupils throughout the School. Senior pupils are encouraged to assume positions of responsibility, with all of the girls in Year 6 and boys in Year 8 taking on roles, following a formal appointment process.

After the adverse impact of the Coronavirus pandemic on the previous two academic years, we were delighted to be able to offer a full sporting programme this year. Pupils participated in a wide range of activities with the main sports for boys being football, rugby and cricket with squash and tennis for seniors and netball, hockey and cricket for girls. Mixed opportunities are encouraged with mixed clubs introduced during the year for football and cricket. Swimming continues to be taught to children in Years 1 to 5. During the year pupils participated in many inter-school tournaments with considerable success. Individual sports have also seen strong performances, with children from Year 5 to Year 8 taking part in the IAPS National Triathlon Championships, including a national title in the U13 category. The Prep sports day was held for the first time at the Elmbridge Xcel Leisure Centre and pupils benefitted from the specialist athletics facility in what was a highly successful event.

**Other activities and achievements to support the School**

Refurbishment of the Pre-Prep department has been the focus of our facilities enhancement this year; the remaining three classrooms have been refurbished and all external play surfaces in the gardens have been resurfaced. Security has been improved with the replacement of the main gate to the playground and installation of an additional CCTV camera. The welfare of the pupils will be enhanced further with the implementation of software to assist with recording and management of safeguarding concerns to be launched in Autumn 2022.

Upkeep of the facilities has been continued with the rolling decoration and refurbishment programme. The first phase of a thermal study was commissioned, aligned with the architectural masterplan, to reduce carbon emissions towards net-zero. The School's ongoing upgrade of IT equipment continued with the purchase of additional Microsoft Surface devices for pupils and staff with all teacher classroom computers replaced with docking stations for Surface devices. The Pre-Prep mobile devices have also been upgraded.

During the year, a more effective staff performance appraisal process was introduced with individual objectives aligned to the strategic plan objectives. A working party comprising of Directors and senior staff has been established to undertake a review of staff remuneration including flexible benefits and pension provision and will be progressed in 2022/23.

## **TWICKENHAM PREPARATORY SCHOOL**

### **DIRECTORS' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **PUBLIC BENEFIT**

The Directors confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charitable company.

The School is registered with Schools Together, a website forum maintained by the Independent Schools Council in collaboration with the Department for Education to highlight the projects and partnerships which currently exist between our school and maintained schools or community groups.

#### **Widening public access to the School**

The School grants means-tested bursaries into Year 7 and 8 to widen public access to the School within the constraints of available funding and as appropriate to a school of its type and size. We currently support some younger children and hope to widen such access in the future. In funding our awards, we are mindful that we must ensure equity between fee paying parents, many of whom make considerable personal sacrifices to fund their child(ren)'s education, and those benefiting from the awards. We are also responsible for ensuring the ongoing financial sustainability of the School and the development of our facilities to remain attractive in a competitive market. Within these constraints, funding for bursaries and allowances represented 4.1% (2021: 4.7%) of gross tuition fee income in the academic year 2021/22.

In conjunction with the London Borough of Richmond upon Thames, the School also operates the Early Education Funding initiative for eligible pupils in their Reception year.

#### **Fostering links with the local community**

The School actively seeks to foster links with the local community. Post-pandemic, we aim to resume our contact with local schools in the new academic year, hosting events and involving participants from local schools where possible. Local youth groups have benefitted from use of school minibuses. Our pupils have continued to make use of the local sporting facilities at The Lensbury and Kempton Cricket Club and this year we have been able to resume sporting activities at Colets, Powerleague Feltham and Sunbury Leisure Centre.

A variety of out-of-hours school clubs and activities are offered to our pupils, many at no additional charge, including a Breakfast Club. Services to parents have been enhanced with extended hours of wrap-around care providing cover from 7.30am to 6.30pm on weekdays, with our after-school care now outsourced to a specialist provider. These initiatives benefit working parents in the provision of wrap-around childcare. A home to school minibus service is operated to benefit parents and the School Travel Plan was updated.

#### **Partnership opportunities**

Whilst partnership opportunities are limited for a school of our size and profile, we are delighted to have agreed an informal partnership with St Mary's Hampton CE Primary School. During the year, we have maintained contact and hope to resume some extra-curricular activities with pupils from both schools in the new academic year. We are excited at this opportunity which we hope will enrich the outcomes for all pupils involved.

#### **Charity support**

Pupils actively assist local and national charities by undertaking a number of fundraising initiatives. This year, donations totalling £3,288 were made to various local and national charities with a further £1,204 donated to African Vision Malawi (for Songwe School). Food and other household essentials have been donated to East Elmbridge Foodbank. The School also sponsors a child living in Uganda through the Compassion UK charity, and pupils correspond with our beneficiary and send gifts. We are also forging new links with pupils from Songwe School and corresponding with pupils there and one of our pupils visited the school in August 2022, taking out donations of sports equipment and curriculum resources.

Our pupils have also done charitable works outside school hours, raising money for worthy causes. Members of staff held a coffee morning in aid of Macmillan Cancer Support and they are also involved in local church communities and Forest School courses for youth carers in the Richmond Borough.



## **TWICKENHAM PREPARATORY SCHOOL**

### **DIRECTORS' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **FINANCIAL REVIEW**

The School had net incoming resources for the year of £121,416 which have been added to reserves. The Directors consider this a positive outturn.

Net incoming resources included restricted donations of £18,286: £10,000 from the Limbachia family for the purchase of the radio station and £8,286 from the Parents' Committee, with £4,000 towards development of the grounds at 51 High Street and £4,286 for minibus lease funding. The donation in respect of the minibus funding was fully utilised in the year. In total, £16,637 was transferred from restricted to unrestricted reserves during the year. This was attributable to the donation of £10,000 for the radio station and the remaining £6,637 of £50,000 received from a benefactor in 2017 utilised to fund a place at the School for an academically able child who would not otherwise have been able to afford the fees. The School is extremely appreciative of this additional financial support.

At 31 August 2022, the School had reserves of £3,151,450 of which £4,000 are restricted funds relating to the development of grounds at 51 High Street described above. The unrestricted funds of £3,147,450 are all invested, together with bank borrowings, in the fixed assets of £3,492,221.

The School is in sound financial health, with secure financial management and healthy registration numbers for future years. The Directors have regularly reviewed the financial performance throughout the year and continue to monitor closely the current economic climate.

#### **RESERVES POLICY**

The Directors regularly review the level and nature of the reserves of the School, and the reserves policy is reviewed annually.

The Directors aim to maintain an annual operating surplus to finance capital expenditure on improving buildings, equipment and other facilities and to create a small Charity reserve. This enables the Charity to provide a consistently high quality of education to the public and to meet contingencies. The Directors recognise that the level of free reserves (as defined by the Charity Commission) fluctuates with investment and building activities and that at present the reserves are negative. The School finances the day to day operations of the School through careful cashflow management and the Directors are content that the net assets are sufficient to meet the Company's obligations and future strategy.

#### **RISK MANAGEMENT**

The Board continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time, and to monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate, by which the risks identified by the Directors can best be mitigated. A Risk Committee, comprising Directors and staff and reporting directly to the Board, monitors risk and compliance and the Human Resources and Compliance Officer supports further this role.

Risk assessments are in place and are being maintained for all aspects of the School's activities and operations. During the year, specialist software has been implemented to ensure consistency in risk assessments and to assist in the mitigation and control of risk throughout the school. Detailed consideration of risk is delegated to other committees as appropriate and includes review of reports from senior management and independent professional advisors. A review of risk management processes is undertaken by the Board.

The ISI Regulatory Compliance inspection in March 2022 was a detailed review of all aspects of Regulation and Compliance and confirmed that the School met the regulatory standards in all areas.

Key areas of risk are seen to exist in the following areas, common to all independent schools:

- Governance including compliance with applicable regulations and legislation;
- Financial control;
- Disaster planning;
- Loss of reputation;
- Health and safety; and
- Recruitment and retention of pupils given economic conditions.

## **TWICKENHAM PREPARATORY SCHOOL**

### **DIRECTORS' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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### **RISK MANAGEMENT (continued)**

All aspects of the quality of educational provision and the health and well-being of both staff and pupils have been given very careful consideration to ensure compliance with government guidelines. The Finance Committee continues to monitor the financial situation closely in order to take decisive action if required.

In assessing risks, the Board has in place key controls that include:

- Formal mechanisms for the operation of the Board of Governors;
- Terms of reference for all committees;
- Close personal involvement of the Directors in the activities of the School;
- Comprehensive strategic planning, budgeting and accounting procedures;
- Formal written policies and procedures;
- Review and development of the curriculum and extra-curricular activities; and
- Early identification of staffing needs and professional development opportunities.

Through the strategic planning process, specific risks facing the School have been identified as:

- Potential restructuring of senior school admissions;
- Potential preference for delayed entry to independent school education;
- Significant number of schools in the area;
- Potential removal of charitable tax benefits; and
- The affordability of fees given economic conditions.

These specific risks are being addressed through investment in the Pre-Prep department and targeted marketing, emphasising the many benefits of an independent school education and in particular the key points of difference offered by a Twickenham Prep schooling. We seek to strengthen our admission lists further, particularly for entry to Reception and Year 3, by offering an excellent “value-added” service at a fair price making us a destination school of choice.

Through the risk management processes established, the Directors are satisfied that the major risks have been identified and appropriately mitigated. However, it is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

### **PLANS FOR FUTURE PERIODS**

The School is committed to maintaining high standards in all areas of school life. During the academic year 2021/22, the Directors together with the Headmaster and other senior leaders and stakeholders collaborated to advance the School's vision and strategic plan for the medium term. The strategic plan and underlying phased objectives will be finalised and communicated to the school community in the next academic year.

Key objectives for the next academic year include:

#### **Academic and Pastoral**

- To enhance further the reporting processes at the school, focusing on the children's attitude to learning, their organisation and behaviour;
- To enhance further the co-curricular activities including offering opportunities to use new off-site facilities for sports and a residential sports tour for senior pupils;
- To conduct a review of the curriculum for Year 7 and 8 pupils, exploring other curriculum models which allow great cross-curricular projects and broader learning opportunities beyond the conventional subject areas;
- To improve the provision for our more able pupils through establishing staff specifically responsible for Gifted and Talented provision across the Prep and Pre-Prep;
- To work with parents in order to better inform them about online safety, children's learning habits and resilience through a partnership with Tooled Up Education;
- To progress the strategic planning for the school and subsequently complete a master planning exercise for the school site in line with those aims;
- To review remuneration of staff including flexible benefits and pension provision, including salary bench marking and review of pay scales.

**TWICKENHAM PREPARATORY SCHOOL**

**DIRECTORS' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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**PLANS FOR FUTURE PERIODS (continued)**

Community

- To continue to develop the principle of 'involvement for all' and engagement with the local community, including further collaboration and shared use of facilities, particularly with our partnership school;
- To ensure that the School has a stronger presence locally and regionally through initiatives which see the establishment of links with the local community and associations, whilst using marketing in a targeted manner to share news about School's partnerships and charitable work.

Infrastructure

- To continue refurbishment of the School and upgrading of equipment including refurbishment of the Prep library and further initiatives to reduce carbon emissions towards net-zero.

# **TWICKENHAM PREPARATORY SCHOOL**

## **DIRECTORS' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors 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 result of the charitable company for that year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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


So far as each of the Directors is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### **AUDITORS**

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the appointment of Haysmacintyre LLP as auditors of the Company will be put to the Annual General Meeting.

Approved by the Board of Directors at its meeting on 23 November 2022 and signed on its behalf by:

  
.....  
Harry Bates  
Chairman

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TWICKENHAM PREPARATORY SCHOOL

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### Opinion

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

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Directors' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report (which incorporates the strategic report and the directors' report).

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TWICKENHAM PREPARATORY SCHOOL (continued)**

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

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

### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on page 10, the directors (who are also the trustees of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, the Independent Schools Inspectorate (ISI) and the statutory safeguarding and child protection guidance issued by the Department for Education (DfE) and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, Charities SORP (2019), Companies Act 2006 and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing minutes of meetings in the year;
- Identifying and testing journals, in particular journal entries posted with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TWICKENHAM PREPARATORY  
SCHOOL (continued)**

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**Use of our report**

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



*Richard Weaver (Senior statutory auditor)  
for and on behalf of Haysmacintyre LLP, Statutory Auditor*

.....Date: 12 December 2022

*10 Queen Street Place  
London  
EC4R 1AG*

**TWICKENHAM PREPARATORY SCHOOL**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 AUGUST 2022**

|  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2022<br>£ | Total<br>2021<br>£ |
|--|-------|----------------------------|--------------------------|--------------------|--------------------|
| <b>INCOME FROM:</b>                            |       |                            |                          |                    |                    |
| <b>Charitable activities</b>                   |       |                            |                          |                    |                    |
| School fees receivable                         | 2     | 3,396,119                  | -                        | 3,396,119          | 3,189,754          |
| Other educational income                       | 3     | 188,328                    | -                        | 188,328            | 87,356             |
| Catering and Welfare income                    |       | 204,107                    | -                        | 204,107            | 146,145            |
| Other income                                   | 4     | 41,569                     | -                        | 41,569             | 32,446             |
| <b>Donations and Legacies</b>                  |       |                            |                          |                    |                    |
| Donations and grant income                     | 5     | 97                         | 18,286                   | 18,383             | 44,552             |
| <b>Investments</b>                             |       |                            |                          |                    |                    |
| Interest receivable                            |       | 3,905                      | -                        | 3,905              | 459                |
| <b>TOTAL INCOME</b>                            |       | <u>3,834,125</u>           | <u>18,286</u>            | <u>3,852,411</u>   | <u>3,500,712</u>   |
| <b>EXPENDITURE ON:</b>                         |       |                            |                          |                    |                    |
|  | 6     |                            |                          |                    |                    |
| <b>Charitable activities:</b>                  |       |                            |                          |                    |                    |
|  | 7     |                            |                          |                    |                    |
| School operating costs                         |       |                            |                          |                    |                    |
| - Teaching costs                               |       | 2,602,627                  | 4,286                    | 2,606,913          | 2,333,933          |
| - Welfare costs                                |       | 201,158                    | -                        | 201,158            | 172,119            |
| - Premises costs                               |       | 530,120                    | -                        | 530,120            | 499,037            |
| - Support costs of schooling                   |       | 377,671                    | -                        | 377,671            | 360,142            |
|  |       | <u>3,711,576</u>           | <u>4,286</u>             | <u>3,715,862</u>   | <u>3,365,231</u>   |
| <b>Raising funds</b>                           |       |                            |                          |                    |                    |
| Finance costs                                  | 9     | 15,133                     | -                        | 15,133             | 22,142             |
| <b>TOTAL EXPENDITURE</b>                       |       | <u>3,726,709</u>           | <u>4,286</u>             | <u>3,730,995</u>   | <u>3,387,373</u>   |
| <b>NET INCOME</b>                              |       | 107,416                    | 14,000                   | 121,416            | 113,339            |
| <b>TRANSFERS</b>                               |       |                            |                          |                    |                    |
| Gross transfers between funds                  |       | <u>16,637</u>              | <u>(16,637)</u>          | <u>-</u>           | <u>-</u>           |
| <b>NET INCOME/(EXPENDITURE) FOR THE YEAR</b>   |       | 124,053                    | (2,637)                  | 121,416            | 113,339            |
| Funds brought forward at 1 September 2021      |       | <u>3,023,397</u>           | <u>6,637</u>             | <u>3,030,034</u>   | <u>2,916,695</u>   |
| <b>Funds carried forward at 31 August 2022</b> |       | <u>£3,147,450</u>          | <u>£4,000</u>            | <u>£3,151,450</u>  | <u>£3,030,034</u>  |

There were no recognised gains and losses other than those shown in the above Statement of Financial Activities.


The notes on pages 18 to 28 form part of these accounts.



**AT 31 AUGUST 2022**

|  |       | 2022              | 2021              |
|--|-------|-------------------|-------------------|
|  | Notes | £                 | £                 |
| <b>FIXED ASSETS</b>  |       |                   |                   |
| Tangible fixed assets  | 11    | 3,492,221         | 3,544,179         |
| <b>CURRENT ASSETS</b>  |       |                   |                   |
| Stocks   |       | 6,600             | 4,319             |
| Debtors  | 12    | 167,333           | 135,351           |
| Cash at bank and in hand                                       |       | 961,047           | 887,870           |
|  |       | <u>1,134,980</u>  | <u>1,027,540</u>  |
| <b>CREDITORS: amounts falling due within one year</b>          | 13    | <u>(760,717)</u>  | <u>(683,072)</u>  |
|  |       | <u>374,263</u>    | <u>344,468</u>    |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |       | 3,866,484         | 3,888,647         |
| <b>CREDITORS: amounts falling due after more than one year</b> | 14    | <u>(715,034)</u>  | <u>(858,613)</u>  |
|  |       | <u>£3,151,450</u> | <u>£3,030,034</u> |
| <b>FUNDS</b>   | 15    |                   |                   |
| Unrestricted funds   |       | 3,147,450         | 3,023,397         |
| Restricted funds   |       | 4,000             | 6,637             |
| <b>TOTAL</b>   |       | <u>£3,151,450</u> | <u>£3,030,034</u> |

The financial statements were approved and authorised for issue by the Board of Directors on 23 November 2022 and were signed below on its behalf by:

  
Harry Bates

.....  
Mike Michael

**TWICKENHAM PREPARATORY SCHOOL**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 AUGUST 2022**

|   | <b>2022</b> |           | <b>2021</b> |           |
|---|-------------|-----------|-------------|-----------|
|   | <b>£</b>    | <b>£</b>  | <b>£</b>    | <b>£</b>  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |             |           |             |           |
| Net movement in funds for the reporting period (as per the statement of financial activities) |             | 121,416   |             | 113,339   |
| <b>Adjustments for:</b>   |             |           |             |           |
| Depreciation charges  | 171,505     |           | 159,782     |           |
| Loss on disposal of fixed assets  | 2,538       |           | -           |           |
| Investment income   | (3,905)     |           | (459)       |           |
| Financing costs   | 14,560      |           | 12,997      |           |
| (Increase)/decrease in debtors  | (31,982)    |           | 26,669      |           |
| Increase in creditors (excluding fees in advance and bank loans)                              | 88,612      |           | 8,745       |           |
| (Increase)/decrease in stock  | (2,281)     |           | 1,436       |           |
| (Decrease) in fees in advance   | (2,148)     |           | (43,901)    |           |
|   |             | 236,899   |             | 165,269   |
| <b>Net cash provided by operating activities</b>  |             | 358,315   |             | 278,608   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |             |           |             |           |
| Investment income   | 3,905       |           | 459         |           |
| Payments for tangible fixed assets  | (122,085)   |           | (204,876)   |           |
| <b>Net cash used in investing activities</b>  |             | (118,180) |             | (204,417) |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |             |           |             |           |
| Cash outflow from borrowing   |             |           |             |           |
| Financing costs   | (14,560)    |           | (12,997)    |           |
| Capital repayment of loans  | (152,398)   |           | (27,395)    |           |
| <b>Net cash provided by financing activities</b>  |             | (166,958) |             | (40,392)  |
| <b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD</b>                            |             | 73,177    |             | 33,799    |
| <b>Cash and cash equivalents at beginning of the reporting period</b>                         |             | 887,870   |             | 854,071   |
| <b>Cash and cash equivalents at the end of the reporting period</b>                           |             | £961,047  |             | £887,870  |
| <b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>  |             |           |             |           |
|   | <b>2022</b> |           | <b>2021</b> |           |
|   | <b>£</b>    |           | <b>£</b>    |           |
| Cash at bank and in hand  | 311,047     |           | 887,870     |           |
| Cash on deposit   | 650,000     |           | -           |           |
| <b>Total cash and cash equivalents</b>  | £961,047    |           | £887,870    |           |

The notes on pages 18 to 28 form part of these accounts.

**TWICKENHAM PREPARATORY SCHOOL****ANALYSIS OF CHANGES IN NET DEBT****FOR THE YEAR ENDED 31 AUGUST 2022**

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**Analysis of changes in net debt**

|                                   | <b>At start of year</b> | <b>Cash flows</b> | <b>Other<br/>movements</b> | <b>At end of<br/>year</b> |
|-----------------------------------|-------------------------|-------------------|----------------------------|---------------------------|
|                                   | <b>£</b>                | <b>£</b>          | <b>£</b>                   | <b>£</b>                  |
| Cash                              | 887,870                 | 73,177            | -                          | 961,047                   |
| Loans falling due within one year | (31,046)                | 2,069             | -                          | (28,977)                  |
| Loans falling due after one year  | (617,863)               | 150,329           | -                          | (467,534)                 |
| <b>Total</b>                      | <u>£238,961</u>         | <u>£225,575</u>   | <u>-</u>                   | <u>£464,536</u>           |

The notes on pages 18 to 28 form part of these accounts.

**TWICKENHAM PREPARATORY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

---

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the applicable Financial Reporting Standard (FRS102, issued March 2013), the Statement of Recommended Practice for Charities (SORP 2015, second edition effective January 2019) and the Companies Act 2006.

**Incoming resources**

School fees comprise charges for the school less bursaries and allowances. Other educational income and catering income is accounted for on a receivable basis.

**Donations**

Donations are recognised in the Statement of Financial Activities when receivable.

**Grant Income**

Grant income, including government grant income, relating to revenue is recognised in the Statement of Financial Activities on an accruals basis in the same period as the related costs for which the grant is intended to compensate provided that there is evidence of entitlement, receipt is probable and the amount can be measured reliably.

**Depreciation**

Depreciation of tangible fixed assets is calculated so as to write off the cost over their estimated useful economic lives. Depreciation rates are as follows:

|                                  |  |
|----------------------------------|--|
| Freehold buildings               | - on a straight line basis over 50 years |
| Freehold improvements            | - on a straight line basis over 10 years |
| Fixtures, fittings and furniture | - on a straight line basis over 10 years |
| Electronic equipment             | - on a straight line basis over 5 years  |

**Stocks**

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

**Expenditure**

Expenditure is allocated to expense headings on an accruals basis. The irrecoverable VAT element is included with the item of expense to which it relates.

**Governance costs**

Governance costs include the costs of the audit of the statutory accounts and advice on legal, property and other matters.

**Pension contributions**

The Company contributes to the Teachers' Pension Scheme. Payments are made to the Teachers' Pensions Agency in accordance with the Teachers' Superannuation (Consolidation) Regulations 1988, as amended. Contributions payable in respect of the accounting period are charged to direct charitable expenditure.

The Company contributes to a separate defined contribution scheme for non-teaching staff. Contributions payable in respect of the accounting period are charged to direct charitable expenditure.

**Lease transactions**

Rentals under operating leases are charged to the Statement of Financial Activities as they fall due.

**Unrestricted funds**

Unrestricted funds comprise funds not subject to any restrictions regarding their use and are available for any charitable purpose of the Company.

**Restricted funds**

Restricted funds comprise funds donated to the Company to be applied towards specific capital and revenue items.

**1. ACCOUNTING POLICIES (continued)**

**Taxation**

The Company is a registered charity. Any surplus is applied solely for the purpose of the charity and is exempt from corporation tax.

**Financial Instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

**Critical accounting judgements and key sources of estimation uncertainty**

In the view of the Directors there are no areas of material critical accounting judgements or material estimation uncertainty in the accounts.

**Going Concern**

The Directors believe that there are no material uncertainties over the School's ability to continue operating as a going concern. In making this assertion the Directors have considered detailed budgets for both the next twelve months and strategic plans for the medium term and are satisfied that the liquidity of the business is sufficient to meet the business requirements including any obligations arising from financial, operating and other conditions.

**TWICKENHAM PREPARATORY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

| <b>2. SCHOOL FEES RECEIVABLE</b>                       | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
|--|-------------------|-------------------|
| Full fees for pupils at the School                     | 3,541,672         | 3,435,077         |
| Less: Summer Term fee discount                         | -                 | (78,680)          |
| Less: bursaries and allowances                         | (145,553)         | (162,166)         |
| Less: staff salary sacrifice scheme fee adjustment     | -                 | (4,477)           |
|  | <u>£3,396,119</u> | <u>£3,189,754</u> |
| <b>3. OTHER EDUCATIONAL INCOME</b>                     | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
| Private tuition income                                 | 63,567            | 43,991            |
| Registration fees                                      | 10,350            | 7,650             |
| School trips   | 114,411           | 35,715            |
|  | <u>£188,328</u>   | <u>£87,356</u>    |
| <b>4. OTHER INCOME</b>                                 | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
| School fees protection insurance                       | 6,741             | 7,761             |
| Book and uniform sales                                 | 4,633             | 2,862             |
| Home to School minibus service                         | 12,702            | 9,765             |
| Rental income  | 12,509            | 6,351             |
| Other income   | 4,984             | 5,707             |
|  | <u>£41,569</u>    | <u>£32,446</u>    |
| <b>5. DONATIONS</b>                                    | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
| Unrestricted donations                                 | 97                | 157               |
| Restricted donations                                   | 18,286            | 1,588             |
| Grant income – government grant (Job Retention Scheme) | -                 | 42,807            |
|  | <u>£18,383</u>    | <u>£44,552</u>    |
| <b>6. EXPENDITURE</b>                                  | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
| Charitable expenditure includes:                       |                   |                   |
| Depreciation   | 171,505           | 159,782           |
| Loss on disposal of fixed assets                       | 2,538             | -                 |
| Operating leases – other                               | 36,550            | 37,045            |
| Governance costs includes:                             |                   |                   |
| Auditors' remuneration - for audit                     | 13,884            | 13,224            |

**TWICKENHAM PREPARATORY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

| <b>7. CHARITABLE ACTIVITIES</b> | <b>Staff costs<br/>(note 8)<br/>£</b> | <b>Other<br/>£</b> | <b>Depreciation<br/>£</b> | <b>Total<br/>2022<br/>£</b> |
|---------------------------------|---------------------------------------|--------------------|---------------------------|-----------------------------|
| <b>Charitable activities</b>    |                                       |                    |                           |                             |
| School operating costs          |                                       |                    |                           |                             |
| - Teaching costs                | 2,257,095                             | 349,818            | -                         | 2,606,913                   |
| - Welfare costs                 | 120,829                               | 80,329             | -                         | 201,158                     |
| - Premises                      | 76,883                                | 281,732            | 171,505                   | 530,120                     |
| - Support costs                 | 224,687                               | 152,984            | -                         | 377,671                     |
|                                 | <u>£2,679,494</u>                     | <u>£864,863</u>    | <u>£171,505</u>           | <u>£3,715,862</u>           |
|                                 |                                       |                    |                           |                             |
|                                 | <b>Staff costs<br/>(note 8)<br/>£</b> | <b>Other<br/>£</b> | <b>Depreciation<br/>£</b> | <b>Total<br/>2021<br/>£</b> |
| <b>Charitable activities</b>    |                                       |                    |                           |                             |
| School operating costs          |                                       |                    |                           |                             |
| - Teaching costs                | 2,130,012                             | 203,921            | -                         | 2,333,933                   |
| - Welfare costs                 | 119,513                               | 52,606             | -                         | 172,119                     |
| - Premises                      | 75,749                                | 263,506            | 159,782                   | 499,037                     |
| - Support costs                 | 212,883                               | 147,259            | -                         | 360,142                     |
|                                 | <u>£2,538,157</u>                     | <u>£667,292</u>    | <u>£159,782</u>           | <u>£3,365,231</u>           |

All costs relate to the one activity of operating the School. Included within other support costs are governance costs of £23,320 (2021: £16,172).

| <b>8. STAFF COSTS</b> | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
|-----------------------|-------------------|-------------------|
| Salaries and wages    | 2,077,539         | 1,969,925         |
| Social security costs | 207,701           | 192,194           |
| Pension costs         | 394,254           | 376,038           |
|                       | <u>£2,679,494</u> | <u>£2,538,157</u> |

The total value of all compensation and benefits provided to the key management personnel in the year was £581,428 (2021: £573,408).

The average number of employees during the year was made up as follows:

|           | <b>No.</b> | <b>No.</b> |
|-----------|------------|------------|
| Teaching  |            |            |
| Full time | 17         | 17         |
| Part time | 19         | 20         |
| Other     |            |            |
| Full time | 6          | 6          |
| Part time | 28         | 24         |
|           | <u>70</u>  | <u>67</u>  |

**TWICKENHAM PREPARATORY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**8. STAFF COSTS (continued)**

The number of employees whose emoluments exceeded £60,000 were:

|                     | No.      | No.      |
|---------------------|----------|----------|
| £100,001 - £110,000 | 1        | 1        |
| £60,001 - £70,000   | 1        | 1        |
|                     | <u>1</u> | <u>1</u> |

The above employees have retirement benefits accruing under a defined benefits scheme.

**9. FINANCE COSTS**

|  | 2022<br>£      | 2021<br>£      |
|--|----------------|----------------|
| Bank charges                                       | 764            | 689            |
| Bank interest on loans repayable within five years | 14,560         | 12,997         |
| Bad and doubtful debts                             | (6,065)        | 3,593          |
| Fees in advance discount                           | 5,874          | 4,863          |
|  | <u>£15,133</u> | <u>£22,142</u> |

**10. GOVERNORS' REMUNERATION AND EXPENSES**

No remuneration or benefits were provided to any Governor. No expenses were reimbursed to any Governor during the year (2021: £nil).

Three of the governors during the year (2021: four) had children in the school and paid full fees.

**11. TANGIBLE FIXED ASSETS**

|                       | Freehold<br>land and<br>buildings<br>£ | Freehold<br>improvements<br>£ | Fixtures,<br>fittings and<br>furniture<br>£ | Electronic<br>equipment<br>£ | Total<br>£        |
|-----------------------|--|-------------------------------|---|------------------------------|-------------------|
| <b>Cost</b>           |  |                               |   |                              |                   |
| At 1 September 2021   | 4,135,574                              | 286,856                       | 489,032                                     | 295,294                      | 5,206,756         |
| Additions             | (438)                                  | 51,108                        | 20,287                                      | 51,128                       | 122,085           |
| Disposals             | -                                      | (19,334)                      | (7,793)                                     | (30,077)                     | (57,204)          |
|                       | <u>4,135,136</u>                       | <u>318,630</u>                | <u>501,526</u>                              | <u>316,345</u>               | <u>5,271,637</u>  |
| <b>Depreciation</b>   |  |                               |   |                              |                   |
| At 1 September 2021   | 910,532                                | 208,862                       | 313,029                                     | 230,154                      | 1,662,577         |
| Charge for the year   | 82,703                                 | 28,876                        | 27,749                                      | 32,177                       | 171,505           |
| Disposals             | -                                      | (17,384)                      | (7,416)                                     | (29,866)                     | (54,666)          |
|                       | <u>993,235</u>                         | <u>220,354</u>                | <u>333,362</u>                              | <u>232,465</u>               | <u>1,779,416</u>  |
| <b>Net Book Value</b> |  |                               |   |                              |                   |
| At 31 August 2022     | <u>£3,141,901</u>                      | <u>£98,276</u>                | <u>£168,164</u>                             | <u>£83,880</u>               | <u>£3,492,221</u> |
| At 31 August 2021     | <u>£3,225,042</u>                      | <u>£77,994</u>                | <u>£176,003</u>                             | <u>£65,140</u>               | <u>£3,544,179</u> |



**TWICKENHAM PREPARATORY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

| <b>12. DEBTORS</b>  | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
|---|-------------------|-------------------|
| Fees receivable   | 11,178            | 10,887            |
| Other debtors   | 156,155           | 124,464           |
|   | <u>£167,333</u>   | <u>£135,351</u>   |
| <b>13. CREDITORS: amounts falling due within one year</b> | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
| Bank loans  | 28,977            | 31,046            |
| Trade creditors   | 128,039           | 72,806            |
| Fees received in advance                                  | 378,332           | 380,480           |
| Social security payable and other taxation                | 52,000            | 46,862            |
| Pupil deposits  | 23,500            | 28,000            |
| Sundry creditors and accruals                             | 149,869           | 123,878           |
|   | <u>£760,717</u>   | <u>£683,072</u>   |
| <b>14. CREDITORS: amounts falling due after one year</b>  | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
| Pupil deposits  | 247,500           | 240,750           |
| <b>Bank loans</b>   |                   |                   |
| Due between one and two years                             | 467,534           | 31,660            |
| Due between two and five years                            | -                 | 586,203           |
|   | <u>467,534</u>    | <u>617,863</u>    |
|   | <u>£715,034</u>   | <u>£858,613</u>   |

- a) The bank loan facility of £700,000 was drawn down on 3 April 2019. The term of the loan is 5 years with a 20 year amortisation profile. The loan of £496,511 is repayable by 3 April 2024. The repayment is by instalments and the loan bears interest at a floating rate of 1.86% over base rate. During the year, two additional overpayments were made totalling £121,595.
- b) The bank loan is secured by a first legal charge over the freehold property of the School at 43 High Street, Hampton.

**TWICKENHAM PREPARATORY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

| <b>15. FUNDS</b>  | <b>Balance at<br/>31 August<br/>2021<br/>£</b> | <b>Total<br/>income<br/>£</b> | <b>Total<br/>expenditure<br/>£</b> | <b>Transfers<br/>between<br/>Funds<br/>£</b> | <b>Balance at<br/>31 August<br/>2022<br/>£</b> |
|---|--|-------------------------------|------------------------------------|--|--|
| <b>MOVEMENT IN FUNDS</b>                                      |  |                               |                                    |  |  |
| The movement in funds during the year was made up as follows: |  |                               |                                    |  |  |
| Unrestricted funds  | 3,023,397                                      | 3,834,125                     | (3,726,709)                        | 16,637                                       | 3,147,450                                      |
| Restricted funds  |  |                               |                                    |  |  |
| Parents' Committee  | -  | 8,286                         | (4,286)                            | -  | 4,000  |
| Bursary Fund  | 6,637  | -                             | -                                  | (6,637)                                      | -  |
| Radio Station   | -  | 10,000                        | -                                  | (10,000)                                     | -  |
|   | <u>£3,030,034</u>                              | <u>£3,852,411</u>             | <u>£(3,730,995)</u>                | <u>-</u>                                     | <u>£3,151,450</u>                              |

“Parents’ Committee” relates to donations received from the Parents’ Committee towards various projects. During the year, donations totalling £8,286 were received: £4,286 was expended on the continued funding of the lease of a minibus and £4,000 was assigned to the development of the rear grounds at 51 High Street.

“Bursary Fund” relates to a donation received from a benefactor to fund an academic means tested award for a child(ren) who would not otherwise be able to attend the School. The fund was fully expended during the year with continued funding towards one pupil’s fees.

“Radio station” relates to a donation from the Limbachia family which was fully utilised in the year to purchase a radio station.

| <b>ANALYSIS OF NET ASSETS BETWEEN FUNDS</b>         | <b>Unrestricted<br/>funds<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>Total<br/>funds<br/>£</b> |
|---|-------------------------------------|-----------------------------------|------------------------------|
| Fund balances at 31 August 2022 are represented by: |                                     |                                   |                              |
| Fixed assets  | 3,492,221                           | -                                 | 3,492,221                    |
| Net current assets                                  | 370,263                             | 4,000                             | 374,263                      |
| Long term liabilities                               | (715,034)                           | -                                 | (715,034)                    |
|   | <u>£3,147,450</u>                   | <u>£4,000</u>                     | <u>£3,151,450</u>            |

**16. SHARE CAPITAL**

The Company is limited by guarantee and therefore has no issued share capital. In the event of a winding up each member, currently 10 in total, agrees to contribute £1.

**17. PENSION COSTS**

The School participates in the Teachers' Pension Scheme for its teaching staff. The pension charge for the year includes contributions payable of £336,418 (2021: £321,451) and at the year end, £36,610 (2021: £37,535) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the Teachers' Pension Scheme was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the scheme would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The Teachers' Pension Scheme is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June 2021 on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the scheme. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

The Company contributes to a separate scheme for non-teaching staff under The Independent Association of Prep Schools. This is a defined contribution scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions are paid based on the recommendations of a qualified actuary and are charged to resources expended when they become payable. The pension charge for the year in respect of this scheme was £57,739 (2021: £54,587). At the year end, £5,514 (2021: £4,899) was accrued in respect of contributions to this scheme.

**TWICKENHAM PREPARATORY SCHOOL****NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 AUGUST 2022**

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**17. PENSION COSTS (continued)**

The Company contributes to the NEST pension scheme for non-teaching workers meeting the criteria for auto-enrolment. This is a defined contribution scheme set up by the Government. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions are paid based on the regulatory minimum contributions and are charged to resources expended when they become payable.

The pension charge for the year in respect of this scheme was £97 (2021: £Nil). At the year end, £44 (2021: £Nil) was accrued in respect of contributions to this scheme.

| <b>18. CAPITAL COMMITMENTS</b>    | <b>2022</b> | <b>2021</b> |
|-----------------------------------|-------------|-------------|
|                                   | <b>£</b>    | <b>£</b>    |
| <b>Future capital expenditure</b> |             |             |
| Authorised and contracted for:    | -           | £31,076     |

**19. OPERATING LEASE COMMITMENTS**

At 31 August 2022 the total future minimum lease payments under non-cancellable operating leases were as follows:

|                            | <b>2022</b>    | <b>2021</b>    |
|----------------------------|----------------|----------------|
|                            | <b>£</b>       | <b>£</b>       |
| Not later than one year    | 35,679         | 32,207         |
| Between one and five years | 26,587         | 52,023         |
| Later than five years      | -              | -              |
|                            | <u>£62,266</u> | <u>£84,230</u> |

**20. RELATED PARTY TRANSACTIONS**

During the year the School employed the wife of Mike Michael, a Governor of the School, as a part time teaching assistant. Her appointment in December 2014 was carried out in accordance with standard school recruitment procedures under the same conditions as that offered to all other staff members. No Governor was involved in the recruitment process.

There were no other related party transactions.

**TWICKENHAM PREPARATORY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**21. STATEMENT OF FINANCIAL ACTIVITIES FOR THE PRIOR YEAR**

|  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2021<br>£ |
|--|-------|----------------------------|--------------------------|--------------------|
| <b>INCOME FROM:</b>                            |       |                            |                          |                    |
| <b>Charitable activities</b>                   |       |                            |                          |                    |
| School fees receivable                         | 2     | 3,190,986                  | (1,232)                  | 3,189,754          |
| Other educational income                       | 3     | 87,356                     | -                        | 87,356             |
| Catering and Welfare income                    |       | 146,145                    | -                        | 146,145            |
| Other income                                   | 4     | 32,446                     | -                        | 32,446             |
| <b>Donations and Legacies</b>                  |       |                            |                          |                    |
| Donations and grant income                     | 5     | 42,964                     | 1,588                    | 44,552             |
| <b>Investments</b>                             |       |                            |                          |                    |
| Interest receivable                            |       | 459                        | -                        | 459                |
| <b>TOTAL INCOME</b>                            |       | <b>3,500,356</b>           | <b>356</b>               | <b>3,500,712</b>   |
| <b>EXPENDITURE ON:</b>                         |       |                            |                          |                    |
|  | 6     |                            |                          |                    |
| <b>Charitable activities:</b>                  |       |                            |                          |                    |
|  | 7     |                            |                          |                    |
| School operating costs                         |       |                            |                          |                    |
| - Teaching costs                               |       | 2,333,933                  | -                        | 2,333,933          |
| - Welfare costs                                |       | 172,119                    | -                        | 172,119            |
| - Premises costs                               |       | 499,037                    | -                        | 499,037            |
| - Support costs of schooling                   |       | 360,142                    | -                        | 360,142            |
|  |       | <b>3,365,231</b>           | <b>-</b>                 | <b>3,365,231</b>   |
| <b>Raising funds</b>                           |       |                            |                          |                    |
| Finance costs                                  | 9     | 22,142                     | -                        | 22,142             |
| <b>TOTAL EXPENDITURE</b>                       |       | <b>3,387,373</b>           | <b>-</b>                 | <b>3,387,373</b>   |
| <b>NET INCOME</b>                              |       | <b>112,983</b>             | <b>356</b>               | <b>113,339</b>     |
| <b>TRANSFERS</b>                               |       |                            |                          |                    |
| Gross transfers between funds                  |       | 52,702                     | (52,702)                 | -                  |
| <b>NET INCOME/(EXPENDITURE) FOR THE YEAR</b>   |       | <b>165,685</b>             | <b>(52,346)</b>          | <b>113,339</b>     |
| Funds brought forward at 1 September 2020      |       | 2,857,712                  | 58,983                   | 2,916,695          |
| <b>Funds carried forward at 31 August 2021</b> |       | <b>£3,023,397</b>          | <b>£6,637</b>            | <b>£3,030,034</b>  |

There were no recognised gains and losses other than those shown in the above Statement of Financial Activities.

**TWICKENHAM PREPARATORY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**22. FUNDS MOVEMENT FOR THE PRIOR YEAR**

| <b>MOVEMENT IN FUNDS</b>                                      | <b>Balance at<br/>31 August<br/>2020<br/>£</b> | <b>Total<br/>income<br/>£</b> | <b>Total<br/>expenditure<br/>£</b> | <b>Transfers<br/>between<br/>Funds<br/>£</b> | <b>Balance at<br/>31 August<br/>2021<br/>£</b> |
|---|--|-------------------------------|------------------------------------|--|--|
| The movement in funds during the year was made up as follows: |  |                               |                                    |  |  |
| Unrestricted funds  | 2,857,712                                      | 3,500,356                     | (3,387,373)                        | 52,702                                       | 3,023,397                                      |
| Restricted funds  |  |                               |                                    |  |  |
| Parents' Committee  | 25,086   | -                             | -                                  | (25,086)                                     | -  |
| Bursary Fund  | 18,847   | -                             | -                                  | (12,210)                                     | 6,637  |
| 51 High Street  | 15,050   | -                             | -                                  | (15,050)                                     | -  |
| Digital Media Suite   | -  | 356                           | -                                  | (356)  | -  |
|   | <u>£2,916,695</u>                              | <u>£3,500,712</u>             | <u>£(3,387,373)</u>                | <u>-</u>                                     | <u>£3,030,034</u>                              |

“Parents’ Committee” relates to donations received from the Parents’ Committee towards various projects. During the year, the fund was fully utilised: £20,800 was assigned towards equipment for the premises at 51 High Street, Hampton and £4,286 expended on the continued funding of the lease of a minibus.

“Bursary Fund” relates to a donation received from a benefactor to fund an academic means tested award for a child(ren) who would not otherwise be able to attend the School. One pupil’s fees are currently being met by this Fund.

“51 High Street” relates to an anonymous donation towards fitting out of the premises at 51 High Street, Hampton. The funds were fully utilised in Autumn 2022 to purchase furniture for the refurbished building.

Donations were received from parents towards the provision of financial assistance to parents facing hardship as a result of the pandemic. £1,232 was received and fully utilised in the year.

| <b>ANALYSIS OF NET ASSETS BETWEEN FUNDS</b>         | <b>Unrestricted<br/>funds<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>Total<br/>funds<br/>£</b> |
|---|-------------------------------------|-----------------------------------|------------------------------|
| Fund balances at 31 August 2021 are represented by: |                                     |                                   |                              |
| Fixed assets  | 3,544,179                           | -                                 | 3,544,179                    |
| Net current assets                                  | 337,831                             | 6,637                             | 344,468                      |
| Long term liabilities                               | (858,613)                           | -                                 | (858,613)                    |
|   | <u>£3,023,397</u>                   | <u>£6,637</u>                     | <u>£3,030,034</u>            |