

THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION

England & Wales · Charity number 1068844

Details

Status Registered

Legal form Charitable company

Company number [03345004](#)

Registered 1998-03-25

Register [View on the Charity Commission register](#)

Contact

Address Tower House School
188 Sheen Lane
London
SW14 8LF

Phone 02088763323

Email ali@thsboys.org.uk

Website www.thsboys.org.uk

Activities

Objects: TO ADVANCE THE EDUCATION OF CHILDREN BY PROVIDING EDUCATIONAL FACILITIES AND OPPORTUNITIES TO CHILDREN ATTENDING THE TOWER HOUSE SCHOOL, 188 SHEEN LANE, LONDON, SW14 8LF

Activities: Education of boys aged 4 -13yrs

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** SHEEN
- Richmond Upon Thames

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£3,015,184	£3,141,796	£6,559,489	40
2023-08-31	£2,935,539	£2,875,102	£6,587,528	40
2022-08-31	£2,982,277	£2,568,693	£6,545,240	40
2021-08-31	£2,770,641	£2,430,013	£6,350,815	38
2020-08-31	£2,735,599	£2,406,293	£5,431,496	33

Trustees

Name	Role	Appointed
Alexander Giles Wilson		2022-06-20
Antony Phillips		2022-06-20
MR C L PIKE		2012-02-28

THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION

England & Wales - Charity number 1068844

Accounts



The Tower House School Charitable Foundation
(A Company Limited by Guarantee)

Incorporated in England and Wales No. 03345004

Registered Charity No. 1068844



GOVERNORS' REPORT AND FINANCIAL STATEMENTS

For the year ended 31 August 2024

The Tower House School Charitable Foundation

CONTENTS

for the year ended 31 August 2024

	Page
Governors' Report	1
Auditors' Report	19
Statement of Financial Activities	24
Balance Sheet	25
Cash Flow Statement	26
Notes to the Financial Statements	27



The Tower House School Charitable Foundation

TRUSTEES REPORT for the year ended 31 August 2024

Trustees

Mr C Pike
Mr A Phillips

Governors

Antony Phillips (CoG)
Andy Sutch
Prof. Claire Hogg
Brian Giffen
Tom Hill
Sarah Field (Safeguarding)
Peter Marr

Headmaster:

Mr N Lunnon

Appointed September 2023

Bursar & Clerk to Governors:

Mrs H Ali

Company registered number: 03345004

Charity registered number: 1068844

Registered Office:

188 Sheen Lane
East Sheen
London
SW14 8LF

Bankers:

National Westminster Bank
341 Upper Richmond Road West
East Sheen
London
SW14 8QP

Auditors:

Moore Kingston Smith LLP
9 Appold Street
Floor 6
London
EC2A 2AP

Investment Managers:

Rathbone Brothers Plc
8 Finsbury Circus
London
EC2M 7AZ



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

OBJECTIVES AND ACTIVITIES

Tower House School's aim as an educational charity for children is to benefit the public by providing a first-class education independent of the State system. We are a mixed ability school and we aim for the highest quality of academic tuition and the development of wider sporting, artistic, musical, and social skills in all our pupils. We offer an environment where each pupil can develop and fulfil his potential, in order to help build self-confidence and inculcate a lifelong desire to contribute to the wider community. Objectives are set up in accordance with the whole school development plan.

The Foundation has continued seeking to act as a good citizen in the local community and elsewhere. The school maintains a close liaison between parents/guardians, teachers, the governing body as well as other local charities/organisations that can benefit from the school's facilities.

In setting our objectives and planning our activities, our Governors give full weight to the Charity Commission's guidance on public benefit in the context of charities such as Tower House.

Ongoing and future objectives of the school are to:-

- Maintain the schools' same high level of academic performance and sports achievements with the present 10:1 pupil/teacher ratio. Ensuring all leavers attend their senior schools of choice. Support application of Year 8 pupils for scholarships at destination senior schools.
- Expand the teaching of Performing Arts and extend performances and opportunity to participate to the wider community, including increasing use of local facilities such as Christ Church for public services and collaboration with local state primary schools.
- Maintain the expertise of teaching staff, with succession-planning and continual professional development, staff professional development through externally provided courses and by a series of internal twilight staff training workshops. Participate in teacher training programmes to support bringing new teachers into the profession and provide regular work experience opportunities to school aged pupils.
- Continue to develop and resource the Special Educational Needs Department to ensure the appropriate level of support for both the talented and gifted and those with specific learning difficulties.
- Increased use of Tower House facilities and resources for local nurseries and state primary schools such as use of multi-purpose hall for Nativity and creative performances.
- To embed a scheme of work which addresses the pupils' wellbeing. Such a scheme to be integrated into the PSHE curriculum and its efficacy measured using a pupil survey in due course. To embed a full and comprehensive Relationships and Sex Education (RSE) curriculum. Consultation with parents of the same and feedback acted upon. Staff and boys to receive awareness training of equality and diversity aspects, staff also to receive awareness training on unconscious bias.



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

- To further expand the PSHE provision by increasing the number of timetabled slots per week. This will allow deeper study/discussion of the topics already in the scheme and also allow for the introduction of new topics such as economic literacy. Introduction of guest speaker programme (ThED Talks) to widen discussion and debate of social and global affairs, such as inviting local MP.
- Further develop the extensive residential trip and day visit programmes allowing pupils to experience different lifestyles and traditions, to face challenges and to see how in the future they may be able to contribute to the different aspects of society.
- Further develop liaison with environmental agencies to enable voluntary work to be carried out in the community.
- Fully explore the possibility of Tower House teachers sharing their skills and expertise with local state sector schools.
- Continue to develop and resource the Sports Department, and extend the opportunity for boys to experience a wide range of Sports and Physical Development. To continue to invest in swimming tuition for the younger age groups by utilising the purpose-built training pool which has been built locally.
- To further invest in Assessment strategies for Senior School and Junior School – these should include an investment in online assessment models leading to standardized scores for national comparison. Please see Annex 1 for CAT4 results for Years 4 & 6 (2024)
- Further increase the numbers of boys learning musical instruments and participating in ensembles – including specialist ensembles such as 'woodwind'. This year over 150 boys participated in extracurricular music lessons, ensembles and groups.



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

The Governors are mindful of the need to consider activities for the wider Public Benefit, although the priority is still to ensure that pupils at the school should be able to continue and complete their education at the School. They continue to keep abreast of legal developments, taking particular note of any guidance on general public benefit issued by the Charity Commission. The Governors continue to consider ways to benefit the wider community within the financial constraints affecting the school, and resources/facilities available.

As part of the education of its pupils the school encourages them to offer service and philanthropy as part of the privileged education that they enjoy.

This includes arranging fund raising for local, national and international charities and distributed to the following charities: -

Junior school: Rackets cubed food bank - Roehampton

Year 4: World Wildlife Fund

Year 5: Team Trees

Year 6: Make a Wish

Year 7: Water aid

Year 8: Spear – supporting the homeless in the local community

Harvest Festival, Christmas and Easter – donations to Roehampton Community Supermarket (through Rackets Cubed)

In addition to the various fund-raising activities the school organises, the older boys also enjoy a close relationship with various environmental agencies, particularly The Friends of Palewell Common and The Friends of Richmond Park.

In the autumn term food baskets are distributed to the Richmond Food Bank. Local residential homes/day centre residents are frequently invited into the school to enjoy music recitals and other drama/musical events. The school choir also visits local residents.

The school hall is made available to local charities such as Christ Church Choir, Members of East Sheen Society (MESS), drama and music groups who work with children, to a local Mandarin teaching group and to local musicians for sound recording. A wide variety of afterschool and holiday clubs run throughout the year and are where possible open to children in the local area. These include:- sports, art, pottery, drama, film making.

The governors are continuing to identify ways in which they can make the facilities available to the local community and particularly to under privileged children and groups. The Governors are looking forward to letting out the new multipurpose hall to groups within the community, once completed.



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

Key Management Personnel

The key management personnel of the school are made up as follows:-

Trustees

Charles Pike
Antony Phillips

Governors

Andy Sutch
Prof. Claire Hogg
Brian Giffen
Antony Phillips
Tom Hill
Sarah Field
Peter Marr

Senior Management Team (SMT)

Neill Lunnon - Headmaster
Huma Ali — Bursar & Clerk to Governors
Ben Peyton — Deputy Head
Kerry Hogan — Head of Junior School
Edmund Orme — Deputy Head Academic

The Trustees and Governors are responsible for the overall management of Tower House School. Governors have the legal responsibility for ensuring that the school complies fully with the law, is solvent and complies with all the financial regulations for charities as well as with Independent School Inspectorate (ISI), and Early Years Foundation Stage (EYFS) regulations. The school should be run in accordance with its charitable objects, including public benefit. Governors set the school's vision, ethos, and direction, regularly review the school's performance against targets and monitor the risks to which the charity is exposed. They are responsible for ensuring that proper measures are taken by the school to mitigate all risks, by safer recruitment and child protection, compliance with health and safety and appropriate insurance. They are responsible for the Trustee structure. Governors have a duty to keep in mind the interests of pupils, staff and parents as well as those of the community. The Board of Governors meet formally at least 3 times per year. Governors also have specific responsibilities, such as safeguarding and child protection, special educational needs, health and safety, education, and inclusion. This aids Governors to attain an in-depth knowledge of issues affecting the school within their area of responsibility. They can also create links with the relevant staff in school. Governors are welcome and encouraged to visit the school at any time to observe lessons or audit their area of responsibility. Relevant training for governors is promoted and provided. The trustees and governors give their time voluntarily and are not remunerated.



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

Selection, Appointment, and Induction of Governors

Governors are responsible for the selection, safe recruitment, and appointment of new Governors. The aim is to achieve a balanced board, with individuals with an educational, legal, business, financial, property and marketing backgrounds. All Governors complete a selection process, which requires the submission of a CV, a meeting with a senior Governor and a meeting with the Head. Every Governor has an enhanced DBS check. Each appointment is made/ratified by the full Board for period of 5 years. The school arranges for all new governors to receive a thorough induction in child safeguarding and in the compliance and fiduciary duties of governance. New Governors visit the school in order to meet the key personalities and to gain an insight into the curriculum and to meet groups of pupils.

All new Governors receive a briefing pack on appointment that contains:

- The Governing Instrument
- List of fellow Governors and their contact details
- Dates of meetings for the ensuing year
- Minutes of most recent meetings
- AGBIS/ISC "Guidelines for Governors"
- School staff list
- The School Development Plan
- The School's Risk Register
- The School's Conflict of Interest Policy
- The School Calendar and list of functions
- A list of School policies
- The most recent school accounts
- Statement of governor responsibilities
- Conflicts of interest policy
- Staff handbook
- School prospectus
- Declaration of interest form
- Declaration of eligibility form

Management and Remuneration

The day-to-day management of the school is delegated to the Head, Deputy Head and Bursar, supported by the other members of the Senior Leadership Team. All members of the Senior Leadership Team are placed on the appropriate scale point of the Tower House School leadership pay scale, which is derived from the IAPS (Independent Prep Schools Association) Guide to Salaries. The remuneration for the Head and Bursar is reviewed annually by the governing body. The Head and Bursar review the pay for the other members of the SLT annually. Delivery of the School's charitable vision and purpose is primarily dependent upon key management personnel and as is the case with most schools, staff costs are the largest single element of our charitable expenditure.



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

Review of Achievements and Performance

The school has invested heavily in further education qualifications studied by staff; these include an MA in Advance Educational Practice (UCL), a Senior Leaders Master's Degree Apprenticeship, (Salford), a Senior Leaders Master's Degree Apprenticeship (Coventry), a Primary Education Foundation Degree (St Mary's) and a Level 5 Diploma in HR Management, CIPD (Chartered Institute of Personnel and Development).

Financial Review and Future Developments

The Governors are pleased to report that the School continues to operate from a position of financial strength, supported by a robust balance sheet and healthy reserves.

This position is underpinned by strong financial processes and rigorous governance in line with the School's charitable objectives.

Despite the well-documented challenges facing the independent education sector in recent years, pupil numbers have remained strong and demand for places continues to be high.

This resilience has enabled the School to continue investing in its facilities and educational provision. Following the successful completion of the new Senior School building, the Governors are now turning their attention to the refurbishment of the remaining school buildings, ensuring that all pupils continue to benefit from a first-class learning environment that reflects the School's ethos and long-term strategic vision.



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

Academic Success

Once again, all Year 8 pupils achieved places at their chosen schools. These include both boarding and day schools, in the area and further afield. 100% success rate at Common Entrance. Eight pupils were awarded scholarships by his chosen senior school (Academic x3, Drama x2, Art x2, Sport x1, all-rounder x1).

DESTINATION SCHOOLS - SEPTEMBER 2024

St James School	
Epsom College	Drama Scholarship
Brighton College	
KCS, Wimbledon	Academic Scholarship
Reeds School	Art Scholarship & Drama Scholarship
Reeds School	
Brighton College	Millenium All-Rounder Scholarship
St John's, Leatherhead	
St Paul's School	
Hampton School	
Harrow School	
Cranleigh School	
Rugby School	
Brighton College	Academic Scholarship
Hampton School	Sports Scholarship
Hampton School	Academic Scholarship
KCS, Wimbledon	
KCS, Wimbledon	Art Scholarship
Harrow School	
Brighton College	

Total of 9 scholarships for this cohort of 20 boys



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

Sports and Fitness

Sporting achievements have been numerous this year; with excellent results in all three main sports (Football, Rugby and Cricket). Specialist professional sports coaches have continued to be utilised for both Rugby and Cricket, with great success. A biennial cricket tour to Barbados serves to provide a fantastic experience to Tower House pupils, whilst also opportunity to donate cricketing equipment to their hosts. Two of our pupils received the offer of a Sports Scholarship from their chosen senior school.

Music

Music continues to develop at Tower House. A new dynamic Director of Music will arrive in September 2025 to take excellence in quantity and quality of music provision and performance to a new level. The Senior Choir now accounts for 80% of the pupils who are eligible to join and they have enjoyed performing for the School community and beyond. The Junior Choir attracts a large proportion of boys in that stage of the school. The addition of a Chamber Choir to the singing repertoire has allowed elite singers to perform in external venues. The number of music ensembles has expanded to include jazz band, swing band, guitar group, rock band, strings ensemble and school orchestra. Combined music concerns with the Old Vicarage School in school and at external venues is a welcome addition to our musical provision.

The Arts (including the performing arts)

Art throughout the school is in rude health. There is an inclusive exhibition every year with a variety of age groups represented as part of the Creative Arts Concert. A fully curated Art Fair is to be introduced in Summer Term 2025. The addition of a laser cutter in art has allowed for development of the curriculum and increased use of different media. The school's own kiln remains a central part of art lessons and art clubs. Art club remains one of the most over-subscribed clubs in school.

Drama productions continue to set new standards and this year THS performed a brilliant production of Harry Potter, involving a record 84 boys on stage for speaking parts, the vast majority of the Senior School. High standards do not preclude inclusivity – all those that want to be a part of the production are included. This year two boys in Year 8 was awarded Drama Scholarships by his chosen senior school.

Tower House won the prestigious Talk Education

Independent School of the Year Award for Performing Arts and was a finalist in the Independent School of the Year for Performing Arts Award.

Projected plans for the future:

To support the new Head of Tower House School through this first year in the role. The Governors appointed Neill Lunnon as Head for September 2023.

To improve facilities to both develop the educational experience for pupils and to retain and attract the highest calibre of staff. Plans to be agreed for the refurbishment of 188 Sheen Lane building to improve library facility, technology studio, science laboratory, teaching classrooms and staff work space.

The Evans Hall building has been operational for over an academic year and has transformed the provision for the pupils at the school and use by external groups such as Sheen Montessori, PlayBall and Mandarin Club on the weekends.



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

Fees, Bursaries and Hardship Fund

The fees are inclusive of all residential and curriculum related trips costs and also lunch, to ensure that the highly beneficial trips and excursions are open to all.

To assist the school to attract and retain high calibre staff, we offer a fees discount scheme to staff that enrol their children at our school. The Governors of Tower House School are committed to broadening access to the school by offering to eligible parents/guardians means-tested financial support with the payment of school's fees. Bursaries may be awarded in the form of a discount of up to 100% on tuition fees payable, depending on the financial, compassionate, or other pertinent circumstances of applicants. For transparency, all applications are assessed by an independent agency who are experienced in administering bursary applications for the independent sector.

Bursary awards are subject to repeat testing of parental means each year and may be varied upwards or downwards, depending on parental circumstances, compassionate or other pertinent considerations.

Requests for financial support usually fall into two categories:

- New applicants to the school, where a place has been offered but parents/guardians are unable to fund the tuition fees.
- Existing pupils where a change in parents/guardians' circumstances has resulted in difficulty in meeting tuition fees and may result in the child being withdrawn part way through a stage of education.

Information provided by the school alerting the parents/guardians of potential pupils to the possibility of gaining means-tested financial support with the payment of school's fees is included in:

- The school prospectus.
- The school website.
- The local press by means of advertisements.



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

Principal Risks and Uncertainties

Category	Description	Control Procedures
Operational	Safeguarding Issue	• All staff DBS checked, together with strict Safer Recruitment • Head, Bursar, Deputy Head, Chair of Governors and Safeguarding Governor all trained in safer recruitment • All staff attend Child Protection Level 2 training at least once every 3 years • DSL and Deputy DSL attend Level 3 training course every 2 years • All visitors escorted and issued with visitor lanyards • Access through front door via intercom • CCTV coverage throughout exterior areas of premises • All unscheduled visitors challenged • Encourage culture of awareness in all site staff, including facilities and security to challenge children leaving the site. • Lockdown procedures developed and practiced • Whistle blowing procedure
Legal and Regulatory	Non-compliance leading to serious inspection	• Dedicated Compliance Manager to audit current regulatory compliance and ensure that all processes are and press issues adhered to • Responsibility for all areas of School operations assigned to individual SMT members • Policies and practices regularly updated with rolling reviews at all school staff meetings • Governor's review and agree major changes to regulatory Policies each term



Competition	The opening of a free school or primary school in the area	• Maintenance of high standards of curricular and extra - curricular provision together with continuous improvement of facilities (e.g. 4 new classroom and multipurpose hall) • Profile and understand beneficiary needs • Use marketplace analysis to establish future funding requirements and/or threats to business • Strategic marketing, publication of the schools excellent ISI Inspection report, and constant high performance of our boys in all areas of education; academic, music, sport, drama
Operational	Cyber Attack or Data Breach	• The school, once again, has successfully completed the annual renewal and subscription process for the CyberEssentials accreditation. To help mitigate and manage the risk in data protection and the threat of a cyber attack. • 5 controls within the Cyber Essentials Scheme are designed to protect the school against cyber-attacks and guard the internet connection, devices, data, and services. The scheme is designed to protect charities against 80% of the most common cyber-attacks, which can impact charities of all sizes. • Weekly backups of all data are taken, encrypted, and kept offsite as a precaution against data loss/damage.
Financial	Global and Economic Forces	• In response to implementation of VAT affecting fees, the School developed a strategy to assist parents with this additional financial burden. • Recognising the ongoing cost-of-living crisis in the UK, the School kept fee increases to a minimum, helping to reduce financial pressure on fee-payers. • In response to inflationary pressures on operational costs, the School implemented a zero-based budget to ensure all spending was necessary and no resources were wasted. • To mitigate volatility in energy and utilities costs, the School secured competitive fixed-term contracts.



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

Financial Revenue and Reserves

The financial statements for the year ended 31 August 2024 are set out in the pages following this report. Including the Statement of Financial Activities and the Balance Sheet. The Trustees are of the opinion that the balance sheet position is satisfactory.

The principal funding source is the parents of the children it educates. All income of the school is applied for educational purposes, in line with its Objectives.

During the year income amounted to £3,015,184 (2023 £2,935,539), an increase of 2.7%. Expenditure this year amounted to £3,141,796 (2023 £2,875,102), an increase of 9.3%, which has enabled the School to continue to provide the high level of education to pupils, and to continue to provide the excellent extra-curricular activities that are included in the tuition fees and therefore available to all, e.g. educational residential trips to support the learning of; French, Geography, History, Science, Sport and personal development/confidence building.

After taking into account unrealized capital gains in the Trustees' investment portfolio of £98,573 (2023: losses of £18,149) overall the charity made a loss of £28,039 (2023 £42,288).

Teachers' Pension Scheme

Following the completion of negotiations, the School has withdrawn from the Teachers' Pension Scheme (TPS). While membership of the TPS was previously viewed as a strong recruitment tool, the Governors carefully considered the significant increase in the employer's contribution rate from September 2019 and, again in 2024, reviewed sector trends. The School has now implemented an alternative pension arrangement and will continue to monitor the education sector closely to ensure that staff benefits remain competitive.

Reserves Policy

Primarily reserves are held to enable the continuity of services and activities that we undertake. Reserves are held for the following reasons:

- to handle any sudden reduction in income
- to handle fluctuations in the market value of the investment portfolio
- to cover for other key risks crystalizing resulting in unplanned expenditure
- to take advantage of unexpected opportunities

In determining the appropriate level of reserves, the policy is tested against a range of scenarios to ensure adequacy. The Trustees regularly review what constitutes an appropriate level of reserves. The current target level of free reserves is set at £500,000.



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

Investment Policy

The school has an investment portfolio managed by one of the UK's leading investment managers; Rathbones Investment Management. Surplus funds are transferred to expand the portfolio when sufficient funds have accrued in the school's bank account to warrant a long-term approach to investment. The objectives of the school's investment policy are to ensure the creation of sufficient income and capital growth to enable funds to be used for the continued improvement of education of children and major capital projects, such as the development of the recently acquired 190 Sheen Lane site. The current valuation of these funds is £945,234 (2023 £835,562) Investment Income for this year is £8,545 (2023 £12,982). £1m is held in the cash account attracting 0.65% interest, in anticipation of draw down as the 190 Project Development nears completion. The Board reviews the portfolio regularly and the investment manager is invited to present to the Board annually.



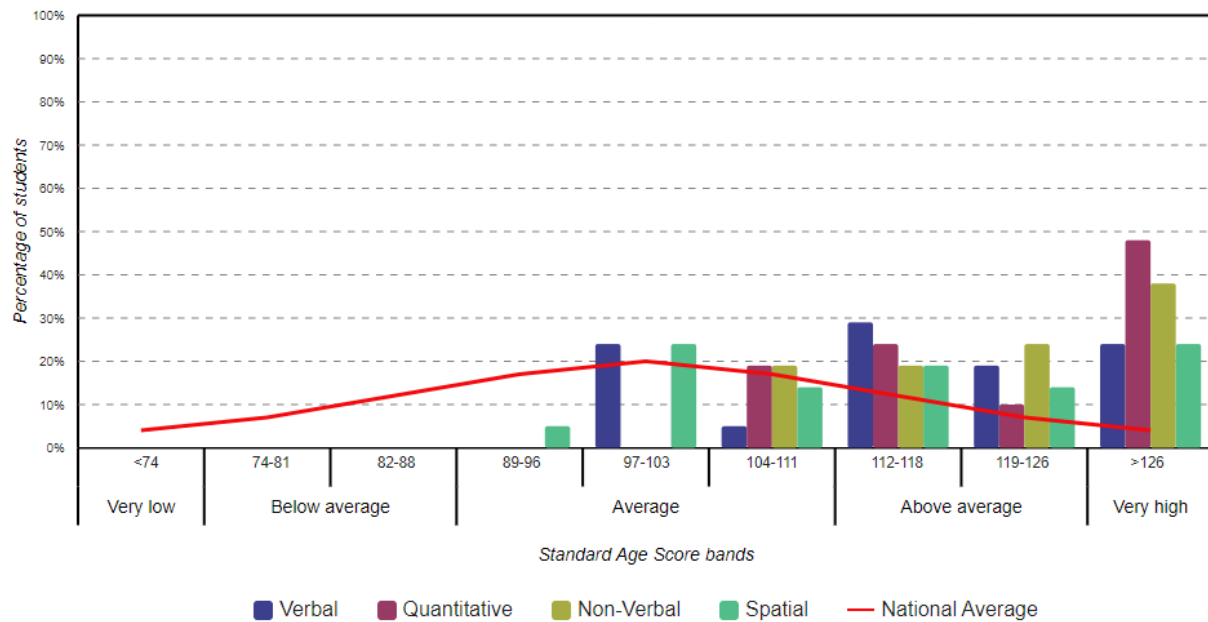
The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

Annex 1: Achieved scores shifted markedly to the right of national average 'bell curve'.

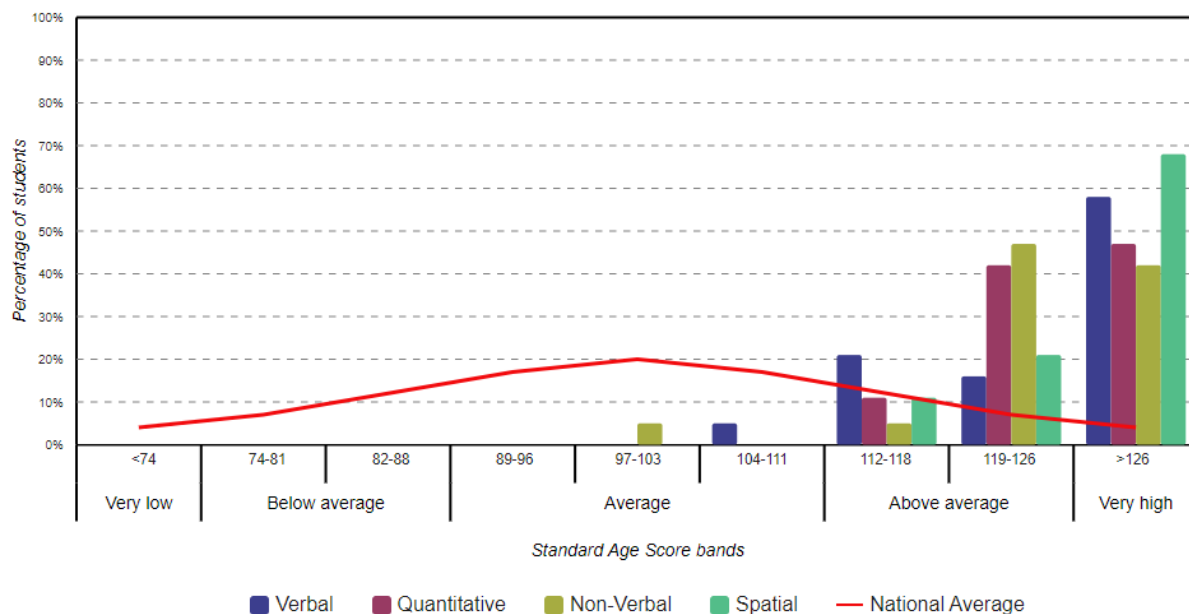
Year 4 2023/2024

Distribution of scores for all students compared with those for the national sample



Year 6 2023/2024

Distribution of scores for all students compared with those for the national sample





The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued) for the year ended 31 August 2024

Trustees' responsibilities' statement

The Trustees (who are also Directors of Tower House School for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees 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 trustees 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

Disclosure of information to auditors

In so far as the Trustees are aware:

There is no relevant audit information of which the charity's auditors are unaware; and the Trustees 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to small companies' exemption.

On behalf of the board

Antony Phillips

Trustee

Date 22/08/2025

Peter Marr

Date 22/08/2025



The Tower House School Charitable Foundation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION for the year ended 31 August 2024

Opinion

We have audited the financial statements of The Tower House School Charitable Foundation ('the company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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



The Tower House School Charitable Foundation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION (continued) for the year ended 31 August 2024

form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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 trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' annual report and from preparing a strategic report.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate



The Tower House School Charitable Foundation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION (continued) for the year ended 31 August 2024

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



The Tower House School Charitable Foundation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION (continued) for the year ended 31 August 2024

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are [the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council]
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.



The Tower House School Charitable Foundation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE
SCHOOL CHARITABLE FOUNDATION (continued) for the year ended 31 August 2024

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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

28 August 2025

The Tower House School Charitable Foundation

STATEMENT OF FINANCIAL ACTIVITIES

(including the income and expenditure statement)

for the year ended 31 August 2024

	Notes	Unrestricted £	Restricted funds £	Total 2024 £	Total 2023 £
INCOME FROM:					
Charitable Activities					
School fees	3	2,927,499	-	2,927,499	2,802,816
Other educational income	4	46,268	24,039	70,307	70,699
Other income					
Other trading income		8,833	-	8,833	4,362
Investments					
Investment Income	5	8,545	-	8,545	12,982
Voluntary sources					
Grants and donations	6	-	-	-	44,680
Total income and endowments		2,991,145	24,039	3,015,184	2,935,539
EXPENDITURE ON:					
Costs of raising funds					
Investment Management	7	5,768	-	5,768	6,061
Interest and other costs		48,553	-	48,553	28,136
Charitable activities					
Education	7	3,062,816	24,659	3,087,475	2,840,905
Total expenditure		3,117,137	24,659	3,141,796	2,875,102
Net operating income/(expenditure)		(125,992)	(620)	(126,612)	60,437
Other Profit or Loss on sale of assets/property		-	-	-	(1,878)
Net gain/(loss) on investments	12	98,573	-	98,573	(16,271)
Net income/(expenditure)		(27,419)	(620)	(28,039)	42,288
Transfer between funds		42,950	(42,950)	-	-
Net movement in funds		15,531	(43,570)	(28,039)	42,288
Fund balances brought forward		6,542,848	44,680	6,587,528	6,545,240
Fund balances carried forward	17	6,558,379	1,110	6,559,489	6,587,528

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

The Tower House School Charitable Foundation

BALANCE SHEET

as at 31 August 2024

	Notes	2024 £	2023 (as restated) £
FIXED ASSETS			
Tangible assets	11	7,152,272	7,062,458
Investments	12	945,234	835,562
		8,097,506	7,898,020
CURRENT ASSETS			
Debtors	13	130,011	130,142
Investments		200,776	200,000
Cash at bank and in hand		1,019,092	578,480
		1,349,879	908,622
CREDITORS: Amounts falling due within one year	14	(1,107,077)	(802,135)
NET CURRENT ASSETS		242,802	106,487
TOTAL ASSETS LESS CURRENT LIABILITIES		8,340,307	8,004,507
CREDITORS: Amounts falling due after more than one year	15	(1,780,818)	(1,416,979)
NET ASSETS		6,559,489	6,587,528
FUNDS			
Restricted funds	16	1,110	44,680
Unrestricted funds	16	6,558,379	6,542,848
		6,559,489	6,587,528

Approved and authorised for issue by the Board of Governors on 22/08/2025 and signed on their behalf by:



Antony Phillips
Chairman of the Board of Governors

The accompanying notes form part of these financial statements.
Company Number: 03345004

The Tower House School Charitable Foundation

CASHFLOW STATEMENT

for the year ended 31 August 2024

CASH FLOW STATEMENT	Notes	2024 £	2023 (as restated) £
Net cash inflow from operating activities	21	386,973	100,643
Cash flows from investing activities:			
Investment in current asset investments		(776)	(200,000)
Bank interest received		8,545	4,500
Dividends received		-	8,482
Interest paid		(48,553)	(28,136)
Proceeds from sale of investments		-	1,118,667
Payments to acquire fixed assets		(224,346)	(789,109)
Payments to acquire investments		(11,099)	(1,143,096)
Net cash outflow from investing activities		<u>(276,229)</u>	<u>(1,028,692)</u>
Financing:			
Loans repaid		(57,632)	(73,649)
Cash received from Fees in Advance Scheme		387,500	-
Net cash outflow from financing activities		<u>329,868</u>	<u>(73,649)</u>
Increase/(decrease) in cash		440,612	(1,001,698)
Cash and cash equivalents at the beginning of the reporting period		<u>578,480</u>	<u>1,580,178</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,019,092</u></u>	<u><u>578,480</u></u>

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2024

1 ACCOUNTING POLICIES

The Tower House School Charitable Foundation is a company limited by guarantee with registered number 03345004, incorporated and domiciled in England and Wales. Its registered office is 188 Sheen Lane, East Sheen, London, SW14 8LF.

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

1.2 GOING CONCERN

The financial statements are prepared on a going concern basis which assumes the school will continue in operation for the foreseeable future. The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The school is dependent on students applying to it and on parents to pay their fees. Long term forecasting of student numbers is difficult but work continues to raise the profile of the school and to maintain and enhance relationships with parents, feeder schools and nurseries and destination schools. In particular the governors have considered the forecasts and projections and have taken account of pressures on fee income, particularly in the light of the current economic uncertainty. After making enquiries the governors have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for 12 months from when the accounts are signed. Accordingly, they continue to adopt the going concern basis in the preparation of the financial statements.

1.3 COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee. In the event of the charitable company being wound up the liability in respect of the guarantee is limited to £10 per member of the charity.

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2024

1.4 INCOME RECOGNITION

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within the scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective method and dividend and rent income is recognised as the Charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

School Fees are recognised within income when they become due. Fees are charged on a termly basis. Fees raised in advance are deferred until the School becomes entitled to the funds.

In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised. Refer to Trustees' report for more information about their contribution.

Income tax recoverable in relation to donation received under Gift Aid or deeds of covenant is recognised at the time of donation.

Income from government or other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable the income will be received and the amount can be reliably measured.

1.5 DONATIONS

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds.

1.6 EXPENDITURE

All Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is categorised under Expenditure on charitable activities, which includes all costs incurred on furthering objects of the Charity.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at the School.

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

1.7 FUND ACCOUNTING

All funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds are unrestricted funds earmarked by the governors for particular purposes. Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

1.8 FIXED ASSETS AND DEPRECIATION

All fixed assets are used in direct furtherance of the school's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date. Assets over £1,000 are capitalised.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Freehold property	2% on reducing balance
Fixtures and fittings	20% on reducing balance

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2024

1.09 PENSIONS

The charity contributes to three pension schemes: the Teacher's Pension Scheme, the National Employment Savings Trust and Independent Schools Pension Scheme.

Retirement benefits to employees of the Charity are provided by the Teacher's Pension Scheme ("TPS") and the Independent Schools' Pension Scheme. These are defined benefit schemes and the assets and liabilities are held separately from those of the Charity. Defined contributions retirement benefits to the employees of the Charity are also provided under the National Employment Savings Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of the pensions over employee's working lives with the Charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 23, the TPS is a multi employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period in which they relate.

The Charity participates in the Independent School's Pension Scheme (Note 23). Included in the scheme is an employer's debt which would become payable if the Charity left the scheme and this is explained in Note 23. As a multi-employer scheme within the definitions of FRS 102, none of the assets or liabilities of the scheme are included on the Charity's Balance Sheet. The pension charge represents amounts payable by the Charity to each scheme in respect of the year. Contributions are expensed as they become payable.

1.10 LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1.11 INVESTMENTS

The charity has equity investments in listed entities. Investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds. All gains and losses are taken to the Statement of Financial Activities as they arise.

1.12 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2024

1.13 CURRENT ASSET INVESTMENTS

Current asset investments include cash in hand, deposits held at call with banks, other investments with original maturities of over three months. A prior year adjustment has been made to reflect bank deposits held with a maturity of over 3 months as at 31 August 2023.

1.14 FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 13, 14 and 15 for the debtor and creditor notes.

1.15 TAXATION

The company is a registered charity and is exempt from taxation as afforded by Section 505 ICTA 1988.

1.16 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

2 KEY ESTIMATES & JUDGEMENTS

In the application of the company's accounting policies, the Council is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the opinion of the board, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property, plant and equipment and note 1.8 for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of the debtors and associated impairment provision.

Deficit pension scheme

The net present value of the calculation for the pension deficit has been based on an estimated percentage based on potential future events.

Investments

Included in investments are judgements made on the value of property and alternative assets.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2024

3 FEE INCOME

The School's activities are carried out within the UK.

The school's fee income comprised:

	2024	2023
	£	£
Gross fees	2,960,138	2,835,901
Less: Scholarships, bursaries and discounts	(32,639)	(33,085)
	<u>2,927,499</u>	<u>2,802,816</u>

4 OTHER EDUCATIONAL INCOME

	2024	2023
	£	£
Extras and disbursements	13,456	4,020
Registration fees	7,600	6,100
Retained deposits	7,568	29,319
Other income	41,683	31,260
	<u>70,307</u>	<u>70,699</u>

Included within the above is an amount of £24,039 (2023: £24,083) which relates to restricted income.

5 INVESTMENT INCOME

	2024	2023
	£	£
Interest received	8,545	4,500
Dividend income	-	8,482
	<u>8,545</u>	<u>12,982</u>

6 DONATIONS AND GRANTS

	2024	2023
	£	£
Donations and gifts	-	44,680
	<u>-</u>	<u>44,680</u>

Included within the above is an amount of £Nil (2023: £44,680) which relates to restricted income.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2024

7 EXPENDITURE

(a) Costs of Raising Funds	Staff costs	(note 8)	Other	Depreciation	Total 2024
	£	£	£	£	£
Investment Management Fees	-	5,768	-	-	5,768
Finance Costs	-	48,553	-	-	48,553
Total Costs of Raising Funds	-	54,321	-	-	54,321
Charitable expenditure	Staff costs	(note 8)	Other	Depreciation	Total 2024
	£	£	£	£	£
Teaching	1,531,907	199,244	-	-	1,731,151
Welfare	-	212,645	-	-	212,645
Premises and Estates	-	203,065	134,532	-	337,598
Administration	624,328	162,363	-	-	786,691
Governance	-	19,391	-	-	19,391
Total Charitable Expenditure	2,156,235	796,708	134,532	-	3,087,475
Total Expended	2,156,235	851,029	134,532	-	3,141,796

Included within Staff Costs is an amount of £24,659 (2023: £24,083) relating to restricted expenditure.

Prior year

Costs of Raising Funds	Staff costs	(note 8)	Other	Depreciation	Total 2023
	£	£	£	£	£
Investment Management Fees	-	6,061	-	-	6,061
Finance	-	28,136	-	-	28,136
Total Costs of Raising Funds	-	34,197	-	-	34,197
Charitable expenditure	Staff costs	(note 8)	Other	Depreciation	Total 2023
	£	£	£	£	£
Teaching	1,512,717	165,600	-	-	1,678,317
Welfare	-	207,464	-	-	207,464
Premises and Estates	-	177,383	115,184	-	292,567
Administration	517,392	124,266	-	-	641,658
Governance	-	20,899	-	-	20,899
Total Charitable Expenditure	2,030,109	695,612	115,184	-	2,840,905
Total Expended	2,030,109	729,809	115,184	-	2,875,102

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2024

7 EXPENDITURE (continued)

(b) Other Governance Costs include:		2024	2023
		£	£
Auditors' remuneration			
- Audit Fees		17,720	16,100
- under/(over) provision from previous year		(1,099)	2,149
- Accountancy Fees		2,770	2,650
(c) Administration Costs		2024	2023
		£	£
Salaries		531,779	443,679
National Insurance		48,227	39,452
Pension Costs		32,654	27,228
Staff Training		11,668	7,033
Staff travel		449	460
Operating Leases		10,058	8,518
IT support		40,633	31,020
Postage and stationery		17,131	8,390
Telephones		8,716	7,197
Marketing and advertising		37,645	42,932
Memberships		6,153	6,286
Inspection costs		3,250	5,075
Legal and Professional Fees		35,484	12,150
Other Administration Costs		2,042	1,184
Bank charges and interest		803	1,054
		<u>786,691</u>	<u>641,658</u>

8 STAFF COSTS

	2024	2023
	£	£
Wages and salaries	1,644,961	1,495,883
Social security costs	174,259	161,636
Other pension costs	310,254	273,076
Other staff costs	26,760	99,514
	<u>2,156,235</u>	<u>2,030,109</u>

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

	2024	2023
	No.	No.
Teaching	23	22
Welfare	1	1
Premises	-	-
Support	19	15
	<u>43</u>	<u>38</u>

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2024

8 STAFF COSTS (continued)

The number of employees

£60,000 in the year was as follows:

	2024 No.	2023 No.
£60,000 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	1
£100,001 - £110,000	1	1
	<u>3</u>	<u>3</u>

Pension contributions for the year amounted to £51,725 (2023: £54,383) for the above employees.

Key management personnel include the Governors and the senior executives which are made up of the head, the bursar and the deputy heads. The total pay and benefits received by key management personnel were £484,259 (2023: £511,638).

9 GOVERNORS REMUNERATION AND EXPENSES

There were no Governors' remuneration or other benefits for the year ended 31 August 2024 nor for the year ended 31 August 2023.

No governors were reimbursed any expenditure in the year (2023: £Nil).

10 NET INCOME FOR THE YEAR

	2024 £	2023 £
Net income is stated after charging:		
Depreciation of tangible fixed assets	134,532	115,184
Loan Interest	48,553	28,136
Operating lease rentals – other	18,265	25,078
Auditor's remuneration		
Audit services for the school- current year	17,720	16,100
Audit services for the school- prior year under provision	(1,099)	2,149
Non-audit services	2,770	2,650

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2024

11 TANGIBLE FIXED ASSETS

	Assets under Construction £	Freehold Property £	Fixtures & Fittings & Motor Vehicles £	Total £
Cost:				
At 1 September 2023	-	7,392,245	963,394	8,355,639
Additions	-	171,282	53,064	224,346
Disposals	-	-	-	-
Transfer	-	-	-	-
At 31 August 2024	-	7,563,527	1,016,458	8,579,985
Depreciation:				
At 1 September 2023	-	435,271	857,910	1,293,181
Charge for year	-	98,209	36,323	134,532
Disposals	-	-	-	-
Transfer	-	-	-	-
At 31 August 2024	-	533,480	894,233	1,427,713
Net book value:				
At 31 August 2024	-	7,030,047	122,225	7,152,272
At 1 September 2023	-	6,956,974	105,484	7,062,458

The freehold property was formerly held at market value, following a professional revaluation performed on 24 August 2011 by Bonsor Penningtons. The Trustees have elected to preserve this value under the transitional provisions to FRS102. In the Trustees opinion, the net book value of the property is indicative of the market value as at 31 August 2020. The property's deemed cost will no longer be subject to revaluation.

Within the cost of freehold property is land totalling £2,135,000 (2023: £2,135,000) which is not depreciated.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2024

12 INVESTMENTS

	Listed investments £	2024 £	2023 £
Cost/valuation At 1 September 2023	835,562	835,562	827,404
Additions	11,099	11,099	1,143,096
Disposal proceeds	-	-	(1,118,667)
Gains/(Losses) arising on investments	98,573	98,573	(16,271)
Cost/valuation At 31 August 2024	<u>945,234</u>	<u>945,234</u>	<u>835,562</u>
UK fixed interest	101,896	101,896	90,074
Overseas fixed interest	25,521	25,521	22,560
UK equities	274,780	274,780	242,898
International equities	382,253	382,253	337,901
Property	29,302	29,302	25,902
Alternative assets	131,482	131,482	116,227
	<u>945,234</u>	<u>945,234</u>	<u>835,562</u>

13 DEBTORS

	2024 £	2023 £
Fees and extras	5,260	21,499
Other debtors	13,137	-
Prepayments and accrued income	111,614	108,643
	<u>130,011</u>	<u>130,142</u>

14 CREDITORS

Amounts falling due within one year:	2024 £	2023 £
Bank loan	57,635	75,286
Trade creditors	84,479	54,001
Taxation and social security costs	43,404	42,464
Fee Deposits	20,000	19,000
Fees in advance	833,062	536,547
Other creditors	42,420	35,603
Accruals	26,077	39,234
	<u>1,107,077</u>	<u>802,135</u>
Deferred income:	2024 £	2023 £
Brought forwards	536,547	457,299
Released in year	(536,547)	(457,299)
Received in year	833,062	536,547
Carried forwards	<u>833,062</u>	<u>536,547</u>

Deferred income relates to schools fees received in advance for the following term.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2024

15 CREDITORS DUE AFTER ONE YEAR

	2024	2023
	£	£
Amounts falling due after more than one year:		
Bank loan	1,088,953	1,128,934
Other creditors	22,095	28,264
School fee deposits	282,270	259,781
Fees in advance	387,500	-

1,780,818	1,416,979
------------------	------------------

	2024	2023
	£	£
Movement on loans		
In one year or less	57,635	75,286
Between one and two years	57,635	75,286
Between two and five years	172,905	225,859
After five years	858,413	827,789

1,146,588	1,204,220
------------------	------------------

	2024	2023
	£	£
Movement on deposits:		
In one year or less	20,000	19,000
Between one and two years	282,270	259,781

302,270	278,781
----------------	----------------

The bank loans provided to the Charity by NatWest Bank Plc are secured by a fixed and floating charge over the assets of the Charity, including the properties at 28 Sheen Gate Gardens, 188 Sheen Lane and 190 Sheen Lane, London. The loan is to be repaid over 20 years from 17 February 2017 and interest charges at 1.75% above the base rate on an offset basis.

for the year ended 31 August 2024

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2024

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2024 Total £
Tangible fixed assets	7,152,272	-	7,152,272
Investments	945,234	-	945,234
Current assets	1,348,769	1,110	1,349,879
Current liabilities	(1,107,077)	-	(1,107,077)
Long term liabilities	(1,780,818)	-	(1,780,818)
Total net assets	6,558,379	1,110	6,559,489
	Unrestricted funds £	Restricted funds £	2023 Total £
Tangible fixed assets	7,062,458	-	7,062,458
Investments	835,562	-	835,562
Current assets	863,942	44,680	908,622
Current liabilities	(802,135)	-	(802,135)
Long term liabilities	(1,416,979)	-	(1,416,979)
Total net assets	6,542,848	44,680	6,587,528

18 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2024, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 Office equipment	2023 Office equipment
Due within one year	20,796	24,380
Due between two and five years	33,994	17,110
	54,790	41,490

19 RELATED PARTIES

During the year £Nil (2023:£2,500) was paid to Sutch A Good Idea Ltd for first aid training. This company is owned by the wife of Andy Sutch (Governor). There were no other related party transactions during the year.

20 CONTINGENT LIABILITY

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2024

21 NOTES TO THE CASHFLOW STATEMENT

	2024 £	2023 £
Reconciliation of operating result to net cash inflow from operating activities		
Net movement in funds	(28,039)	42,288
(Gains)/loss on investments	(98,573)	16,271
Depreciation	134,532	115,184
Bank interest received	(8,545)	(4,500)
Dividends received	-	(8,482)
Interest payable	48,553	28,136
(Profit)/Loss on disposal of Fixed Assets	-	1,878
Increase/(Decrease) in creditors	338,913	(17,968)
(Increase)/Decrease in debtors	131	(72,164)
	386,973	100,643

Analysis of changes in net debt

	At 1 September 2023	Cash flows	Other non- cash changes	At 31 August 2024
Cash and cash equivalents				
Cash	578,480	440,612	-	1,019,092
Overdrafts	-	-	-	-
Cash Equivalents	-	-	-	-
	578,480	440,612	-	1,019,092
Borrowings				
Debt due within one year	(75,286)	-	17,651	(57,635)
Debt due after one year	(1,128,934)	57,632	(17,651)	(1,088,953)
	(1,204,220)	57,632	-	(1,146,588)
Total	(625,740)	498,244	-	(127,496)

22 CAPITAL COMMITMENTS

There were no capital commitments at the year end (2023: £Nil)

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2024

23 PENSION COMMITMENTS

The charity contributes to three pension schemes: The Teacher's Pension Schemes ("TPS"), the Independent Schools Pension Scheme ("ISPS") and the National Employment Savings Trust ("NEST").

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £315,196 (2023: £273,076) and at the year-end £35,652 (2023: £29,251) 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 TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The School left the TPS scheme on 1 January 2025, a full withdrawal from the TPS for all teaching staff who remained in the scheme.

Independent School's Pension

The company participates in the scheme, a multi-employer scheme which provides benefits to some 66 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

From 1 September 2022 to 30 June 2032: £2,687,000 per annum
(payable monthly and increasing by 3% on each 1st September)

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2024

23 PENSION COMMITMENTS (continued)

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 September 2019 to 30 April 2030: £2,387,537 per annum
(payable monthly and increasing by 3% on each 1st September)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present Values of Provision

	31-Mar-24 (£s)	31-Mar-23 (£s)	31-Mar-22 (£s)
Present value of provision	43,311	46,259	54,431

Reconciliation of opening and closing provisions

	Period Ending 31-Mar-24 (£s)	Period Ending 31-Mar-23 (£s)
Provision at start of period	46,259	54,431
Unwinding of the discount factor (interest expense)	2,145	1,380
Deficit contribution paid	(5,519)	(4,669)
Remeasurements - impact of any change in assumptions	426	(4,883)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	43,311	46,259

Income and Expenditure Impact

	Period Ending 31-Mar-24 (£s)	Period Ending 31-Mar-23 (£s)
Interest expense	2,145	1,380
Remeasurements - impact of any change in assumptions	426	(4,883)

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2024

23 PENSION COMMITMENTS (continued)

Assumptions

	31-Mar-24	31-Mar-23	31-Mar-22
	% per annum	% per annum	% per annum
Rate of discount	4.69	4.95	2.65

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Deficits Contributions Schedule

	31-Mar-24 (£s)	31-Mar-23 (£s)	31-Mar-22 (£s)
Year 1	5,684	5,519	4,669
Year 2	5,855	5,684	5,519
Year 3	6,030	5,855	5,684
Year 4	6,211	6,030	5,855
Year 5	6,398	5,211	6,030
Year 6	6,590	6,398	6,211
Year 7	6,787	6,590	6,398
Year 8	6,991	6,787	6,590
Year 9	1,769	6,991	6,787
Year 10		1,769	6,991
Year 11	-	-	1,769

ISPS and Nest

Total employers contributions for the year to both pension schemes is £20,628 (2023: £15,641) and £5,684 (2023: £5,519).

The amount of pension outstanding at year end is £nil (2023: £1,859).

THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION

England & Wales - Charity number 1068844

Accounts

The Tower House School Charitable Foundation
(A Company Limited by Guarantee)

Incorporated in England and Wales No. 03345004
Registered Charity No. 1068844

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

For the year ended

31 August 2023

The Tower House School Charitable Foundation

CONTENTS

for the year ended 31 August 2023

	Page
Governors' Report	1 - 16
Auditors' Report	17 - 21
Statement of Financial Activities	22
Balance Sheet	23
Cash Flow Statement	24
Notes to the Financial Statements	25 - 40

The Tower House School Charitable Foundation

TRUSTEES REPORT

for the year ended 31 August 2023

Trustees	C Pike Mr A Phillips	
Governors	Antony Phillips (CoG) Andy Sutch Prof. Claire Hogg Brian Giffen Tom Hill Sarah Field (Safeguarding) Peter Marr	<i>appointed 15 November 2022</i> <i>appointed 15 November 2022</i> <i>appointed 15 March 2023</i>
Headmaster:	N Lunnon	<i>appointed 01 September 2023</i>
Bursar & Clerk to Governors:	H Ali	<i>appointed 30 January 2023</i>
Company registered number:	03345004	
Charity registered number:	1068844	
Registered Office:	188 Sheen Lane East Sheen London SW14 8LF	
Bankers:	National Westminster Bank 341 Upper Richmond Road West East Sheen London SW14 8QP	
Auditors:	Moore Kingston Smith LLP 9 Appold Street Floor 6 London EC2A 2AP	
Investment Managers:	Rathbone Brothers Plc 8 Finsbury Circus London EC2M 7AZ	

The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)

for the year ended 31 August 2023

OBJECTIVES AND ACTIVITIES

Tower House School's aim as an educational charity for children is to benefit the public by providing a first-class education independent of the State system. We are a mixed ability school and we aim for the highest quality of academic tuition and the development of wider sporting, artistic, musical, and social skills in all our pupils. We offer an environment where each pupil can develop and fulfil his potential, in order to help build self-confidence and inculcate a lifelong desire to contribute to the wider community. Objectives are set up in accordance with the whole school development plan.

The Foundation has continued seeking to act as a good citizen in the local community and elsewhere. The school maintains a close liaison between parents/guardians, teachers, the governing body as well as other local charities/organisations that can benefit from the school's facilities.

In setting our objectives and planning our activities, our Governors give full weight to the Charity Commission's guidance on public benefit in the context of charities such as Tower House.

Ongoing and future objectives of the school are to:-

- Maintain the schools' same high level of academic performance and sports achievements with the present 10:1 pupil/teacher ratio. Ensuring all leavers attend their senior schools of choice.
- Expand the teaching of Performing Arts and extend performances and opportunity to participate to the wider community.
- Maintain the expertise of teaching staff, with succession-planning and continual professional development – staff professional development through externally provided courses and by professional learning teams set up 'in house'.
- Continue to develop and resource the Special Educational Needs Department to ensure the appropriate level of support for both the talented and gifted and those with specific learning difficulties.
- To embed a scheme of work which addresses the pupils' wellbeing. Such a scheme to be integrated into the PSHE curriculum and its efficacy measured using a pupil survey in due course. To embed a full and comprehensive Relationships and Sex Education (RSE) curriculum. Consultation with parents of the same and feedback acted upon. Staff and boys to receive awareness training of equality and diversity aspects – staff also to receive awareness training on unconscious bias.
- To further expand the PSHE provision by increasing the number of timetabled slots per week. This will allow deeper study/discussion of the topics already in the scheme and also allow for the introduction of new topics such as economic literacy.
- Further develop the extensive Residential Trip Programme allowing pupils to experience different lifestyles and traditions, to face challenges and to see how in the future they may be able to contribute to the different aspects of society.

The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)

for the year ended 31 August 2023

- Further develop liaison with environmental agencies to enable voluntary work to be carried out in the community.
- Facilitate wider community access to the school's facilities and staff expertise.
- Fully explore the possibility of Tower House teachers sharing their skills and expertise with local state sector schools.
- Continue to develop and resource the Sports Department, and extend the opportunity for boys to experience a wide range of Sports and Physical Development. To invest heavily in swimming tuition for the younger age groups by utilising the new purpose-built training pool which has been built locally.
- To further invest in Assessment strategies for Senior School and Junior School – these should include an investment in online assessment models leading to standardized scores for national comparison. Please see Annex 1 for CAT4 results for Years 4 & 6 (2023)
- Further increase the numbers of boys learning musical instruments and participating in ensembles – including specialist ensembles such as 'woodwind'. This year over 100 boys participated in extracurricular music lessons, ensembles and groups.

The Governors are mindful of the need to consider activities for the wider Public Benefit, although the priority is still to ensure that pupils already at the school should be able to continue and complete their education at the School. They continue to keep abreast of legal developments, taking particular note of any guidance on general public benefit issued by the Charity Commission. The Governors continue to consider ways to benefit the wider community within the financial constraints affecting the school, and resources/facilities available.

As part of the education of its pupils the school encourages them to offer service and philanthropy as part of the privileged education that they enjoy.

This includes arranging fund raising for local, national and international charities which in the past year has raised a combined figure of £8,121 distributed to the following charities: -

Parkinsons
Ruth Strauss
RSPCA
Sealife Trust
Allergy UK
Heartbeat

In addition to the various fund-raising activities the school organises, the older boys also enjoy a close relationship with various environmental agencies, particularly The Friends of Palewell Common and The Friends of Richmond Park.

In the autumn term food baskets are distributed to the Richmond Food Bank. Local residential homes/day centre residents are frequently invited into the school to enjoy music recitals and

The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)

for the year ended 31 August 2023

other drama/musical events.

The school hall is made available to local charities such as Members of East Sheen Society (MESS), East Sheen Choir groups and to a local nursery to hold their Nativity play. A wide variety of afterschool and holiday clubs run throughout the year and are where possible open to children in the local area. These include:- sports, art, pottery, drama, film making.

The governors are continuing to identify ways in which they can make the facilities available to the local community and particularly to under privileged children and groups. The Governors are looking forward to letting out the new multipurpose hall to groups within the community, once completed.

Key Management Personnel

The key management personnel of the school are made up as follows:-

Trustees

Charles Pike

Antony Phillips (appointed 20/6/22)

Governors

Andy Sutch

Prof. Claire Hogg

Brian Giffen

Antony Phillips (appointed 20/6/22)

Tom Hill

Sarah Field

Peter Marr (appointed 15/03/23)

Senior Management Team (SMT)

Neil Lunnon – Headmaster (from 01/09/23)

Gregory Evans – Headmaster (to 31/08/23)

Huma Ali – Bursar & Clerk to Governors (from 30/01/23)

Alison Pomfret - Bursar & Clerk to Governors (to 29/01/23)

Ben Peyton – Deputy Head

Kerry Hogan – Head of Junior School

Edmund Orme - Director of Studies

The Trustees and Governors are responsible for the overall management of Tower House School. Governors have the legal responsibility for ensuring that the school complies fully with the law, is solvent and complies with all the financial regulations for charities as well as with Independent School Inspectorate (ISI), and Early Years Foundation Stage (EYFS) regulations. The school should be run in accordance with its charitable objects, including public benefit. Governors set the school's vision, ethos, and direction, regularly review the school's performance against targets and monitor the risks to which the charity is exposed. They are responsible for ensuring that proper measures are taken by the school to mitigate all risks, by

The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)

for the year ended 31 August 2023

safer recruitment and child protection, compliance with health and safety and appropriate insurance. They are responsible for the Trustee structure. Governors have a duty to keep in mind the interests of pupils, staff and parents as well as those of the community. The Board of Governors meet formally at least 3 times per year. Governors also have specific responsibilities, such as safeguarding and child protection, special educational needs, health and safety, education, and inclusion. This aids Governors to attain an in-depth knowledge of issues affecting the school within their area of responsibility. They can also create links with the relevant staff in school. Governors are welcome and encouraged to visit the school at any time to observe lessons or audit their area of responsibility. Relevant training for governors is promoted and provided. The trustees and governors give their time voluntarily and are not remunerated.

Selection, Appointment, and Induction of Governors

Governors are responsible for the selection, safe recruitment, and appointment of new Governors. The aim is to achieve a balanced board, with individuals with an educational, legal, business, financial, property and marketing backgrounds. All Governors complete a selection process, which requires the submission of a CV, a meeting with a senior Governor and a meeting with the Head. Every Governor has an enhanced DBS check. Each appointment is made/ratified by the full Board for period of 3 years. The school arranges for all new governors to receive a thorough induction in child safeguarding and in the compliance and fiduciary duties of governance. New Governors visit the school in order to meet the key personalities and to gain an insight into the curriculum and to meet groups of pupils.

All new Governors receive a briefing pack on appointment that contains:

- The Governing Instrument
- List of fellow Governors and their contact details
- Dates of meetings for the ensuing year
- Minutes of most recent meetings
- AGBIS/ISC "Guidelines for Governors"
- School staff list
- The School Development Plan
- The School's Risk Register
- The School's Conflict of Interest Policy
- The School Calendar and list of functions
- A list of School policies
- The most recent school accounts
- Statement of governor responsibilities
- Conflicts of interest policy
- Staff handbook
- School prospectus
- Declaration of interest form
- Declaration of eligibility form

The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)

for the year ended 31 August 2023

Management and Remuneration

The day-to-day management of the school is delegated to the Head, Deputy Head and Bursar, supported by the other members of the Senior Management Team. All members of the Senior Management Team are placed on the appropriate scale point of the Tower House School leadership pay scale, which is derived from the IAPS (Independent Prep Schools Association) Guide to Salaries. The remuneration for the Head and Bursar is reviewed annually by the governing body. The Head and Bursar review the pay for the other members of the SMT annually. Delivery of the School's charitable vision and purpose is primarily dependent upon key management personnel and as is the case with most schools, staff costs are the largest single element of our charitable expenditure.

Review of Achievements and Performance

ISI Focused Compliance and Educational Quality Inspection June 2023 - the school is extremely proud to have secured EXCELLENT in all parts of the Inspection and rated EXCELLENT overall.

The school has invested heavily in further education qualifications studied by staff; these include an MA in Advance Educational Practice (UCL), a Senior Leaders Masters Degree Apprenticeship, (Salford), a Senior Leaders Masters Degree Apprenticeship (Coventry), a Primary Education Foundation Degree (St Mary's) and a Level 5 Diploma in HR Management, CIPD (Chartered Institute of Personnel and Development).

The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)

for the year ended 31 August 2023

Academic Success

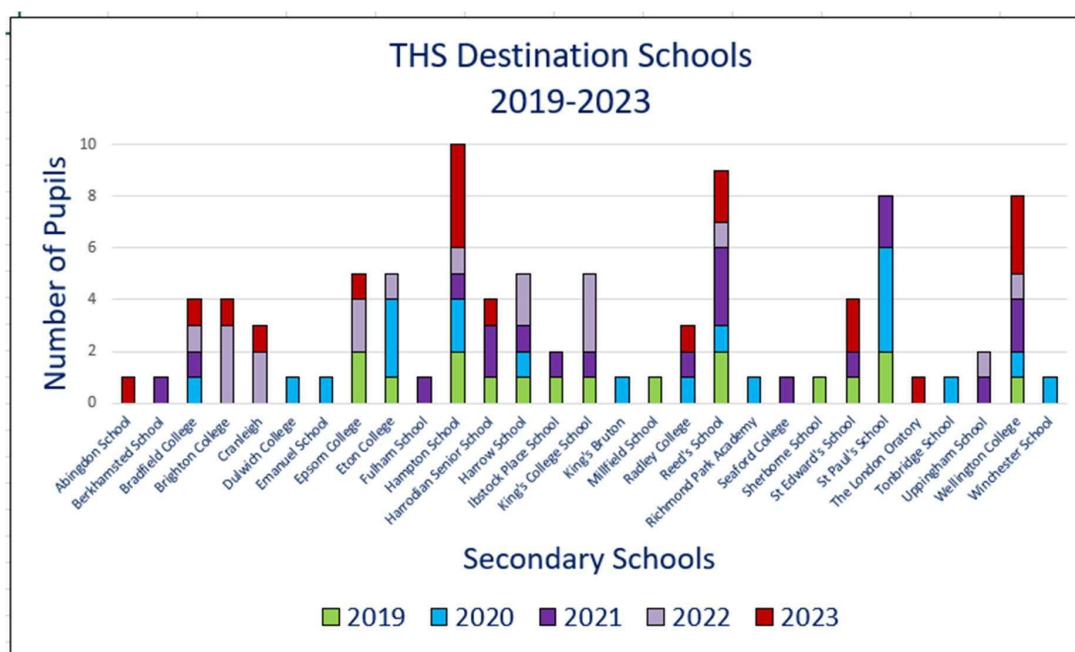
Once again, all Year 8 pupils achieved places at their chosen schools. These include both boarding and day schools, in the area and further afield. 100% success rate at Common Entrance. Five pupils were awarded scholarships by his chosen senior school (3 sports, 1 music, 1 drama).

DESTINATION SCHOOLS - SEPTEMBER 2023

SCHOOL	SCHOLARSHIPS
Wellington College	
Reed's School	Sports Scholarship
Brighton College	
London Oratory	Music Scholarship
Cranleigh School	
Wellington College	
St Edward's Oxford	
Reed's School	
Hampton School	
St Edward's Oxford	
Hampton School	Sports Scholarship
Hampton School	Sports Scholarship
Epsom College	
Radley College	
Bradfield College	Drama Scholarship
Harrodian School	
Wellington College	
Hampton School	
Abingdon School	

Total of 53 offers to 11 different schools for this cohort of 19 boys.

for the year ended 31 August 2023



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)

for the year ended 31 August 2023

Sports and Fitness

Sporting achievements have been numerous this year; with excellent results in all three main sports (Football, Rugby and Cricket). Specialist professional sports coaches have continued to be utilised for both Rugby and Cricket, with great success. A biennial cricket tour to Barbados serves to provide a fantastic experience to Tower House pupils, whilst also opportunity to donate cricketing equipment to their hosts. Three of our pupils received the offer of a Sports Scholarship from his chosen senior school.

Music

Music continues to develop under the guidance of a dynamic Director of Music. The Senior Choir now accounts for 80% of the pupils who are eligible to join and they have enjoyed performing for the School community and beyond. The recent addition of a guitar ensemble shows the diversity of musical talents and potential performances. One of our Year 8 pupils was awarded a Music Scholarship by his senior school.

The Arts (including the performing arts)

Art throughout the school is in rude health. There is an inclusive exhibition every year with a variety of age groups represented. There is a newly formed, but prolific, pottery club – all ceramic art works are fired in the school's own kiln.

Drama productions continue to set new standards and this year THS performed a brilliant production of Braveheart. High standards do not preclude inclusivity – on average, 80% of pupils who are eligible to audition will be given parts in the play. This year one boy in Year 8 was awarded a Drama Scholarship by his chosen senior school.

Projected plans for the future:

To appoint a successor to Gregory Evans as Head of Tower House School. The Governors appointed Neill Lunnon as incoming Head for September 2023.

To improve facilities to both develop the educational experience for pupils and to retain and attract the highest calibre of staff.

Development of the newly acquired site adjacent to the school began at the end of the summer term 2021. Now fully completed the new development provides 4 new state of the art teaching rooms, a multipurpose sports hall/theatre and a much-improved playground area.

Plans to develop and repurpose vacated spaces in 188 Sheen Lane. There are plans to increase access to ICT, Music Technology and Science, as well as increase the size of the school library.

The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)

for the year ended 31 August 2023

Fees, Bursaries and Hardship Fund

The fees are inclusive of all residential and curriculum related trips costs and also lunch, to ensure that the highly beneficial trips and excursions are open to all.

To assist the school to attract and retain high calibre staff, we offer a fees discount scheme to staff that enrol their children at our school. The Governors of Tower House School are committed to broadening access to the school by offering to eligible parents/guardians means-tested financial support with the payment of school's fees. Bursaries may be awarded in the form of a discount of up to 100% on tuition fees payable, depending on the financial, compassionate, or other pertinent circumstances of applicants. For transparency, all applications are assessed by an independent agency who are experienced in administering bursary applications for the independent sector.

Bursary awards are subject to repeat testing of parental means each year and may be varied upwards or downwards, depending on parental circumstances, compassionate or other pertinent considerations.

Requests for financial support usually fall into two categories:

- New applicants to the school, where a place has been offered but parents/guardians are unable to fund the tuition fees.
- Existing pupils where a change in parents/guardians' circumstances has resulted in difficulty in meeting tuition fees and may result in the child being withdrawn part way through a stage of education.

Information provided by the school alerting the parents/guardians of potential pupils to the possibility of gaining means-tested financial support with the payment of school's fees is included in:

- The school prospectus.
- The school website.
- The local press by means of advertisements.

Awards 2022-23

Fee reduction for staff with children at Tower House School	£24,701
Financial support for parents/guardians with children at Tower House School	£8,384
	Total £33,085

The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)

for the year ended 31 August 2023

Principal Risks and Uncertainties

Category	Description	Control Procedures
Operational	Safeguarding Issue	All staff DBS checked, together with strict Safer Recruitment procedures (Head, Deputy Head, Chair of Governors and Safeguarding Governor all trained in safer recruitment) All staff attend Child Protection Level 2 training at least once every 3 years DSL and Deputy DSL attend Level 3 training course every 2 years All visitors escorted and badged Access through front door via intercom CCTV coverage throughout exterior areas of premises All unscheduled visitors challenged Encourage culture of awareness in all site staff, including facilities and security to challenge children leaving the site. Lockdown procedures developed and practiced Whistle blowing procedure
Legal and Regulatory	Non-compliance leading to serious inspection and press issues	Dedicated Compliance Manager to audit current regulatory compliance and ensure that all processes are adhered to Responsibility for all areas of School operations assigned to individual SMT members Information sources identified and monitored Policies and practices regularly updated with rolling reviews at all school staff meetings Governor's review and agree major changes to regulatory Policies each term.
Competition	The opening of a free school or primary school in the area	Maintenance of high standards of curricular and extra-curricular provision together with continuous improvement of facilities (e.g. 4 new classroom and multipurpose hall) Profile and understand beneficiary needs Use marketplace analysis to establish future funding requirements and/or threats to business Strategic marketing, publication of the schools excellent ISI Inspection report, and constant high performance or our boys in all areas of education; academic, music, sport, drama

The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)

for the year ended 31 August 2023

Operational	Cyber Attack/Data Breach	The school, once again, has successfully completed the annual renewal and subscription process for the CyberEssentials accreditation. To help mitigate and manage the risk in data protection and the threat of a cyber attack. 5 controls within the CyberEssentials Scheme are designed to protect the school against cyber-attacks and guard the internet connection, devices, data, and services. The scheme is designed to protect charities against 80% of the most common cyber-attacks, which can impact charities of all sizes. Weekly backups of all data are taken, encrypted, and kept offsite as a precaution against data loss/damage.
Financial	Global Economic Forces	The current economic downturn and increase in the cost of energy, due in the most part to the war in Ukraine, has created an additional risk for the school, as it has to most areas of life. The general cost of living crisis could affect pupil numbers and the school's operational costs. The school has taken steps to maintain pupil numbers by appointing a Marketing and Communications Manager; and the school has fixed energy tariffs at an affordable level. The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks via The Risk Register. The management of risk and the flexibility of the school to react was tried and tested successfully, during the recent Pandemic. The Governors have a policy of ensuring the school has sufficient reserves to withstand a severe downturn in income. The Governors believe that on this basis the School can continue to meet its on going obligations and liabilities for the foreseeable future and is therefore a going concern.

The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)

for the year ended 31 August 2023

Financial Revenue and Reserves

The financial statements for the year ended 31 August 2023 are set out in the the pages following this report. Including the Statement of Financial Activities and the Balance Sheet. The Trustees are of the opinion that the balance sheet position is satisfactory.

The principal funding source is the parents of the children it educates. All income of the school is applied for educational purposes, in line with its Objectives.

During the year income amounted to £2,935,539 (2022 £2,982,277), a decrease of 1.5%. Expenditure this year amounted to £2,875,102 (2022 £2,568,693), an increase of 11.9%, which has enabled the School to continue to provide the high level of education to pupils, and to continue to provide the excellent extra-curricular activities that are included in the tuition fees and therefore available to all, e.g. educational residential trips to support the learning of; French, Geography, History, Science, Sport and personal development/confidence building.

After taking into account unrealized capital losses in the Trustees' investment portfolio of £16,271 (2022 £219,159) overall the charity made a surplus of £42,288 (2022 £194,425) which will be used to fund future capital works and maintain and develop the School's buildings, to ensure the School can continue to operate at full of near full capacity for the foreseeable future.

Teachers Pension Scheme

Despite the huge increase in the employer's contribution rate from September 2019 the school continues to be a member of the Teachers' Pension Scheme (TPS). As yet, none of the school's immediate competitors have pulled out and moved to an alternative scheme. Membership of the TPS is still viewed as a strong recruitment tool. The Governors are monitoring the sector closely as the move for schools to withdraw from the scheme gains momentum.

Reserves Policy

Primarily reserves are held to enable the continuity of services and activities that we

undertake. Reserves are held for the following reasons:

- to handle any sudden reduction in income
- to handle fluctuations in the market value of the investment portfolio
- to cover for other key risks crystalizing resulting in unplanned expenditure
- to take advantage of unexpected opportunities

In considering the level of reserves that should be held, we test the policy level against various scenarios to ensure adequate levels of reserves are held. The Trustees review what an adequate level of reserves is regularly. Currently set level of free reserves at £500k. At the year end the School held £6,542,848 (2022 £6,545,240) in unrestricted reserves.

The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)

for the year ended 31 August 2023

Investment Policy

The school has an investment portfolio managed by one of the UK's leading investment managers; Rathbones Investment Management. Surplus funds are transferred to expand the portfolio when sufficient funds have accrued in the school's bank account to warrant a long-term approach to investment. The objectives of the school's investment policy are to ensure the creation of sufficient income and capital growth to enable funds to be used for the continued improvement of education of children and major capital projects, such as the development of the recently acquired 190 Sheen Lane site. The current valuation of these funds is £835,562 (2022 £827,404). Investment Income for this year is £12,982 (2022 £42,892). The Board reviews the portfolio regularly and the investment manager is invited to present to the Board annually.

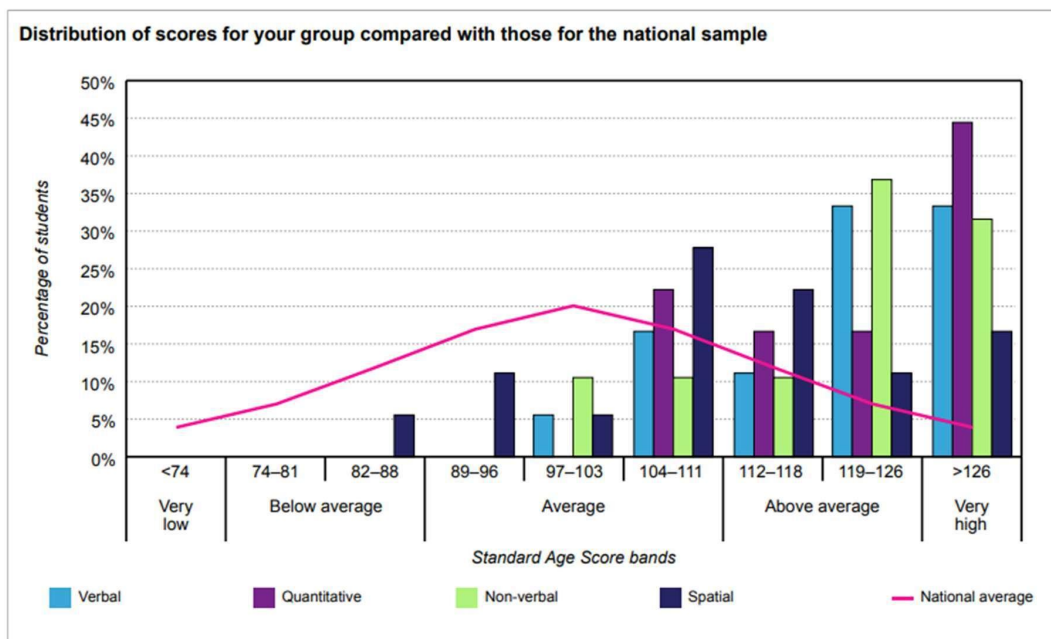
The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)
for the year ended 31 August 2023

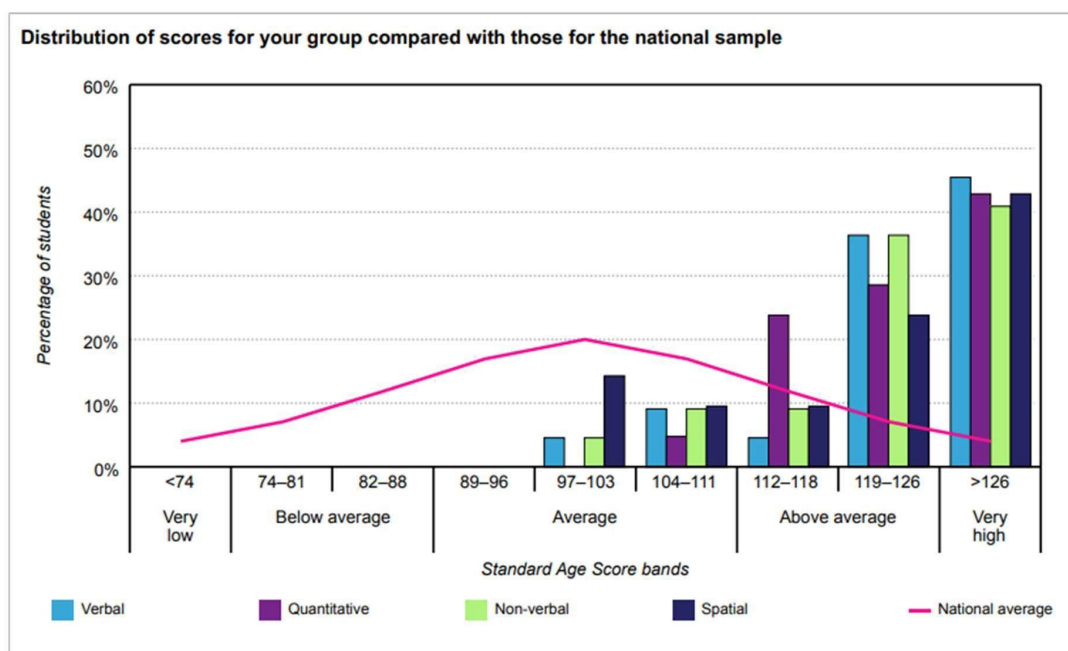
Annex 1: Achieved scores shifted markedly to the right of national average 'bell curve'.

CAT4 results for THS pupils (2022) compared against national average.

Year 4 (2023)



Year 6 (2023)



The Tower House School Charitable Foundation

TRUSTEES' REPORT (continued)

for the year ended 31 August 2023

Trustees responsibilities' statement

The Trustees (who are also Directors of Tower House School for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees 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 trustees 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

Disclosure of information to auditors

In so far as the Trustees are aware:

there is no relevant audit information of which the charity's auditors are unaware; and the Trustees 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to small companies exemption.

On behalf of the board

A Phillips

Trustee

Date:

The Tower House School Charitable Foundation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION

for the year ended 31 August 2023

Opinion

We have audited the financial statements of The Tower House School Charitable Foundation ('the company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

The Tower House School Charitable Foundation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION (continued)

for the year ended 31 August 2023

form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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 trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' annual report and from preparing a strategic report.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate

The Tower House School Charitable Foundation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION (continued)

for the year ended 31 August 2023

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Tower House School Charitable Foundation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION (continued)

for the year ended 31 August 2023

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

The Tower House School Charitable Foundation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION (continued)

for the year ended 31 August 2023

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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

The Tower House School Charitable Foundation

STATEMENT OF FINANCIAL ACTIVITIES

(including the income and expenditure statement)

for the year ended 31 August 2023

	Notes	Unrestricted £	Restricted funds £	Total 2023 £	Total 2022 £
INCOME FROM:					
Charitable Activities					
School fees	3	2,802,816	-	2,802,816	2,762,653
Other educational income	4	46,616	24,083	70,699	96,839
Other income					
Other trading income		4,362	-	4,362	-
Investments					
Investment Income	5	12,982	-	12,982	42,892
Voluntary sources					
Grants and donations	6	-	44,680	44,680	79,893
Total income and endowments		2,866,776	68,763	2,935,539	2,982,277
EXPENDITURE ON:					
Costs of raising funds					
Investment Management	7	6,061	-	6,061	12,759
Interest and other costs		28,136	-	28,136	17,139
Charitable activities					
Education	7	2,816,822	24,083	2,840,905	2,538,795
Total expenditure	7	2,851,019	24,083	2,875,102	2,568,693
Net operating income/(expenditure)		15,757	44,680	60,437	413,584
Pension Provision change		-	-	-	-
Other Profit or Loss on sale of assets/property		(1,878)	-	(1,878)	-
Net gain/(loss) on investments	12	(16,271)	-	(16,271)	(219,159)
Net income/(expenditure)		(2,392)	44,680	42,288	194,425
Transfer between funds		-	-	-	-
Net movement in funds		(2,392)	44,680	42,288	194,425
Fund balances brought forward		6,545,240	-	6,545,240	6,350,815
Fund balances carried forward	17	6,542,848	44,680	6,587,528	6,545,240

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

The Tower House School Charitable Foundation

BALANCE SHEET

as at 31 August 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	11	7,062,458	6,390,411
Investments	12	835,562	827,404
		7,898,020	7,217,815
CURRENT ASSETS			
Debtors	13	130,142	57,978
Cash at bank and in hand		778,480	1,580,178
		908,622	1,638,156
CREDITORS: Amounts falling due within one year	14	(802,135)	(863,699)
NET CURRENT ASSETS		106,487	774,457
TOTAL ASSETS LESS CURRENT LIABILITIES		8,004,507	7,992,272
CREDITORS: Amounts falling due after more than one year	15	(1,416,979)	(1,447,032)
NET ASSETS		6,587,528	6,545,240
FUNDS			
Restricted funds	17	44,680	-
Unrestricted funds	17	6,542,848	6,545,240
		6,587,528	6,545,240

Approved and authorised for issue by the Board of Governors on 25/03/2024 and signed on their behalf by:



Antony Phillips
Chairman of the Board of Governors

The accompanying notes form part of these financial statements.
Company Number: 03345004

The Tower House School Charitable Foundation

CASHFLOW STATEMENT

for the year ended 31 August 2023

CASH FLOW STATEMENT	Notes	2023 £	2022 £
Net cash inflow from operating activities	22	100,643	464,386
Cash flows from investing activities:			
Bank interest received		4,500	406
Dividends received		8,482	42,486
Interest paid		(28,136)	(17,139)
Proceeds from sale of investments		1,118,667	1,369,728
Payments to acquire fixed assets		(789,109)	(2,066,026)
Payments to acquire investments		(1,143,096)	(409,633)
Net cash outflow from investing activities		<u>(828,692)</u>	<u>(1,080,178)</u>
Financing:			
Loans repaid		(73,649)	(92,547)
Net cash outflow from financing activities		<u>(73,649)</u>	<u>(92,547)</u>
Increase/(decrease) in cash		(801,698)	(708,339)
Cash and cash equivalents at the beginning of the reporting period		<u>1,580,178</u>	<u>2,288,517</u>
Cash and cash equivalents at the end of the reporting period		<u><u>778,480</u></u>	<u><u>1,580,178</u></u>

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2023

1 ACCOUNTING POLICIES

The Tower House School Charitable Foundation is a company limited by guarantee with registered number 03345004, incorporated and domiciled in England and Wales. Its registered office is 188 Sheen Lane, East Sheen, London, SW14 8LF.

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

1.2 GOING CONCERN

The financial statements are prepared on a going concern basis which assumes the school will continue in operation for the foreseeable future. The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The school is dependent on students applying to it and on parents to pay their fees. Long term forecasting of student numbers is difficult but work continues to raise the profile of the school and to maintain and enhance relationships with parents, feeder schools and nurseries and destination schools. In particular the governors have considered the forecasts and projections and have taken account of pressures on fee income, particularly in the light of the current economic uncertainty. After making enquiries the governors have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparation of the financial statements.

1.3 COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee. In the event of the charitable company being wound up the liability in respect of the guarantee is limited to £10 per member of the charity.

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2023

1.4 INCOME RECOGNITION

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within the scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective method and dividend and rent income is recognised as the Charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

School Fees are recognised within income when they become due. Fees are charged on a termly basis. Fees raised in advance are deferred until the School becomes entitled to the funds.

In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised. Refer to Trustees' report for more information about their contribution.

Income tax recoverable in relation to donation received under Gift Aid or deeds of covenant is recognised at the time of donation.

Income from government or other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable the income will be received and the amount can be reliably measured.

1.5 DONATIONS

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds.

1.6 EXPENDITURE

All Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is categorised under Expenditure on charitable activities, which includes all costs incurred on furthering objects of the Charity.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at the School.

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

1.7 FUND ACCOUNTING

All funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds are unrestricted funds earmarked by the governors for particular purposes. Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

1.8 FIXED ASSETS AND DEPRECIATION

All fixed assets are used in direct furtherance of the school's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date. Assets over £1,000 are capitalised.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Freehold property	2% on reducing balance
Fixtures and fittings	20% on reducing balance

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2023

1.09 PENSIONS

The charity contributes to three pension schemes: the Teacher's Pension Scheme, the National Employment Savings Trust and Independent Schools Pension Scheme.

Retirement benefits to employees of the Charity are provided by the Teacher's Pension Scheme ("TPS") and the Independent Schools' Pension Scheme. These are defined benefit schemes and the assets and liabilities are held separately from those of the Charity. Defined contributions retirement benefits to the employees of the Charity are also provided under the National Employment Savings Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of the pensions over employee's working lives with the Charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 19, the TPS is a multi employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period in which they relate.

The Charity participates in the Independent School's Pension Scheme (Note 19). Included in the scheme is an employer's debt which would become payable if the Charity left the scheme and this is explained in Note 19. As a multi-employer scheme within the definitions of FRS 102, none of the assets or liabilities of the scheme are included on the Charity's Balance Sheet. The pension charge represents amounts payable by the Charity to each scheme in respect of the year. Contributions are expensed as they become payable.

1.10 LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1.11 INVESTMENTS

The charity has equity investments in listed entities. Investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds. All gains and losses are taken to the Statement of Financial Activities as they arise.

1.12 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2023

1.13 FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 13, 14 and 15 for the debtor and creditor notes.

1.14 TAXATION

The company is a registered charity and is exempt from taxation as afforded by Section 505 ICTA 1988.

1.15 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

2 KEY ESTIMATES & JUDGEMENTS

In the application of the company's accounting policies, the Council is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the opinion of the board, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property, plant and equipment and note 1.8 for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of the debtors and associated impairment provision.

Deficit pension scheme

The net present value of the calculation for the pension deficit has been based on an estimated percentage based on potential future events.

Investments

Included in investments are judgements made on the value of property and alternative assets.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

3 FEE INCOME

The School's activities are carried out within the UK.
The school's fee income comprised:

	2023 £	2022 £
Gross fees	2,835,901	2,798,126
Less: Scholarships, bursaries and discounts	(33,085)	(35,473)
	2,802,816	2,762,653

4 OTHER EDUCATIONAL INCOME

	2023 £	2022 £
Extras and disbursements	4,020	4,280
Registration fees	6,100	6,700
Retained deposits	29,319	52,302
Other income	31,260	33,557
	70,699	96,839

Included within the above is an amount of £24,083 (2022: £24,036) which relates to restricted income.

5 INVESTMENT INCOME

	2023 £	2022 £
Interest received	4,500	406
Dividend income	8,482	42,486
	12,982	42,892

6 DONATIONS AND GRANTS

	2023 £	2022 £
Donations and gifts	44,680	79,893
	44,680	79,893

Included within the above is an amount of £44,680 (2022: £79,893) which relates to restricted income.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

7 EXPENDITURE

(a) Costs of Raising Funds	Staff costs (note 8)	Other	Depreciation	Total 2023
	£	£	£	£
Investment Management Fees	-	6,061	-	6,061
Finance Costs	-	28,136	-	28,136
Total Costs of Raising Funds	-	34,197	-	34,197
Charitable expenditure	Staff costs (note 8)	Other	Depreciation	Total 2023
	£	£	£	£
Teaching	1,512,717	165,600	-	1,678,317
Welfare	-	207,464	-	207,464
Premises and Estates	-	177,383	115,184	292,567
Administration	517,392	124,266	-	641,658
Governance	-	20,899	-	20,899
Total Charitable Expenditure	2,030,109	695,612	115,184	2,840,905
Total Expended	2,030,109	729,809	115,184	2,875,102

Included within Staff Costs is an amount of £24,083 (2022: £24,036) relating to restricted expenditure.

Prior year

Costs of Raising Funds	Staff costs (note 8)	Other	Depreciation	Total 2022
	£	£	£	£
Investment Management Fees	-	12,759	-	12,759
Finance	-	17,139	-	17,139
Total Costs of Raising Funds	-	29,898	-	29,898
Charitable expenditure	Staff costs (note 8)	Other	Depreciation	Total 2022
	£	£	£	£
Teaching	1,420,112	171,530	-	1,591,642
Welfare	-	172,024	-	172,024
Premises and Estates	-	110,305	64,225	174,530
Administration	497,810	82,809	-	580,619
Governance	-	19,980	-	19,980
Total Charitable Expenditure	1,917,922	556,648	64,225	2,538,795
Total Expended	1,917,922	586,546	64,225	2,568,693

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

7 EXPENDITURE (continued)

(b) Other Governance Costs include:	2023 £	2022 £
Auditors' remuneration		
- Audit Fees	16,100	14,808
- under provision from previous year	2,149	-
- Accountancy Fees	2,650	3,192
(c) Administration Costs	2023 £	2022 £
Salaries	443,679	416,978
National Insurance	39,452	39,276
Pension Costs	27,228	37,535
Staff Training	7,033	4,021
Staff travel	460	1,147
Operating Leases	8,518	9,288
IT support	31,020	26,349
Postage and stationery	8,390	8,096
Telephones	7,197	7,256
Marketing and advertising	42,932	12,622
Memberships	6,286	7,018
Inspection costs	5,075	4,679
Legal and Professional Fees	12,150	3,198
Other Administration Costs	1,184	2,001
Bank charges and interest	1,054	1,155
	641,658	580,619

8 STAFF COSTS

	2023 £	2022 £
Wages and salaries	1,495,883	1,430,178
Social security costs	161,636	161,420
Other pension costs	273,076	285,739
Other staff costs	99,514	40,585
	2,030,109	1,917,922

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

	2023 No.	2022 No.
Teaching	22	22
Welfare	1	1
Support	15	15
	38	38

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

8 STAFF COSTS (continued)

The number of employees
£60,000 in the year was as follows:

	2023 No.	2022 No.
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
£100,001 - £110,000	1	1
	<u>3</u>	<u>3</u>

Pension contributions for the year amounted to £54,383 (2022: £60,361) for the above employees.

Key management personnel include the Governors and the senior executives which are made up of the head, the bursar and the deputy heads. The total pay and benefits received by key management personnel were £511,638 (2022: £501,218).

9 GOVERNORS REMUNERATION AND EXPENSES

There were no Governors' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

No governors were reimbursed any expenditure in the year (2022: £Nil).

10 NET INCOME FOR THE YEAR

	2023 £	2022 £
Net income is stated after charging:		
Depreciation of tangible fixed assets	115,184	64,225
Loan Interest	28,136	17,139
Operating lease rentals – other	25,078	25,650
Auditor's remuneration		
Audit services for the school- current year	16,100	14,808
Audit services for the school- prior year under provision	2,149	-
Non-audit services	2,650	3,192

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

11 TANGIBLE FIXED ASSETS

	Assets under Construction £	Freehold Property £	Fixtures & Fittings & Motor Vehicles £	Total £
Cost:				
At 1 September 2022	2,536,281	4,084,558	948,039	7,568,878
Additions	771,406	-	17,703	789,109
Disposals	-	-	(2,348)	(2,348)
Transfer	<u>(3,307,687)</u>	<u>3,307,687</u>	<u>-</u>	<u>-</u>
At 31 August 2023	<u>-</u>	<u>7,392,245</u>	<u>963,394</u>	<u>8,355,639</u>
Depreciation:				
At 1 September 2022	-	345,358	833,109	1,178,467
Charge for year	-	89,913	25,271	115,184
Disposals	-	-	(470)	(470)
Transfer	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2023	<u>-</u>	<u>435,271</u>	<u>857,910</u>	<u>1,293,181</u>
Net book value:				
At 31 August 2023	<u>-</u>	<u>6,956,974</u>	<u>105,484</u>	<u>7,062,458</u>
At 1 September 2022	<u>2,536,281</u>	<u>3,739,200</u>	<u>114,930</u>	<u>6,390,411</u>

The freehold property was formerly held at market value, following a professional revaluation performed on 24 August 2011 by Bonsor Penningtons. The Trustees have elected to preserve this value under the transitional provisions to FRS102. In the Trustees opinion, the net book value of the property is indicative of the market value as at 31 August 2020. The property's deemed cost will no longer be subject to revaluation.

Within the cost of freehold property is land totalling £2,135,000 (2022: £2,135,000) which is not depreciated.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

12 INVESTMENTS

	Listed investments £	2023 £	2022 £
Cost/valuation At 1 September 2022	827,404	827,404	2,006,658
Additions	1,143,096	1,143,096	409,633
Disposal proceeds	(1,118,667)	(1,118,667)	(1,369,728)
Gains/(Losses) arising on investments	(16,271)	(16,271)	(219,159)
Cost/valuation At 31 August 2023	<u>835,562</u>	<u>835,562</u>	<u>827,404</u>
UK fixed interest	90,074	90,074	-
Overseas fixed interest	22,560	22,560	29,212
UK equities	242,898	242,898	60,801
International equities	337,901	337,901	360,011
Property	25,902	25,902	56,081
Alternative assets	116,227	116,227	321,299
	<u>835,562</u>	<u>835,562</u>	<u>827,404</u>

13 DEBTORS

	2023 £	2022 £
Fees and extras	21,499	1,927
Prepayments and accrued income	108,643	56,051
	<u>130,142</u>	<u>57,978</u>

14 CREDITORS

Amounts falling due within one year:	2023 £	2022 £
Bank loan	75,286	86,365
Trade creditors	54,001	186,899
Taxation and social security costs	42,464	42,774
Fee Deposits	19,000	23,000
Fees in advance	536,547	457,299
Other creditors	35,603	31,226
Accruals	39,234	36,136
	<u>802,135</u>	<u>863,699</u>
Deferred income:	2023 £	2022 £
Brought forwards	457,299	445,499
Released in year	(457,299)	(445,499)
Received in year	536,547	457,299
Carried forwards	<u>536,547</u>	<u>457,299</u>

Deferred income relates to schools fees received in advance for the following term.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

15 CREDITORS DUE AFTER ONE YEAR

	2023 £	2022 £
Amounts falling due after more than one year:		
Bank loan	1,128,934	1,191,504
Other creditors	28,264	33,742
School fee deposits	259,781	221,786

1,416,979	1,447,032
------------------	------------------

	2023 £	2022 £
Movement on loans		
In one year or less	75,286	86,365
Between one and two years	75,286	86,365
Between two and five years	225,859	259,094
After five years	827,789	846,045

1,204,220	1,277,869
------------------	------------------

	2023 £	2022 £
Movement on deposits:		
In one year or less	19,000	23,000
Between one and two years	259,781	221,786

278,781	244,786
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The bank loans provided to the Charity by NatWest Bank Plc are secured by a fixed and floating charge over the assets of the Charity, including the properties at 28 Sheen Gate Gardens, 188 Sheen Lane and 190 Sheen Lane, London. The loan is to be repaid over 20 years from 17 February 2017 and interest charges at 1.75% above the base rate on an offset basis.

16 FINANCIAL INSTRUMENTS

	2023 £	2022 £
Carrying amount of financial assets		
Financial assets measured at fair value through profit and loss	835,562	827,404
Debt instruments at amortised cost	130,142	57,978
Carrying amount of financial liabilities		
Measured at amortised cost	1,654,303	1,819,690

for the year ended 31 August 2023

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2023 Total £
Tangible fixed assets	7,062,458	-	7,062,458
Investments	835,562	-	835,562
Current assets	863,942	44,680	908,622
Current liabilities	(802,135)	-	(802,135)
Long term liabilities	(1,416,979)	-	(1,416,979)
Total net assets	<u>6,542,848</u>	<u>44,680</u>	<u>6,587,528</u>
	Unrestricted funds £	Restricted funds £	2022 Total £
Tangible fixed assets	6,390,411	-	6,390,411
Investments	827,404	-	827,404
Current assets	1,638,156	-	1,638,156
Current liabilities	(863,699)	-	(863,699)
Long term liabilities	(1,447,032)	-	(1,447,032)
Total net assets	<u>6,545,240</u>	<u>-</u>	<u>6,545,240</u>

19 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2023, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 Office equipment	2022 Office equipment
Due within one year	24,380	24,814
Due between two and five years	17,110	42,069
	<u>41,490</u>	<u>66,883</u>

20 RELATED PARTIES

During the year £2,500 was paid to Sutch A Good Idea Ltd for first aid training. This company is owned by the wife of Andy Sutch (Governor). There were no related party transactions during the prior year.

21 CONTINGENT LIABILITY

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

22 NOTES TO THE CASHFLOW STATEMENT

	2023 £	2022 £
Reconciliation of operating result to net cash inflow from operating activities		
Net movement in funds	42,288	194,425
(Gains)/loss on investments	16,271	219,159
Depreciation	115,184	64,225
Bank interest received	(4,500)	(406)
Dividends received	(8,482)	(42,486)
Interest payable	28,136	17,139
(Profit)/Loss on disposal of Fixed Assets	1,878	-
Increase/(Decrease) in creditors	(17,968)	8,645
(Increase)/Decrease in debtors	(72,164)	3,685
	<u>100,643</u>	<u>464,386</u>

Analysis of changes in net debt

	At 1 September 2022	Cash flows	Other non- cash changes	At 31 August 2023
Cash and cash equivalents				
Cash	1,580,178	(801,698)	-	778,480
Overdrafts	-	-	-	-
Cash Equivalents	-	-	-	-
	<u>1,580,178</u>	<u>(801,698)</u>	<u>-</u>	<u>778,480</u>
Borrowings				
Debt due within one year	(86,365)	-	11,079	(75,286)
Debt due after one year	(1,191,504)	73,649	(11,079)	(1,128,934)
	<u>(1,277,869)</u>	<u>73,649</u>	<u>-</u>	<u>(1,204,220)</u>
Total	<u>302,309</u>	<u>(728,049)</u>	<u>-</u>	<u>(425,740)</u>

23 CAPITAL COMMITMENTS

There were no capital commitments at the year end (2022: £217,638)

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

24 PENSION COMMITMENTS

The charity contributes to three pension schemes: The Teacher's Pension Schemes ("TPS"), the Independent Schools Pension Scheme ("ISPS") and the National Employment Savings Trust ("NEST").

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £248,604 (2022: £285,739) and at the year-end £29,251 (2022: £28,668) 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 TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Independent School's Pension

Tower house school limited participates in the ISPS. The ISPS is a multi-employer defined (DB) scheme. The scheme is funded and is contracted out the state scheme.

There are four DBS structures available, namely:

- Final salary with a 1/60th accrual rate
- Final salary with a 1/80th accrual rate
- Career average revalued earnings with a 1/80th accrual rate
- Career average revalued earnings with a 1/120th accrual rate

A defined contribution (DC) benefit structure was made available from 1 September 2013.

An employer can elect to operate different benefit structures for different categories of staff.

Tower House School has elected to operate a Final Salary 1/60th accrual rate benefit scheme for Category A members as at 31 August 2017.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation. Asset values are calculated by reference to market levels. Accrued pension benefits are value by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

24 PENSION COMMITMENTS (continued)

During the accounting period the Charity paid a joint contribution rate of 27.3% comprising employer contributions of 20.9% and members contributions of 6.4%.

As at the Balance Sheet date, there was 1 active member of the Scheme. The charity continues to offer membership of the Scheme to its employees.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the scheme is a multi-employer scheme where the Scheme assets are co-mingled for investment purposes and benefits are paid from the total Scheme assets. Accordingly due to the nature of the Scheme, the accounting charge for the period under section 28 of FRS 102 represents the employer contribution payable.

The pension charge in the period amounted to £11,805 (2022: £18,999). The pension cost charge represents the contributions payable by the Charity to the Funds in respect of the year. At year end, there were outstanding contributions of £nil (2022: £nil). The last formal valuation of the Scheme was performed at 30 September 2017 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £110.0 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £37.4million, equivalent to a past service funding level of 75%.

In 2019, the Charity was notified by the Pensions Trust of the estimated employer debt on withdrawal from the LISPS Plan based in the financial position of the Plan as at 30 September 2017. As of this date the estimated employer debt was £272,000. The Charity has also been notified that additional contributions of £3,406 + 3% p.a. will be payable for 13 years from 1 September 2019 in order to eliminate the deficit in the Plan. In accordance with the Charity's accounting policy, this expenditure has been recognised in the accounts.

National Employment Savings Trust

During the year, the Charity made contributions to defined contribution schemes of £15,641 (2022: £12,248) to the National Employment Savings Trust ("NEST")

The amount of pension outstanding at year end is £1,859 (2022: £2,158).

Accounts

The Tower House School Charitable Foundation

(A Company Limited by Guarantee)

Incorporated in England and Wales No. 03345004

Registered Charity No. 1068844

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

For the year ended

31 August 2021

The Tower House School Charitable Foundation

CONTENTS

for the year ended 31 August 2021

	Page
Governors' Report	1 - 14
Auditors' Report	15 - 18
Statement of Financial Activities	19
Balance Sheet	20
Cash Flow Statement	21
Notes to the Financial Statements	22 - 37

The Tower House School Charitable Foundation

TRUSTEES REPORT

for the year ended 31 August 2021

Trustees	C Pike
Governors	Alex Wilson Nick Woods Andy Sutch Prof. Claire Hogg Brian Giffen Antony Phillips
Headmaster:	G Evans
Bursar & Clerk to Governors:	A Pomfret
Company registered number:	03345004
Charity registered number:	1068844
Registered Office:	188 Sheen Lane East Sheen London SW14 8LF
Bankers:	National Westminster Bank 341 Upper Richmond Road West East Sheen London SW14 8QP
Auditors:	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Investment Managers:	Rathbone Brothers Plc 8 Finsbury Circus London EC2M 7AZ

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2021

OBJECTIVES AND ACTIVITIES

Tower House School's aim as an educational charity for children is to benefit the public by providing a first class education independent of the State system. We are a mixed ability school and we aim for the highest quality of academic tuition and the development of wider sporting, artistic, musical and social skills in all our pupils. We offer an environment where each pupil can develop and fulfil his potential, in order to help build self-confidence and inculcate a lifelong desire to contribute to the wider community. Objectives are set up in accordance with the whole school development plan.

The Foundation has continued seeking to act as a good citizen in the local community and elsewhere. The school maintains a close liaison between parents/guardians, teachers, the governing body as well as other local charities/organisations that can benefit from the school's facilities. During this unusual year the school has acted in response to Government COVID 19 Guidance and has remained open during the holidays to accommodate the children of Key Workers.

In setting our objectives and planning our activities, our Governors give full weight to the Charity Commission's guidance on public benefit in the context of charities such as Tower House. Due to the impact of COVID-19 during this academic year, ongoing objectives have had to be modified or in some cases postponed to respond to the fast changing situation and in order to comply with the highest health and safety measures, in line with the frequently reviewed Risk Assessment and current Government Guidance.

Ongoing and future objectives of the school are to:-

- Maintain the schools' same high level of academic performance and sports achievements with the present 10:1 pupil/teacher ratio. Ensuring all leavers attend their senior schools of choice.
- Expand the teaching of Performing Arts and extend performances and opportunity to participate to the wider community.
- Maintain the expertise of teaching staff, with succession-planning and continual professional development – staff professional development through externally provided courses and by professional learning teams set up 'in house'.
- Continue to develop and resource the Special Educational Needs Department to ensure the appropriate level of support for both the talented and gifted and those with specific learning difficulties.
- To develop a scheme of work which addresses the pupils' wellbeing. Such a scheme to be integrated into the PSHE curriculum and its efficacy measured using a pupil survey in due course. Introduction of full and comprehensive Relationships and Sex Education (RSE) curriculum. Consultation with parents of the same and feedback acted upon. Staff and boys to receive awareness training of equality and diversity aspects – staff also to receive awareness training on unconscious bias.
- Further develop the extensive Residential Trip Programme allowing pupils to experience different lifestyles and traditions, to face challenges and to see how in the future they may be able to contribute to the different aspects of society. Some trips took place at the earlier part of 2020 prior to the COVID-19 outbreak, others unfortunately had to be postponed.

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2021

- Further develop liaison with environmental agencies to enable voluntary work to be carried out in the community.
- Facilitate wider community access to the school's facilities and staff expertise.
- Fully explore the possibility of Tower House teachers sharing their skills and expertise with local state sector schools.
- Continue to develop and resource the Sports Department, and extend the opportunity for boys to experience a wide range of Sports and Physical Development.
- Roll out and implement Assessment strategies for Senior School and Junior School – these should include an investment in online assessment models leading to standardized scores for national comparison. Please see Annex 1 for CAT4 results for Years 4,5 & 6 (2020-2021)
- Further increase the numbers of boys learning musical instruments and participating in ensembles – including specialist ensembles such as 'woodwind'. This year 122 boys participated in extra curricular music lessons, ensembles and groups.

The Governors are mindful of the need to consider activities for the wider Public Benefit, although the priority is still to ensure that pupils already at the School should be able to continue and complete their education at the School. They continue to keep abreast of legal developments, taking particular note of any guidance on general public benefit issued by the Charity Commission. The Governors continue to consider ways to benefit the wider community within the financial constraints affecting the school, and resources/facilities available.

As part of the education of its pupils the school encourages them to offer service and philanthropy as part of the privileged education that they enjoy.

This includes arranging fund raising for local, national and international charities which in the past year has raised a combined figure of over £3,100 distributed to the following charities:-

The Poppy Appeal
Sport Relief
The Richmond Foodbank
Comic Relief
Help for Heroes
Christchurch
MacMillan Cancer Care
Cancer Research UK
The Western Front Way

In addition to the various fund raising activities the school organises, the older boys also enjoy a close relationship with various environmental agencies, particularly The Friends of Palewell Common.

In the autumn term food baskets are distributed to the Richmond Food Bank. Local residential homes/day centre residents are frequently invited into the school to enjoy music recitals and other drama/musical events. The school choir also visits local residents. Some of these activities have been curtailed this year due to COVID-19 social distancing rules.

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2021

The school hall is made available to local charities such as MacMillan Cancer Care, Members of East Sheen Society (MESS), drama groups who work with children, and also to local musicians for sound recording. A wide variety of afterschool and holiday clubs run throughout the year and are where possible open to children in the local area. These include:-sports, art, pottery, drama, film making.

The governors are continuing to identify ways in which they can make the facilities available to the local community and particularly to under privileged children and groups.

Key Management Personnel

The key management personnel of the school is made up as follows:-

Trustees

Charles Pike

Governors

Alex Wilson

Nick Woods

Andy Sutch

Prof. Claire Hogg

Brian Giffen

Antony Phillips (appointed March 2020)

Senior Management Team (SMT)

Gregory Evans - Headmaster

Alison Pomfret – Bursar & Clerk to Governors

Ben Peyton – Deputy Head

Kerry Hogan – Head of Junior School

Justin Ryan – Director of Studies

The Trustees and Governors are responsible for the overall management of Tower House School. Governors have the legal responsibility for ensuring that the school complies fully with the law, is solvent and complies with all the financial regulations for charities as well as with Independent School Inspectorate (ISI), and Early Years Foundation Stage (EYFS) regulations. The school should be run in accordance with its charitable objects, including public benefit. Governors set the school's vision, ethos and direction, regularly review the school's performance against targets and monitor the risks to which the charity is exposed. They are responsible for ensuring that proper measures are taken by the school to mitigate all risks, by safer recruitment and child protection, compliance with health and safety and appropriate insurance. They are responsible for the Trustee structure. Governors have a duty to keep in mind the interests of pupils, staff and parents as well as those of the community. The Board of Governors meet formally at least 3 times per year. Governors also have specific responsibilities, such as safeguarding and child protection, special educational needs, health and safety and education. This aids Governors to attain an in depth knowledge of issues affecting the school within their area of responsibility. They can also create links with the relevant staff in school. Governors are welcome and encouraged to visit the school at any time to observe lessons or audit their area of responsibility. Relevant training for governors is promoted and provided. The trustees and governors give their time voluntarily and are not remunerated.

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2021

Selection, Appointment, and Induction of Governors

Governors are responsible for the selection, safe recruitment and appointment of new Governors. The aim is to achieve a balanced board, with individuals with an educational, legal, business, financial, property and marketing backgrounds. All Governors complete a selection process, which requires the submission of a CV, a meeting with a senior Governor and a meeting with the Head. Every Governor has an enhanced DBS check. Each appointment is made/ratified by the full Board for period of 3 years. The school arranges for all new governors to receive a thorough induction in child safeguarding and in the compliance and fiduciary duties of governance. New Governors visit the school in order to meet the key personalities and to gain an insight into the curriculum and to meet groups of pupils.

All new Governors receive a briefing pack on appointment that contains:

- The Governing Instrument
- List of fellow Governors and their contact details
- Dates of meetings for the ensuing year
- Minutes of most recent meetings
- AGBIS/ISC "Guidelines for Governors"
- School staff list
- The School Development Plan
- The School's Risk Register
- The School's Conflict of Interest Policy
- The School Calendar and list of functions
- A list of School policies
- The most recent school accounts

Management and Remuneration

The day to day management of the school is delegated to the Head, Deputy Head and Bursar, supported by the other members of the Senior Management Team. All members of the Senior Management Team are placed on the appropriate scale point of the Tower House School leadership pay scale, which is derived from the IAPS (Independent Prep Schools Association) Guide to Salaries. The remuneration for the Head and Bursar is reviewed annually by the governing body. The Head and Bursar review the pay for the other members of the SMT annually. Delivery of the School's charitable vision and purpose is primarily dependent upon key management personnel and as is the case with most schools, staff costs are the largest single element of our charitable expenditure.

Review of Achievements and Performance

The school continues to be a 'learning community'. Whilst face-to-face professional Learning Teams (PLTs) have needed to be suspended during Covid times, there has been a tremendous amount of sharing good practice – especially with regards to facilitating on-line learning.

The school has invested heavily in further education qualifications studied by staff; these include an MA in Advance Educational Practice (UCL), a Senior Leaders Masters Degree Apprenticeship, (Salford), a Senior Leaders Masters Degree Apprenticeship (Coventry), a Primary Education Foundation Degree (St Mary's) and a Level 5 Diploma in HR Management, CIPD (Chartered Institute of Personnel and Development).

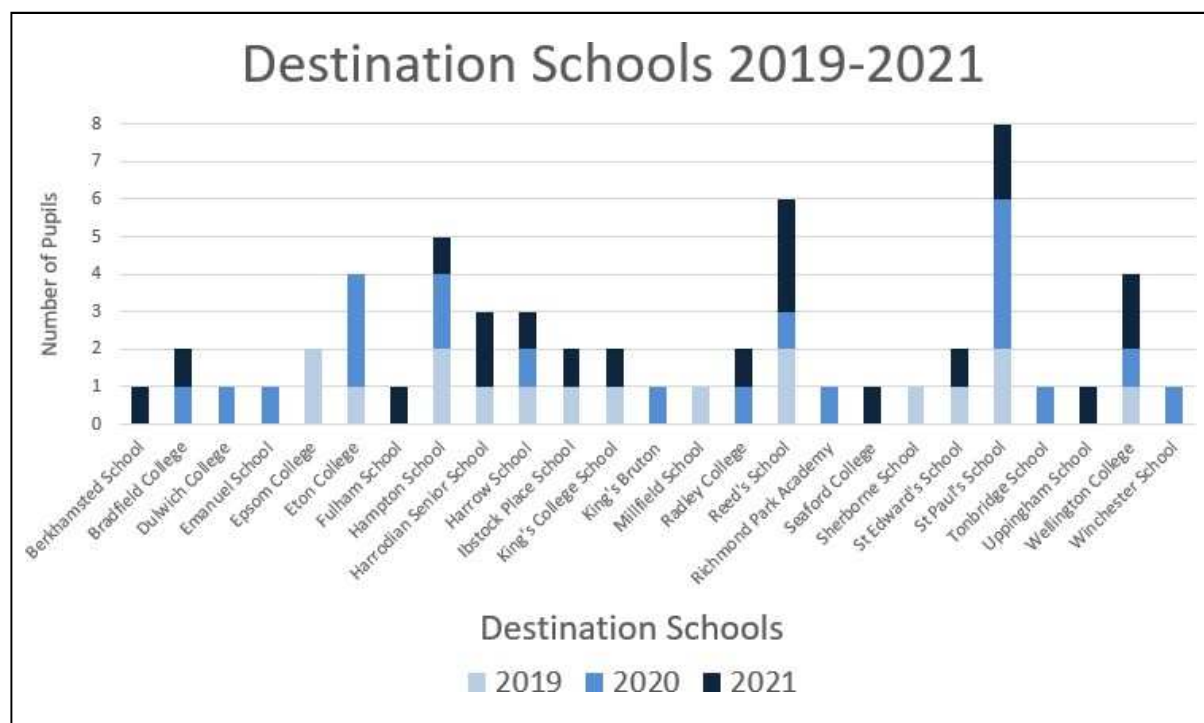
The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2021

Academic Success

Once again all Year 8 pupils achieved places at their chosen schools. These include both boarding and day schools, in the area and further afield. 100% success rate at Common Entrance. One pupil was awarded an academic scholarship through the ISEB Common Academic Scholarship Exams (CASE).



Sports and Fitness

Sporting achievements have been numerous this year; with excellent results in all three main sports (Football, Rugby and Cricket). Specialist professional sports coaches have continued to be utilised for both Rugby and Cricket, with great success. One of our pupils received the offer of a Sports Scholarship from his chosen senior school.

Music

Music continues to develop under the guidance of a dynamic Director of Music. The Senior Choir now accounts for 80% of the pupils who are eligible to join and they have enjoyed performing for the School community and beyond. The recent addition of strings and woodwind ensembles shows the diversity of musical talents and potential performances. One of our Year 8 pupils was awarded a Music Scholarship by his senior school.

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2021

The Arts (including the performing arts)

Art continues to flourish. The whole of the Year 8 group completed the Bronze Arts Award – a national qualification administered by Trinity College in association with Arts Council England. The resulting pupil portfolio is equivalent to 40 hours guided learning and 20 hours independent learning – the scheme also involves passing on of acquired skills to others – further supporting our claim to be a truly 'learning community'.

Drama productions continue to set new standards and this year THS performed a stage production of The Space Race. High standards do not preclude inclusivity – on average, 70% of pupils who are eligible to audition will be given parts in the play. This year one boy in Year 8 was awarded a Drama Scholarship by his chosen senior school.

Negative factors that affected the achievement of objectives and how future plans have been affected:

COVID19

The pandemic has obviously had a huge impact on the School and its operations. Forced closure of the School, cancelled residential trips and a reduced curriculum delivered online to pupils in their homes were just some of the issues faced. A small COVID Committee, comprising Governors and staff members, met at regular intervals throughout the year, able to respond quickly to Government guidance and to keep parents informed about the steps being taken by the School.

The parents were most appreciative of the support given to them by the School throughout Lockdown, not least by the changes to the Spring Term's fees and the provision of a strong educational curriculum which was delivered online to all pupils in their homes. The School did not make use of the Government's job retention scheme this year.

Projected plans for the future:

To improve facilities to both develop the educational experience for pupils and to retain and attract the highest calibre of staff.

Development of the newly acquired site adjacent to the school began at the end of the summer term. The house occupying the site was swiftly demolished and the groundworks have begun. Once completed the new development will provide 4 new state of the art teaching rooms, a multipurpose sports hall/theatre and a much improved playground area. See artist's impression.

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2021



Fees, Bursaries and Hardship Fund

The fees are inclusive of all residential and curriculum related trips costs and also lunch, to ensure that the highly beneficial trips and excursions are open to all.

To assist the school to attract and retain high calibre staff, we offer a fees discount scheme to staff that enrol their children at our school. The Governors of Tower House School are committed to broadening access to the school by offering to eligible parents/guardians means-tested financial support with the payment of schools fees. Bursaries may be awarded in the form of a discount of up to 100% on tuition fees payable, depending on the financial, compassionate or other pertinent circumstances of applicants. For transparency all applications are assessed by an independent agency who are experienced in administering bursary applications for the independent sector. Bursary awards are subject to repeat testing of parental means each year and may be varied upwards or downwards, depending on parental circumstances, compassionate or other pertinent considerations.

Requests for financial support usually fall into two categories:

- New applicants to the school, where a place has been offered but parents/guardians are unable to fund the tuition fees.
- Existing pupils where a change in parents/guardians' circumstances has resulted in difficulty in meeting tuition fees and may result in the child being withdrawn part way through a stage of education.

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2021

Information provided by the School alerting the parents/guardians of potential pupils to the possibility of gaining means-tested financial support with the payment of schools fees is included in:

- The School prospectus.
- The School website.
- The local press by means of advertisements.

Awards 2020-21

Fee reduction for staff with children at Tower House School £ 21,227

Financial support for parents/guardians with children at Tower House School £ 3,327

Total £24,554

COVID-19 Discount £89,031

Principal Risks and Uncertainties

<i>Category</i>	<i>Description</i>	<i>Control Procedures</i>
Operational	COVID-19 Pandemic	Working party formed to meet frequently and respond quickly to Government Guidance. Full Risk Assessment following ISBA format in place and regularly reviewed. Contingency Plan in place for sudden full or part closure. H & S Officer encouraged to participate in Webinars and training related to COVID 19 safety precautions. Proactive communication to whole school community. Remote learning platform for pupils to continue to study at home. Support and training provided to teaching staff to assist with delivery of remote learning. Hygiene practices communicated to staff and pupils regularly Regularity and degree of cleaning provision increased. IT equipment purchased to assist staff working from home. Staff and Y7-Y8 boys encouraged to take lateral flow tests twice weekly

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2021

Operational	Safeguarding Issue	All staff DBS checked, together with strict Safer Recruitment procedures (Head, Deputy Head, Chair of Governors and Safeguarding Governor all trained in safe recruitment) All staff attend Child Protection Level 2 training at least once every 3 years DSL and Deputy DSL attend Level 3 training course every 2 years All visitors escorted and badged Access through front door via intercom CCTV coverage throughout exterior areas of premises All unscheduled visitors challenged Encourage culture of awareness in all site staff, including facilities and security to challenge children leaving the site. Lockdown procedures developed and practiced Whistle blowing procedure
Legal and Regulatory	Non-compliance leading to serious inspection and press issues	Appointment of Compliance Manager to audit current regulatory compliance and ensure that all processes are adhered to Responsibility for all areas of School operations assigned to individual SMT members Information sources identified and monitored Policies and practices regularly updated with rolling reviews at all school staff meetings Governors review and agree major changes to regulatory policies
Competition	The opening of a free school or primary school in the area	Maintenance of high standards of curricular and extra-curricular provision together with continuous improvement of facilities (eg. junior school refurb/extension) Profile and understand beneficiary needs Use market place analysis to establish future funding requirements and/or threats to business Strategic marketing, publication of the schools excellent ISI Inspection report, and constant high performance of our boys in all areas of education; academic, music, sport, drama

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2021

Operational	Cyber Attack/Data Breach	The school obtained the Cyber Essentials accreditation last year and has successfully completed the annual renewal and subscription process this
		year to help mitigate and manage the risk in data protection and the threat of a cyber attack.
		5 Controls within the Cyber Essentials Scheme are designed to protect the school against cyber-attacks and guard the internet connection, devices, data and services. The scheme is designed to protect charities against 80% of the most common cyber-attacks which can impact charities of all sizes.
		Weekly backups of all data are taken and kept offsite as a precaution against data loss/damage.

Financial Revenue and Reserves

The financial statements for the year ended 31 August 2021 are set out in pages 19 to 37 including the Statement of Financial Activities and the Balance Sheet. The Trustees are of the opinion that the balance sheet position is satisfactory.

The principal funding source is the parents of the children it educates. All income of the school is applied for educational purposes, in line with its Objectives.

During the year income amounted to £2,770,641 (2020 £2,735,599), an increase of 1.3%. Expenditure this year amounted to £2,430,013 (2020 £2,406,293), an increase of 0.98%, which has enabled the School to continue to provide the high level of education to pupils, and to continue to provide the excellent extra-curricular activities that are included in the tuition fees and therefore available to all, e.g. educational residential trips to support the learning of; French, Geography, History, Science, Sport and personal development/confidence building.

After taking into account unrealized capital gains in the Trustees' investment portfolio of £578,691 (2020 loss of £62,059) overall the charity made a surplus of £919,319 (2020 £267,247) which will be used to fund future capital works and maintain and develop the School's buildings, to ensure the School can continue to operate at full or near full capacity for the foreseeable future. At the end of August 2021 £1.3m value of the investment portfolio was liquidated in preparation of meeting the construction costs of the 190 Sheen Lane Development.

Teachers Pension Scheme

Despite the huge increase in the employers contribution rate from September 2019 the school continues to be a member of the Teachers Pension Scheme (TPS). As yet, none of the schools immediate competitors have pulled out and moved to an alternative scheme. Membership of the TPS is still viewed as a strong recruitment tool. The Governors are monitoring the sector closely as the move for schools to withdraw from the scheme gains momentum.

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2021

Reserves Policy

Primarily reserves are held to enable the continuity of services and activities that we undertake.

Reserves are held for the following reasons:

- to handle any sudden reduction in income
- to handle fluctuations in the market value of the investment portfolio
- to cover for other key risks crystalizing resulting in unplanned expenditure
- to take advantage of unexpected opportunities

In considering the level of reserves that should be held, we test the policy level against various scenarios to ensure adequate levels of reserves are held. The Trustees review what an adequate level of reserves is regularly. Currently set level of free reserves at £500k

Investment Policy

The School has an investment portfolio managed by one of the UK's leading investment managers; Rathbones Investment Management. Surplus funds are transferred to expand the portfolio when sufficient funds have accrued in the schools bank account to warrant a long term approach to investment. The objectives of the School's investment policy are to ensure the creation of sufficient income and capital growth to enable funds to be used for the continued improvement of education of children and major capital projects, such as the development of the recently acquired 190 Sheen Lane site. The current valuation of these funds is £2,006,658 (2020 £2,659,575). Investment Income for this year is £58,146 (2020 £76,152). £46,340 is held in the cash account awaiting suitable investment. The investments have performed soundly this year, and the Board are confident that the School can expect a positive return on the money invested over the anticipated period of investment. The Board reviews the portfolio regularly and the investment manager is invited to present to the Board annually.

The Tower House School Charitable Foundation

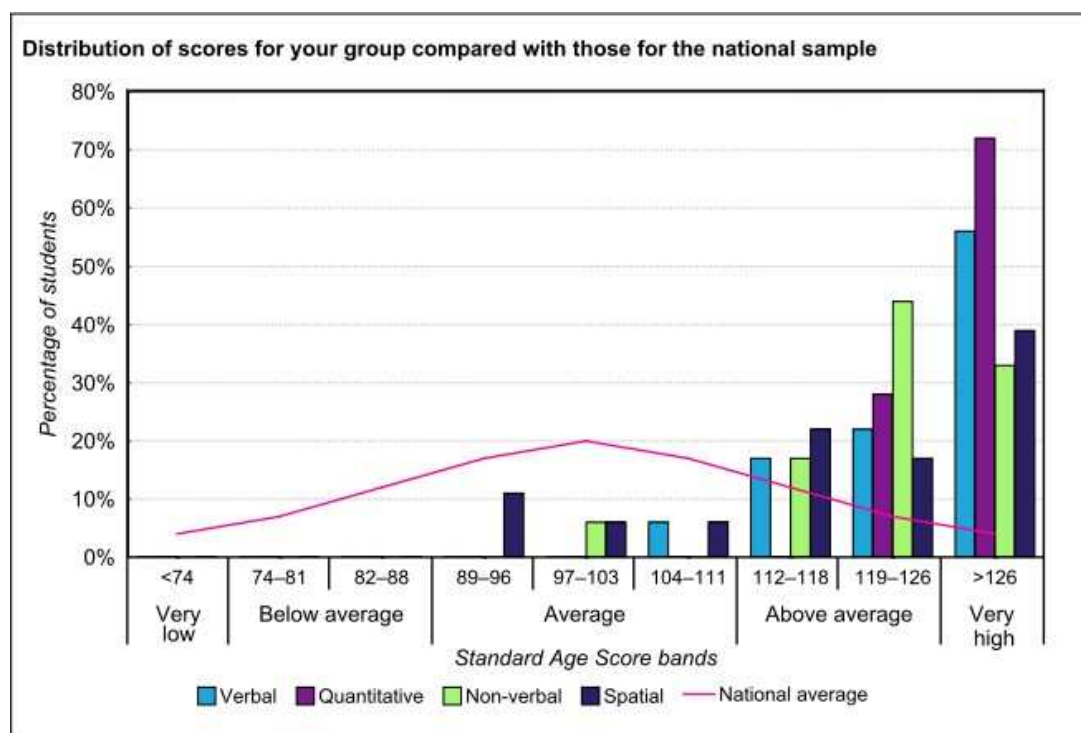
TRUSTEES' REPORT

for the year ended 31 August 2021

Annex 1 CAT4 results for Years 4,5 & 6 (2020-2021) compared against national average.

Achieved scores shifted markedly to the right of national average 'bell curve'.

Year 4

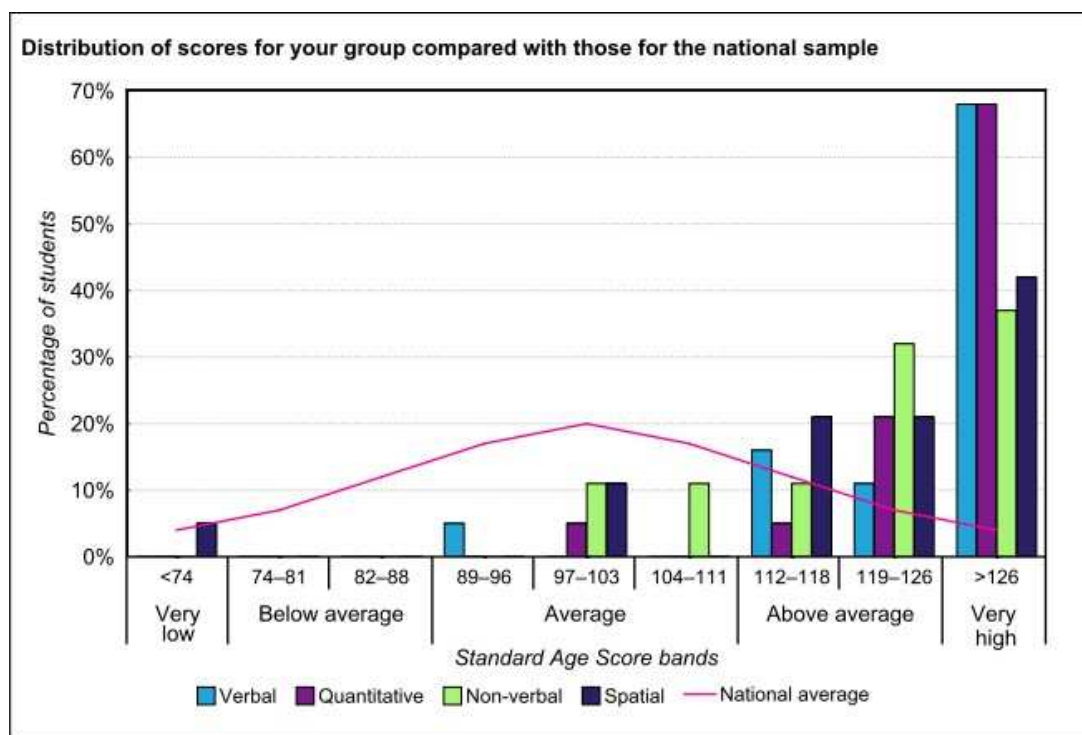


The Tower House School Charitable Foundation

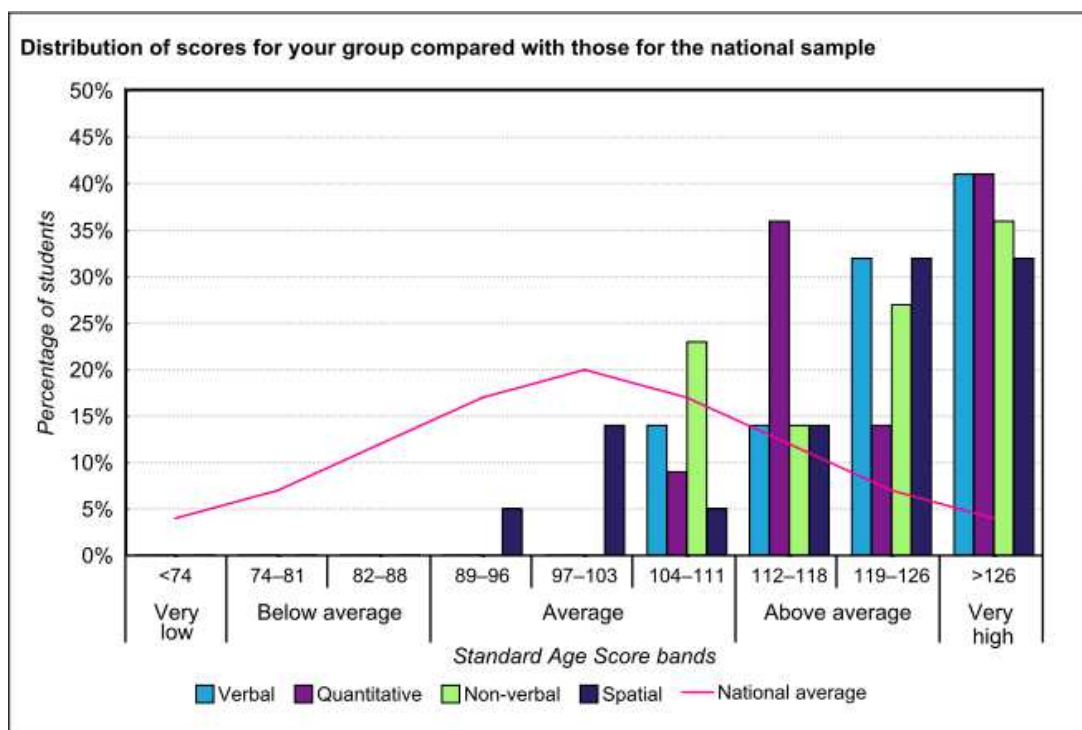
TRUSTEES' REPORT

for the year ended 31 August 2021

Year 5



Year 6



The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

Trustees responsibilities' statement

The Trustees (who are also Directors of Tower House School for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees 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 trustees 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

Disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to small companies exemption.

On behalf of the board



C Pike

Trustee

Date: 15 November 2021

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of The Tower House School Charitable Foundation ('the company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and,

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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 trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' annual report and from preparing a strategic report.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are [the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council]
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 18 January 2022

Devonshire House
60 Goswell Road
London, EC1M 7AD

The Tower House School Charitable Foundation

STATEMENT OF FINANCIAL ACTIVITIES

(including the income and expenditure statement)

for the year ended 31 August 2021

	Notes	Unrestricted £	Restricted funds £	Total 2021 £	Total 2020 £
INCOME FROM:					
Charitable Activities					
School fees	3	2,637,986	-	2,637,986	2,563,318
Other educational income	4	37,611	21,687	59,298	46,548
Investments					
Investment Income	5	58,146	-	58,146	76,152
Voluntary sources					
Grants and donations	6	9,211	6,000	15,211	49,581
Total income and endowments		2,742,954	27,687	2,770,641	2,735,599
EXPENDITURE ON:					
Costs of raising funds					
Investment Management	7	27,569	-	27,569	23,238
Interest and other costs		14,337	-	14,337	22,382
Charitable activities					
Education	7	2,366,420	21,687	2,388,107	2,360,673
Total expenditure		2,408,326	21,687	2,430,013	2,406,293
Net operating income/(expenditure)		334,628	6,000	340,628	329,306
Net gain/(loss) on investments	12	578,691	-	578,691	(62,059)
Net income/(expenditure)		913,319	6,000	919,319	267,247
Transfer between funds		-	-	-	-
Net movement in funds		913,319	6,000	919,319	267,247
Fund balances brought forward		5,431,496	-	5,431,496	5,164,249
Fund balances carried forward	17	6,344,815	6,000	6,350,815	5,431,496

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

The Tower House School Charitable Foundation

BALANCE SHEET

as at 31 August 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	11	4,388,610	4,022,513
Investments	12	<u>2,006,658</u>	<u>2,659,575</u>
		6,395,268	6,682,088
CURRENT ASSETS			
Debtors	13	61,663	51,995
Cash at bank and in hand		<u>2,288,517</u>	<u>936,907</u>
		2,350,180	988,902
CREDITORS: Amounts falling due within one year	14	<u>(821,349)</u>	<u>(596,023)</u>
NET CURRENT ASSETS		<u>1,528,831</u>	<u>392,879</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,924,099	7,074,967
CREDITORS: Amounts falling due after more than one year	15	<u>(1,573,284)</u>	<u>(1,643,471)</u>
NET ASSETS		<u>6,350,815</u>	<u>5,431,496</u>
FUNDS			
Restricted funds	17	6,000	13,800
Unrestricted funds	17	<u>6,344,815</u>	<u>5,417,696</u>
		<u>6,350,815</u>	<u>5,431,496</u>

Approved and authorised for issue by the Board of Governors on 15 November 2021 and signed on their behalf by:



Charles Pike
Chairman of the Board of Governors

The accompanying notes form part of these financial statements.
Company Number: 03345004

The Tower House School Charitable Foundation

CASHFLOW STATEMENT

for the year ended 31 August 2021

CASH FLOW STATEMENT	Notes	2021 £	2020 £
Net cash inflow from operating activities	22	597,580	264,302
Cash flows from investing activities:			
Bank interest received		6,203	18,267
Dividends received		51,943	57,885
Interest paid		(14,337)	(22,382)
Proceeds from sale of investments		2,625,345	382,556
Payments to acquire fixed assets		(432,339)	(155,161)
Payments to acquire investments		(1,393,738)	(462,263)
Net cash outflow from investing activities		843,077	(181,098)
Financing:			
Loans repaid		(89,047)	(83,803)
Net cash outflow from financing activities		(89,047)	(83,803)
Increase/(decrease) in cash		1,351,610	(599)
Cash and cash equivalents at the beginning of the reporting period		936,907	937,506
Cash and cash equivalents at the end of the reporting period		2,288,517	936,907

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2021

1 ACCOUNTING POLICIES

The Tower House School Charitable Foundation is a company limited by guarantee with registered number 03345004, incorporated and domiciled in England and Wales. Its registered office is 188 Sheen Lane, East Sheen, London, SW14 8LF.

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

1.2 GOING CONCERN

The financial statements are prepared on a going concern basis which assumes the school will continue in operation for the foreseeable future. The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The school is dependent on students applying to it and on parents to pay their fees. Long term forecasting of student numbers is difficult but work continues to raise the profile of the school and to maintain and enhance relationships with parents, feeder schools and nurseries and destination schools. In particular the governors have considered the forecasts and projections and have taken account of pressures on fee income, particularly in the light of the impact of the COVID-19 pandemic. After making enquiries the governors have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparation of the financial statements.

1.3 COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee. In the event of the charitable company being wound up the liability in respect of the guarantee is limited to £10 per member of the charity.

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2021

1.4 INCOME RECOGNITION

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within the scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective method and dividend and rent income is recognised as the Charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

School Fees are recognised within income when they become due. Fees are charged on a termly basis. Fees raised in advance are deferred until the School becomes entitled to the funds.

In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised. Refer to Trustees' report for more information about their contribution.

Income tax recoverable in relation to donation received under Gift Aid or deeds of covenant is recognised at the time of donation.

Income from government or other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable the income will be received and the amount can be reliably measured.

1.5 DONATIONS

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds.

1.6 EXPENDITURE

All Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is categorised under Expenditure on charitable activities, which includes all costs incurred on furthering objects of the Charity.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at the School.

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

1.7 FUND ACCOUNTING

the general objectives of the charity. Designated funds are unrestricted funds earmarked by the governors for particular purposes. Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

1.8 FIXED ASSETS AND DEPRECIATION

All fixed assets are used in direct furtherance of the school's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date. Assets over £1,000 are capitalised.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Freehold property	2% on reducing balance
Fixtures and fittings	20% on reducing balance

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2021

1.09 PENSIONS

The charity contributes to three pension schemes: the Teacher's Pension Scheme, the National Employment Savings Trust and Independent Schools Pension Scheme.

Retirement benefits to employees of the Charity are provided by the Teacher's Pension Scheme ("TPS") and the Independent Schools' Pension Scheme. These are defined benefit schemes and the assets and liabilities are held separately from those of the Charity. Defined contributions retirement benefits to the employees of the Charity are also provided under the National Employment Savings Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of the pensions over employee's working lives with the Charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 19, the TPS is a multi employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period in which they relate.

The Charity participates in the Independent School's Pension Scheme (Note 19). Included in the scheme is an employer's debt which would become payable if the Charity left the scheme and this is explained in Note 19. As a multi-employer scheme within the definitions of FRS 102, none of the assets or liabilities of the scheme are included on the Charity's Balance Sheet. The pension charge represents amounts payable by the Charity to each scheme in respect of the year. Contributions are expensed as they become payable.

1.10 LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1.11 INVESTMENTS

The charity has equity investments in listed entities. Investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds. All gains and losses are taken to the Statement of Financial Activities as they arise.

1.12 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2021

1.13 FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 9, 11 and 12 for the debtor and creditor notes.

1.14 TAXATION

The company is a registered charity and is exempt from taxation as afforded by Section 505 ICTA 1988.

1.15 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

2 KEY ESTIMATES & JUDGEMENTS

In the application of the company's accounting policies, the Council is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the opinion of the board, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 15 for the carrying amount of the property, plant and equipment and note 1.10 for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 15 for the net carrying amount of the debtors and associated impairment provision.

Deficit pension scheme

The net present value of the calculation for the pension deficit has been based on an estimated percentage based on potential future events.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

3 FEE INCOME

The School's activities are carried out within the UK.

The school's fee income comprised:

	2021 £	2020 £
Gross fees	2,751,571	2,817,559
Less: Scholarships, bursaries and discounts	(24,554)	(23,036)
Less: Covid-19 discount	(89,031)	(231,205)
	<u>2,637,986</u>	<u>2,563,318</u>

4 OTHER EDUCATIONAL INCOME

	2021 £	2020 £
Extras and disbursements	-	3,570
Registration fees	5,100	5,000
Retained deposits	24,516	9,000
Other income	29,682	28,978
	<u>59,298</u>	<u>46,548</u>

5 INVESTMENT INCOME

	2021 £	2020 £
Interest received	6,203	18,267
Dividend income	51,943	57,885
	<u>58,146</u>	<u>76,152</u>

6 DONATIONS AND GRANTS

	2021 £	2020 £
Donations and gifts	6,000	1,000
Furlough income	9,211	48,581
	<u>15,211</u>	<u>49,581</u>

Included within the above is an amount of £6,000 (2020: £12,800) which relates to restricted income.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

7 EXPENDITURE

(a) Costs of Raising Funds	Staff costs (note 8)	Other	Depreciation	Total 2021
	£	£	£	£
Investment Management Fees	-	27,569	-	27,569
Finance Costs	-	14,337	-	14,337
Total Costs of Raising Funds	-	41,906	-	41,906
Charitable expenditure	Staff costs (note 8)	Other	Depreciation	Total 2021
	£	£	£	£
Teaching	1,384,343	126,594	-	1,510,937
Welfare	-	137,853	-	137,853
Premises and Estates	-	108,061	66,241	174,302
Administration	477,142	69,049	-	546,191
Governance	-	18,824	-	18,824
Total Charitable Expenditure	1,861,485	460,381	66,241	2,388,107
Total Expended	1,861,485	502,287	66,241	2,430,013

Included within Staff Costs is an amount of £2,679 (2020: £19,387) relating to restricted expenditure.

Prior year

Costs of Raising Funds	Staff costs (note 8)	Other	Depreciation	Total 2020
	£	£	£	£
Investment Management Fees	-	23,238	-	23,238
Finance	-	22,382	-	22,382
Total Costs of Raising Funds	-	45,620	-	45,620
Charitable expenditure	Staff costs (note 8)	Other	Depreciation	Total 2020
	£	£	£	£
Teaching	1,357,374	118,659	-	1,476,033
Welfare	-	122,431	-	122,431
Premises and Estates	-	110,337	65,319	175,656
Administration	494,229	74,460	-	568,689
Governance	-	17,864	-	17,864
Total Charitable Expenditure	1,851,603	443,751	65,319	2,360,673
Total Expended	1,851,603	489,371	65,319	2,406,293

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

7 EXPENDITURE (continued)

(b) Other Governance Costs include:	2021	2020
	£	£
Auditors' remuneration		
- Audit Fees	12,595	11,700
- under provision from previous year	2,814	2,310
- Accountancy Fees	3,192	2,474
- Other Auditors remuneration	223	1,380
	2021	2020
	£	£
(c) Administration Costs		
Salaries	394,843	418,887
National Insurance	34,618	38,148
Pension Costs	36,267	32,837
Staff Training	11,414	4,357
Staff travel	257	837
Operating Leases	8,519	4,064
IT support	19,340	22,068
Postage and stationery	7,216	9,921
Telephones	5,014	7,053
Marketing and advertising	17,040	15,715
Memberships	4,010	5,147
Inspection costs	2,291	3,483
Legal and Professional Fees	3,636	4,541
Other Administration Costs	732	491
Bank charges and interest	994	1,140
	546,191	568,689

8 STAFF COSTS

	2021	2020
	£	£
Wages and salaries	1,410,576	1,422,418
Social security costs	149,926	144,612
Other pension costs	275,060	261,277
Other staff costs	25,923	23,296
	1,861,485	1,851,603

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

	2021	2020
	No.	No.
Teaching	20	22
Welfare	1	1
Support	17	14
	38	37

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

8 STAFF COSTS (continued)

The number of employees

£60,000 in the year was as follows:

	2021 No.	2020 No.
£70,001 - £80,000	2	2
£100,001 - £110,00	1	1
	<u>3</u>	<u>3</u>

Pension contributions for the year amounted to £42,929 (2020: £58,945) for the above employees.

Key management personnel include the Governors and the senior executives which are made up of the head, the bursar and the deputy heads. The total pay and benefits received by key management personnel were £491,833 (2020: £490,582).

9 GOVERNORS REMUNERATION AND EXPENSES

There were no Governors' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

No governors were reimbursed any expenditure in the year (2020: £Nil).

10 NET INCOME FOR THE YEAR

	2021 £	2020 £
Net income is stated after charging:		
Depreciation of tangible fixed assets	66,241	65,319
Loan Interest	14,337	22,382
Operating lease rentals – other	25,137	23,651
Auditor's remuneration		
Audit services for the school- current year	12,595	11,700
Audit services for the school- prior year under provision	2,814	2,310
Non-audit services	3,415	3,854

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

11 TANGIBLE FIXED ASSETS

	Assets under Construction £	Freehold Property £	Fixtures & Fittings & Motor Vehicles £	Total £
Cost:				
At 1 September 2020	223,387	3,949,558	897,568	5,070,513
Additions	<u>264,946</u>	<u>135,000</u>	<u>32,393</u>	<u>432,339</u>
At 31 August 2021	<u>488,333</u>	<u>4,084,558</u>	<u>929,961</u>	<u>5,502,852</u>
Depreciation:				
At 1 September 2020	-	275,021	772,979	1,048,000
Charge for year	-	<u>34,845</u>	<u>31,397</u>	<u>66,242</u>
At 31 August 2021	<u>-</u>	<u>309,866</u>	<u>804,376</u>	<u>1,114,242</u>
Net book value:				
At 31 August 2021	<u>488,333</u>	<u>3,774,692</u>	<u>125,585</u>	<u>4,388,610</u>
At 1 September 2020	<u>223,387</u>	<u>3,674,537</u>	<u>124,589</u>	<u>4,022,513</u>

The freehold property was formerly held at market value, following a professional revaluation performed on 24 August 2011 by Bonsor Penningtons. The Trustees have elected to preserve this value under the transitional provisions to FRS102. In the Trustees opinion, the net book value of the property is indicative of the market value as at 31 August 2020. The property's deemed cost will no longer be subject to revaluation.

Within the cost of freehold property is land totalling £2,135,000 (2020:£2,000,000) which is not depreciated.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

12 INVESTMENTS

	Listed investments £	2021 £	2020 £
Cost/valuation At 1 September 2020	2,659,575	2,659,575	2,641,927
Additions	1,393,738	1,393,738	462,263
Disposal proceeds	(2,625,345)	(2,625,345)	(382,556)
Gains/(Losses) arising on investments	578,691	578,691	(62,059)
Cost/valuation At 31 August 2021	<u>2,006,658</u>	<u>2,006,658</u>	<u>2,659,575</u>
Overseas fixed interest	-	-	23,870
UK equities	221,924	221,924	364,103
International equities	861,647	861,647	1,060,528
Property	72,044	72,044	73,134
Alternative assets	851,043	851,043	1,127,940
	2,006,658	2,006,658	2,649,575
Historical Cost	<u>1,458,852</u>	<u>2,239,540</u>	<u>2,239,540</u>

13 DEBTORS

	2021 £	2020 £
Fees and extras	12,947	6,837
Other debtors	3,304	549
Prepayments and accrued income	45,412	44,609
	<u>61,663</u>	<u>51,995</u>

14 CREDITORS

Amounts falling due within one year:	2021 £	2020 £
Bank loan	81,821	79,315
Trade creditors	199,898	16,275
Taxation and social security costs	41,468	45,048
Fee Deposits	20,500	28,740
Fees in advance	400,749	369,185
Other creditors	30,284	29,217
Accruals	46,629	28,243
	<u>821,349</u>	<u>596,023</u>
Deferred income:	2021 £	2020 £
Brought forwards	369,185	445,499
Released in year	(369,185)	(445,499)
Received in year	400,749	369,185
Carried forwards	<u>400,749</u>	<u>369,185</u>

Deferred income relates to schools fees received in advance for the following term.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

15 CREDITORS DUE AFTER ONE YEAR

	2021 £	2020 £
Amounts falling due after more than one year:		
Bank loan	1,288,595	1,380,150
Other creditors	36,070	34,061
School fee deposits	248,619	229,260
	1,573,284	1,643,471

	2021 £	2020 £
Movement on loans		
In one year or less	81,821	79,315
Between one and two years	81,821	79,315
Between two and five years	245,464	237,944
After five years	961,308	1,062,892
	1,370,416	1,459,465

	2021 £	2020 £
Movement on deposits:		
In one year or less	20,500	28,740
Between one and two years	248,619	229,260
	269,119	258,000

The bank loans provided to the Charity by NatWest Bank Plc are secured by a fixed and floating charge over the assets of the Charity, including the properties at 28 Sheen Gate Gardens, 188 Sheen Lane and 190 Sheen Lane, London. The loan is to be repaid over 20 years from 17 February 2017 and interest charges at 1.75% above the base rate on an offset basis.

16 FINANCIAL INSTRUMENTS

	2021 £	2020 £
Carrying amount of financial assets		
Financial assets measured at fair value through profit and loss	2,006,658	2,659,575
Debt instruments at amortised cost	61,663	21,675
Carrying amount of financial liabilities		
Measured at amortised cost	1,957,814	228,338

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

17 STATEMENT OF FUNDS

	At 1 September 2020 £	Income £	Expenditure £	Gains/ (losses) & transfers £	At 31 August 2021 £
Unrestricted funds:					
General reserve	5,417,696	2,742,954	(2,408,326)	578,691	6,331,015
Restricted funds:					
190 project	13,800	6,000	-	-	19,800
Extra learning support	-	21,687	(21,687)	-	-
Total restricted	13,800	27,687	(21,687)	-	19,800
Total funds	5,431,496	2,770,641	(2,430,013)	578,691	6,350,815
	At 1 September 2019 £	Income £	Expenditure £	Gains/ (losses) £	At 31 August 2020 £
Unrestricted funds:					
General reserve	5,151,449	2,715,212	(2,386,906)	(62,059)	5,417,696
Restricted funds:					
190 Project	12,800	1,000	-	-	13,800
Extra learning support	-	19,387	(19,387)	-	-
Total restricted	12,800	20,387	(19,387)	-	13,800
Total funds	5,164,249	2,735,599	(2,406,293)	(62,059)	5,431,496

Restricted funds

190 Project - these relate to donations received for the 190 project.

Extra learning support - grant funding for extra learning support

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2021 Total £
Tangible fixed assets	4,388,610	-	4,388,610
Investments	2,006,658	-	2,006,658
Current assets	2,336,380	13,800	2,350,180
Current liabilities	(821,349)	-	(821,349)
Long term liabilities	(1,573,284)	-	(1,573,284)
Total net assets	<u>6,337,015</u>	<u>13,800</u>	<u>6,350,815</u>
	Unrestricted funds £	Restricted funds £	2020 Total £
Tangible fixed assets	4,022,513	-	4,022,513
Investments	2,659,575	-	2,659,575
Current assets	975,102	13,800	988,902
Current liabilities	(596,023)	-	(596,023)
Long term liabilities	(1,643,471)	-	(1,643,471)
Total net assets	<u>5,417,696</u>	<u>13,800</u>	<u>5,431,496</u>

19 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2021, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 Office equipment	2020 Office equipment
Due within one year	24,380	21,927
Due between two and five years	65,869	62,603
	<u>90,248</u>	<u>84,530</u>

20 RELATED PARTIES

There were no related party transaction during the year. In the prior year, the school used the services of Sutch a Good Idea Ltd for first aid training which was the wife of Andy Sutch, one of the governors. The total payment was £4,320.

21 CONTINGENT LIABILITY

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

22 NOTES TO THE CASHFLOW STATEMENT

	2021	2020
	£	£
Reconciliation of operating result to net cash inflow from operating activities		
Net movement in funds	919,319	267,247
(Gains)/loss on investments	(578,691)	62,059
Depreciation	66,241	65,319
Bank interest received	(6,203)	(18,267)
Dividends received	(51,943)	(57,885)
Interest payable	14,337	22,382
Increase/(Decrease) in creditors	244,188	(80,921)
(Increase)/Decrease in debtors	(9,668)	4,368
	597,580	264,302

Analysis of changes in net debt

	At 1 September 2020	Cash flows	Other non- cash changes	At 31 August 2021
Cash and cash equivalents				
Cash	936,907	1,351,610	-	2,288,517
Overdrafts	-	-	-	-
Cash Equivalents	-	-	-	-
	936,907	1,351,610	-	2,288,517
Borrowings				
Debt due within one year	(79,315)	-	(2,506)	(81,821)
Debt due after one year	(1,380,150)	89,049	2,506	(1,288,595)
	(1,459,465)	89,049	-	(1,370,416)
Total	(522,558)	1,440,659	-	918,101

23 CAPITAL COMMITMENTS

There were capital commitments of £1,948,683 at the year end (2020: nil)

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

24 PENSION COMMITMENTS

The charity contributes to three pension schemes: The Teacher's Pension Schemes ("TPS"), the Independent Schools Pension Scheme ("ISPS") and the National Employment Savings Trust ("NEST").

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £275,060 (2020: £228,440) and at the year-end £27,780 (2020 - £27,423) 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 TPS 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 TPS 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 TPS 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 on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

Independent School's Pension

Tower house school limited participates in the ISPS. The ISPS is a multi-employer defined (DB) scheme. The scheme is funded and is contracted out the state scheme.

There are four DBS structures available, namely:

Final salary with a 1/60th accrual rate

Final salary with a 1/80th accrual rate

Career average revalued earnings with a 1/80th accrual rate

Career average revalued earnings with a 1/120th accrual rate

A defined contribution (DC) benefit structure was made available from 1 September 2013.

An employer can elect to operate different benefit structures for different categories of staff.

Tower House School has elected to operate a Final Salary 1/60th accrual rate benefit scheme for Category A members as at 31 August 2017.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation . Asset values are calculated by reference to market levels. Accrued pension benefits are value by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

During the accounting period the Charity paid a joint contribution rate of 27.3% comprising employer contributions of 20.9% and members contributions of 6.4%.

As at the Balance Sheet date, there was 1 active member of the Scheme. The charity continues to offer membership of the Scheme to its employees.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the scheme is a multi-employer scheme where the Scheme assets are co-mingled for investment purposes and benefits are paid from the total Scheme assets. Accordingly due to the nature of the Scheme, the accounting charge for the period under section 28 of FRS 102 represents the employer contribution payable.

The pension charge in the period amounted to £18,663 (2019: £14,354). The pension cost charge represents the contributions payable by the Charity to the Funds in respect of the year. At year end, there were outstanding contributions of £nil (2019: £nil). The last formal valuation of the Scheme was performed at 30 September 2017 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £110.0 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £37.4million, equivalent to a past service funding level of 75%.

In 2019, the Charity was notified by the Pensions Trust of the estimated employer debt on withdrawal from the LISPS Plan based in the financial position of the Plan as at 30 September 2017. As of this date the estimated employer debt was £272,000. The Charity has also been notified that additional contributions of £3,406 + 3% p.a. will be payable for 13 years from 1 September 2019 in order to eliminate the deficit in the Plan. In accordance with the Charity's accounting policy, this expenditure has been recognised in the accounts.

National Employment Savings Trust

During the year, the Charity made contributions to defined contribution schemes of £17,604 (2020: £14,174) to the National Employment Savings Trust ("NEST")

The amount of pension outstanding at year end is £2,104 (2020: £1,794).

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

NOT TO BE FILED - DETAILED INCOME BREAKDOWN

	2021		2020	
	£	£	£	£
Income				
Standard fees		2,751,571		2,817,559
Bursaries	3,327		15,357	
Staff Discounts	110,258		238,884	
		(113,585)		(254,241)
		<u>2,637,986</u>		<u>2,563,318</u>
Extras and Disbursements		-		3,570
		<u>2,637,986</u>		<u>2,566,888</u>
Other Operating Income				
Registration Fees		5,100		5,000
Fees in Lieu of Notice		24,516		9,000
Sundry / other		29,682		28,978
		59,298		42,978
Incoming resources from generated funds:				
Donations and Grants		15,211		49,581
Investment income		<u>58,146</u>		<u>76,152</u>
Total Incoming Resources		<u><u>2,770,641</u></u>		<u><u>2,735,599</u></u>

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

NOT TO BE FILLED - DETAILED EXPENDITURE BREAKDOWN

	2021 £	2020 £
Teaching Costs		
Salaries	1,015,733	1,003,531
National Insurance	115,308	106,464
Pension Costs	238,793	228,440
Other Staff Costs	12,361	10,524
Trip expenditure	35,312	23,710
Classroom expenditure	58,391	52,990
Activities	21,692	31,848
Recruitment Costs	2,148	8,415
Other Teaching	11,199	10,111
	1,510,937	1,476,033
	2021 £	2020 £
Welfare Costs		
Catering Contracts	109,084	100,837
Laundry and Cleaning Costs	28,769	21,594
	137,853	122,431
	2021 £	2020 £
Premises and Estates Costs		
Maintenance	10,857	11,634
Rates	22,797	22,974
Utilities	30,333	25,657
Insurance	23,587	21,401
Health and Safety	4,292	7,175
Motor expenses	12,751	12,164
Depreciation	66,241	65,319
Other Premises	2,799	9,332
	174,302	175,656

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

NOT TO BE FILLED - DETAILED EXPENDITURE BREAKDOWN

	2021 £	2020 £
Administration Costs		
Salaries	394,843	418,887
National Insurance	34,618	38,148
Pension Costs	36,267	32,837
Staff Training	11,414	4,357
Staff travel	257	837
Operating Leases	8,519	4,064
IT support	19,340	22,068
Postage and stationery	7,216	9,921
Telephones	5,014	7,053
Marketing and advertising	17,040	15,715
Memberships	4,010	5,147
Inspection costs	2,291	3,483
Legal and Professional Fees	3,636	4,541
Other Administration Costs	732	491
Bank charges and interest	994	1,140
	546,191	568,689
	2021 £	2020 £
Trading Costs		
Loan Interest	14,337	22,382
Investment Management Costs	27,569	23,238
	41,906 -	45,620
	2021 £	2020 £
Governance Costs		
Audit	15,409	14,010
Accountancy	3,192	2,474
Other Auditors Remuneration	223	1,380
	18,824	17,864
Total Costs of Charitable Activities	2,430,013	2,406,293

THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION

England & Wales - Charity number 1068844

Accounts

The Tower House School Charitable Foundation

(A Company Limited by Guarantee)

Incorporated in England and Wales No. 03345004

Registered Charity No. 1068844

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

For the year ended

31 August 2020

The Tower House School Charitable Foundation

CONTENTS

for the year ended 31 August 2020

	Page
Governors' Report	1 - 14
Auditors' Report	15 - 17
Statement of Financial Activities	18
Balance Sheet	19
Cash Flow Statement	20
Notes to the Financial Statements	21 - 36

The Tower House School Charitable Foundation

TRUSTEES REPORT

for the year ended 31 August 2020

Trustees	C Pike
Governors	Alex Wilson Nick Woods Andy Sutch Prof. Claire Hogg Brian Giffen
Headmaster:	G Evans
Bursar & Clerk to Governors:	A Pomfret
Company registered number:	03345004
Charity registered number:	1068844
Registered Office:	188 Sheen Lane East Sheen London SW14 8LF
Bankers:	National Westminster Bank 341 Upper Richmond Road West East Sheen London SW14 8QP
Auditors:	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Investment Managers:	Rathbone Brothers Plc 8 Finsbury Circus London EC2M 7AZ

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

OBJECTIVES AND ACTIVITIES

Tower House School's aim as an educational charity for children is to benefit the public by providing a first class education independent of the State system. We are a mixed ability school and we aim for the highest quality of academic tuition and the development of wider sporting, artistic, musical and social skills in all our pupils. We offer an environment where each pupil can develop and fulfil his potential, in order to help build self-confidence and inculcate a lifelong desire to contribute to the wider community. Objectives are set up in accordance with the whole school development plan.

The Foundation has continued seeking to act as a good citizen in the local community and elsewhere. The school maintains a close liaison between parents/guardians, teachers, the governing body as well as other local charities/organisations that can benefit from the school's facilities.

In setting our objectives and planning our activities, our Governors give full weight to the Charity Commission's guidance on public benefit in the context of charities such as Tower House. Due to the impact of COVID-19 during this academic year, ongoing objectives have had to be modified or in some cases postponed to respond to the fast changing situation and in order to comply with the highest health and safety measures, in line with the frequently reviewed Risk Assessment and current Government Guidance.

Ongoing and future objectives of the school are to:-

- Maintain the schools' same high level of academic performance and sports achievements with the present 10:1 pupil/teacher ratio. Ensuring all leavers attend their senior schools of choice.
- Expand the teaching of Performing Arts and extend performances and opportunity to participate to the wider community.
- Maintain the expertise of teaching staff, with succession-planning and continual professional development – staff professional development through externally provided courses and by professional learning teams set up 'in house'.
- Continue to develop and resource the Special Educational Needs Department to ensure the appropriate level of support for both the talented and gifted and those with specific learning difficulties.
- To develop a scheme of work which addresses the pupils' wellbeing. Such a scheme to be integrated into the PSHE curriculum and its efficacy measured using a pupil survey in due course.
- Further develop the extensive Residential Trip Programme allowing pupils to experience different lifestyles and traditions, to face challenges and to see how in the future they may be able to contribute to the different aspects of society. Some trips took place at the earlier part of 2020 prior to the COVID-19 outbreak, others unfortunately had to be postponed.

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

- Further develop liaison with environmental agencies to enable voluntary work to be carried out in the community.
- Facilitate wider community access to the school's facilities and staff expertise.
- Fully explore the possibility of Tower House teachers sharing their skills and expertise with local state sector schools.
- Continue to develop and resource the Sports Department, and extend the opportunity for boys to experience a wide range of Sports and Physical Development.
- Roll out and implement Assessment strategies for Senior School and Junior School – these should include an investment in online assessment models leading to standardized scores for national comparison. Please see Annex 1 for CAT4 results for Year 6 (2019-2020)
- Further increase the numbers of boys learning musical instruments and participating in ensembles – including specialist ensembles such as 'woodwind'.

The Governors are mindful of the need to consider activities for the wider Public Benefit, although the priority is still to ensure that pupils already at the School should be able to continue and complete their education at the School. They continue to keep abreast of legal developments, taking particular note of any guidance on general public benefit issued by the Charity Commission. The Governors continue to consider ways to benefit the wider community within the financial constraints affecting the school, and resources/facilities available.

As part of the education of its pupils the school encourages them to offer service and philanthropy as part of the privileged education that they enjoy.

This includes arranging fund raising for local, national and international charities which in the past year has raised a combined figure of over £2,380 distributed to the following charities:-

The Poppy Appeal
Red Nose Day
Help for Heroes
Christchurch
MacMillan Cancer Care
Cancer Research UK
The Western Front Way
The Richmond Foodbank
Trees for Cities
Sport Relief
British Red Cross
Alzheimers Society
Australian Bush Fires
Anti-Bullying

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

In addition to the various fund raising activities the school organises, the older boys also enjoy a close relationship with various environmental agencies, particularly The Friends of Palewell Common.

In the autumn term food baskets are distributed to the Richmond Food Bank. Local residential homes/day centre residents are frequently invited into the school to enjoy music recitals and other drama/musical events. The school choir also visits local residents. Some of these activities have been curtailed this year due to COVID-19 social distancing rules.

The school hall is made available to local charities such as MacMillan Cancer Care, Members of East Sheen Society (MESS), drama groups who work with children, and also to local musicians for sound recording. A wide variety of afterschool and holiday clubs run throughout the year and are where possible open to children in the local area. These include:-sports, art, pottery, drama, film making.

The governors are continuing to identify ways in which they can make the facilities available to the local community and particularly to under privileged children and groups.

Key Management Personnel

The key management personnel of the school is made up as follows:-

Trustees

Charles Pike

Governors

Alex Wilson

Nick Woods

Andy Sutch

Prof. Claire Hogg

Brian Giffin

Antony Phillips (appointed March 2020)

Senior Management Team (SMT)

Gregory Evans - Headmaster

Alison Pomfret – Bursar & Clerk to Governors

Ben Peyton – Deputy Head

Lesley Barnett – Head of Junior School

Justin Ryan – Director of Studies

The Trustees and Governors are responsible for the overall management of Tower House School. Governors have the legal responsibility for ensuring that the school complies fully with the law, is solvent and complies with all the financial regulations for charities as well as with Independent School Inspectorate (ISI), and Early Years Foundation Stage (EYFS) regulations. The school should be run in accordance with its charitable objects, including public benefit. Governors set the school's vision, ethos and direction, regularly review the school's performance against targets and monitor the risks to which the charity is exposed. They are responsible for ensuring that proper measures are taken by

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

the school to mitigate all risks, by safer recruitment and child protection, compliance with health and safety and appropriate insurance. They are responsible for the Trustee structure. Governors have a duty to keep in mind the interests of pupils, staff and parents as well as those of the community. The Board of Governors meet formally at least 3 times per year. Governors also have specific responsibilities, such as safeguarding and child protection, special educational needs, health and safety and education. This aids Governors to attain an in depth knowledge of issues affecting the school within their area of responsibility. They can also create links with the relevant staff in school. Governors are welcome and encouraged to visit the school at any time to observe lessons or audit their area of responsibility. Relevant training for governors is promoted and provided. The trustees and governors give their time voluntarily and are not remunerated.

Selection, Appointment, and Induction of Governors

Governors are responsible for the selection, safe recruitment and appointment of new Governors. The aim is to achieve a balanced board, with individuals with an educational, legal, business, financial, property and marketing backgrounds. All Governors complete a selection process, which requires the submission of a CV, a meeting with a senior Governor and a meeting with the Head. Every Governor has an enhanced DBS check. Each appointment is made/ratified by the full Board for period of 3 years. The school arranges for all new governors to receive a thorough induction in child safeguarding and in the compliance and fiduciary duties of governance. New Governors visit the school in order to meet the key personalities and to gain an insight into the curriculum and to meet groups of pupils.

All new Governors receive a briefing pack on appointment that contains:

- The Governing Instrument
- List of fellow Governors and their contact details
- Dates of meetings for the ensuing year
- Minutes of most recent meetings
- AGBIS/ISC "Guidelines for Governors"
- School staff list
- The School Development Plan
- The School's Risk Register
- The School's Conflict of Interest Policy
- The School Calendar and list of functions
- A list of School policies
- The most recent school accounts

Management and Remuneration

The day to day management of the school is delegated to the Head, Deputy Head and Bursar, supported by the other members of the Senior Management Team. All members of the Senior Management Team are placed on the appropriate scale point of the Tower House School leadership pay scale, which is derived from the IAPS (Independent Prep Schools Association) Guide to Salaries. The remuneration for the Head and Bursar is reviewed annually by the governing body. The Head and Bursar review the pay for the other members of the SMT annually. Delivery of the School's

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

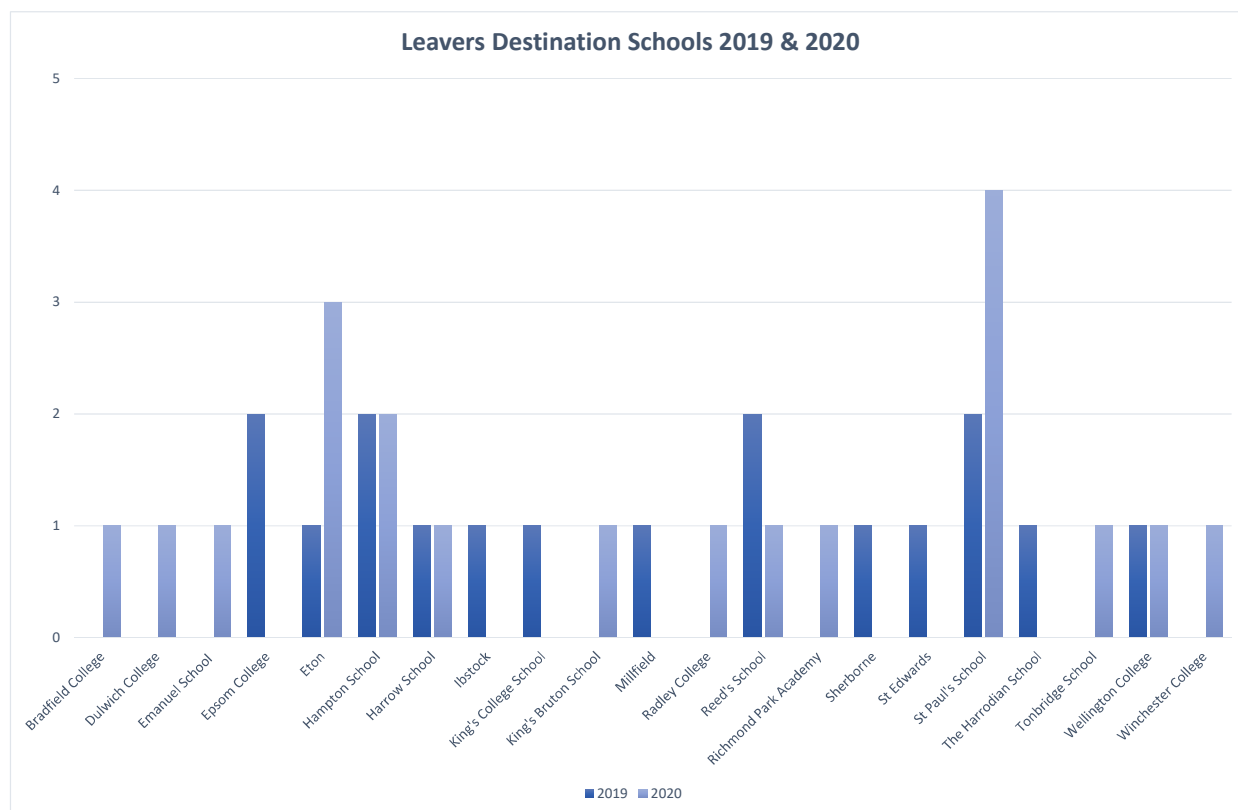
charitable vision and purpose is primarily dependent upon key management personnel and as is the case with most schools, staff costs are the largest single element of our charitable expenditure.

Review of Achievements and Performance

There has been a significant overhaul of staff professional development and the school is now very much a learning community. Prompted by a middle manager undertaking a post graduate course – Professional Learning Teams (PLTs) meet regularly to formulate strategies to improve teaching. The bedrock of all the new initiatives is pedagogical research - PLTs share reading suggestions in cluster groups concentrating on similar objectives.

Academic Success

Once again all Year 8 pupils achieved places at their chosen schools. These include both boarding and day schools, in the area and further afield. Academic benchmarks were exceeded again this year. 100% success rate at Common Entrance. One pupil was awarded an academic scholarship through the ISEB Common Academic Scholarship Exams (CASE).



The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

Sports and Fitness

Sporting achievements have been numerous this year; with excellent results in all three main sports (Football, Rugby and Cricket). Specialist professional sports coaches have continued to be utilised for both Rugby and Cricket, with great success. Two of our pupils received the offer of a Sports Scholarship from their chosen senior schools.

Music

Music continues to develop under the guidance of a dynamic Director of Music. The Senior Choir now accounts for 80% of the pupils who are eligible to join and they have enjoyed performing for the School community and beyond. The recent addition of strings and woodwind ensembles shows the diversity of musical talents and potential performances.

The Arts (including the performing arts)

Art continues to flourish. The whole of the Year 8 group completed the Bronze Arts Award – a national qualification administered by Trinity College in association with Arts Council England. The resulting pupil portfolio is equivalent to 40 hours guided learning and 20 hours independent learning – the scheme also involves passing on of acquired skills to others – further supporting our claim to be a truly 'learning community'. One of our Year 8 pupils was awarded an Arts Scholarship by his senior school.

Drama productions continue to set new standards and this year THS performed a stage production of The Space Race. High standards do not preclude inclusivity – on average, 70% of pupils who are eligible to audition will be given parts in the play. This year no fewer than three boys in Year 8 were awarded Drama Scholarships by their chosen senior schools.

Other Achievements

The School continues to invest in staff Continued Professional Development:

- Subject specific cluster group meetings are facilitated with local professionals.
- Day / residential courses are funded for subject specific/ administrative/pastoral training.
- Post Graduate qualifications have been funded including Master of Arts (MA) and National Professional Qualifications for Senior Leadership (NPQSL)

Negative factors that affected the achievement of objectives and how future plans have been affected:

COVID19

The pandemic has obviously had a huge impact on the School and its operations. Forced closure of the School, cancelled residential trips and a reduced curriculum delivered online to pupils in their homes were just some of the issues faced. A small COVID Committee, comprising Governors and staff members, met at regular intervals throughout the Spring and Summer Terms, able to respond quickly to Government guidance and to keep parents informed about the steps being taken by the School.

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

Projected plans for the future:

To improve facilities to both develop the educational experience for pupils and to retain and attract the highest caliber of staff.

The newly acquired site adjacent to the school will be developed after consultation with the Local Authority and in conjunction with architects experienced within the educational sector to provide improved facilities for pupils and staff. This project has been developed to the tender stage, but is now on hold until the COVID-19 crisis is over and the future is more settled.

Fees, Bursaries and Hardship Fund

The fees are inclusive of all residential and curriculum related trips costs and also lunch, to ensure that the highly beneficial trips and excursions are open to all.

To assist the school to attract and retain high calibre staff, we offer a fees discount scheme to staff that enroll their children at our school. The Governors of Tower House School are committed to broadening access to the school by offering to eligible parents/guardians means-tested financial support with the payment of schools fees. Bursaries may be awarded in the form of a discount of up to 100% on tuition fees payable, depending on the financial, compassionate or other pertinent circumstances of applicants. For transparency all applications are assessed by an independent agency who are experienced in administering bursary applications for the independent sector.

Bursary awards are subject to repeat testing of parental means each year and may be varied upwards or downwards, depending on parental circumstances, compassionate or other pertinent considerations.

Requests for financial support usually fall into two categories:

- New applicants to the school, where a place has been offered but parents/guardians are unable to fund the tuition fees.
- Existing pupils where a change in parents/guardians' circumstances has resulted in difficulty in meeting tuition fees and may result in the child being withdrawn part way through a stage of education.

Information provided by the School alerting the parents/guardians of potential pupils to the possibility of gaining means-tested financial support with the payment of schools fees is included in:

- The School prospectus.
- The School website.
- The local press by means of advertisements.

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

Awards 2019-20

Fee reduction for staff with children at Tower House School	£ 7,679
Financial support for parents/guardians with children at Tower House School	£15,357
Total	£23,006

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

Principal Risks and Uncertainties

<i>Category</i>	<i>Description</i>	<i>Control Procedures</i>
Operational	COVID-19 Pandemic	Working party formed to meet frequently and respond quickly to Government Guidance. Full Risk Assessment following ISBA format in place and regularly reviewed. Contingency Plan in place for sudden full or part closure. H & S Officer encouraged to participate in Webinars and training related to COVID 19 safety precautions. Proactive communication to whole school community. Remote learning platform for pupils to continue to study at home. Support and training provided to teaching staff to assist with delivery of remote learning. Hygiene practices communicated to staff and pupils regularly. Each year group formed as a 'bubble'. Necessary adjustments made to timetable to socially distance bubbles at pick up/drop, lunch and break times. Regularity and degree of cleaning provision increased. IT equipment purchased to assist staff working from home. Grab and go lunch option introduced for pupils to return to their classroom with lunch. Visors and masks issued to staff and Y7-Y8 boys.
Operational	Safeguarding Issue	All staff DBS checked, together with strict Safer Recruitment procedures (Head, Deputy Head, Chair of Governors and Safeguarding Governor all trained in safe recruitment) All staff attend Child Protection Level 2 training at least once every 3 years DSL and Deputy DSL attend Level 3 training course every 2 years All visitors escorted and badged Access through front door via intercom CCTV coverage throughout exterior areas of premises

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

		All unscheduled visitors challenged Encourage culture of awareness in all site staff, including facilities and security to challenge children leaving the site. Lockdown procedures developed and practiced Whistle blowing procedure
Legal and Regulatory	Non-compliance leading to serious inspection and press issues	Appointment of Compliance Manager to audit current regulatory compliance and ensure that all processes are adhered to Responsibility for all areas of School operations assigned to individual SMT members Information sources identified and monitored Policies and practices regularly updated with rolling reviews at all school staff meetings Governors review and agree major changes to regulatory policies
Competition	The opening of a free school or primary school in the area	Maintenance of high standards of curricular and extra-curricular provision together with continuous improvement of facilities (eg. junior school refurb/extension) Profile and understand beneficiary needs Use market place analysis to establish future funding requirements and/or threats to business Strategic marketing, publication of the schools excellent ISI Inspection report, and constant high performance of our boys in all areas of education; academic, music, sport, drama
Operational	Cyber Attack/Data Breach	The school has obtained the Cyber Essentials accreditation to help mitigate and manage the risk in data protection and the threat of a cyber attack. 5 Controls within the Cyber Essentials Scheme are designed to protect the school against cyber-attacks and guard the internet connection, devices, data and services. The scheme is designed to protect charities against 80% of the most common cyber-attacks which can impact charities of all sizes.

The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

Financial Revenue and Reserves

The financial statements for the year ended 31 August 2020 are set out in pages 18 to 36 including the Statement of Financial Activities and the Balance Sheet. The Trustees are of the opinion that the balance sheet position is satisfactory.

The principal funding source is the parents of the children it educates. All income of the school is applied for educational purposes, in line with its Objectives.

During the year income amounted to £2,735,599 (2019 £2,867,653), a decrease of 4.4% which is less than originally budgeted, due to the fee variation for the Summer Term, whilst teaching was delivered online. Expenditure this year amounted to £2,406,293 (2019 £2,358,047), an increase of 2.04%, which has enabled the School to continue to provide the high level of education to pupils, and to continue to provide the excellent extra-curricular activities that are included in the tuition fees and therefore available to all, e.g. educational residential trips to support the learning of; French, Geography, History, Science, Sport and personal development/confidence building.

After taking into account investment gains/losses of £-62,059 (2019 £64,120) overall the charity made a surplus of £267,247 (2019 £573,726) which will be used to fund future capital works and maintain and develop the School's buildings, to ensure the School can continue to operate at full or near full capacity for the foreseeable future.

Teachers Pension Scheme

Despite the huge increase in the employers contribution rate from September 2019 the school continues to be a member of the Teachers Pension Scheme (TPS). As yet, none of the schools immediate competitors have pulled out and moved to an alternative scheme. Membership of the TPS is still viewed as a strong recruitment tool.

Reserves Policy

Primarily reserves are held to enable the continuity of services and activities that we undertake.

Reserves are held for the following reasons:

- to handle any sudden reduction in income
- to handle fluctuations in the market value of the investment portfolio
- to cover for other key risks crystallizing resulting in unplanned expenditure
- to take advantage of unexpected opportunities

In considering the level of reserves that should be held, we test the policy level against various scenarios to ensure adequate levels of reserves are held. The Trustees review what an adequate level of reserves is regularly. Currently set level of free reserves at £500k

Investment Policy

The School has an investment portfolio managed by one of the UK's leading investment managers; Rathbones Investment Management. Surplus funds are transferred to expand the portfolio when sufficient funds have accrued in the schools bank account to warrant a long term approach to investment. The objectives of the School's investment policy are to ensure the creation of sufficient income and capital growth to enable funds to be used for the continued improvement of education of

The Tower House School Charitable Foundation

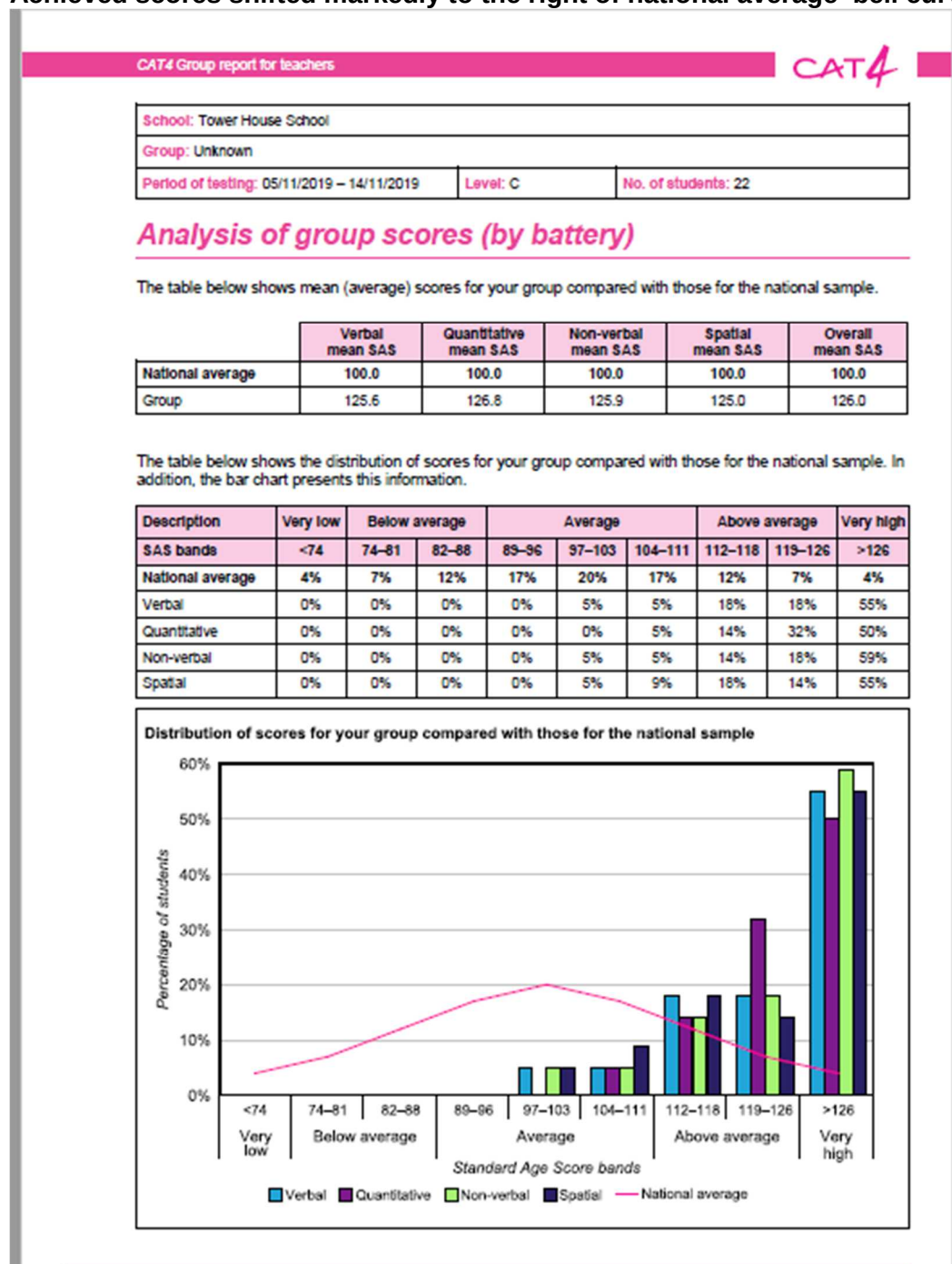
TRUSTEES' REPORT

for the year ended 31 August 2020

children and major capital projects, such as the development of the recently acquired 190 Sheen Lane site. The current valuation of these funds is £2,641,927 (2019 £2,251,616). Investment Income for this year is £76,152 (2019 £79,226). £83,622 is held in the cash account awaiting suitable investment. The investments have performed soundly this year, and the Board are confident that the School can expect a positive return on the money invested over the anticipated period of investment. The Board reviews the portfolio regularly and the investment manager is invited to present to the Board annually.

Annex 1 CAT4 results for Year 6 (2019-2020) compared against national average.

Achieved scores shifted markedly to the right of national average 'bell curve'.



The Tower House School Charitable Foundation

TRUSTEES' REPORT

for the year ended 31 August 2020

Trustees responsibilities' statement

The Trustees (who are also Directors of Tower House School for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees 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 trustees 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

Disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to small companies exemption.

On behalf of the board



C Pike

Trustee

Date: 19 January 2021

THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of The Tower House School Charitable Foundation ('the company') for the year ended 31 August 2019 which comprise of the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 FRS 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 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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

THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION

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 trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in [the strategic report or] the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOWER HOUSE SCHOOL CHARITABLE FOUNDATION

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

25 January 2021

Devonshire House
60 Goswell Road
London
EC1M 7AD

The Tower House School Charitable Foundation

STATEMENT OF FINANCIAL ACTIVITIES

(including the income and expenditure statement)

for the year ended 31 August 2020

	Notes	Unrestricted £	Restricted funds £	Total 2020 £	Total 2019 £
INCOME FROM:					
Charitable Activities					
School fees	3	2,563,318	-	2,563,318	2,711,156
Other educational income	4	27,161	19,387	46,548	53,791
Investments					
Investment Income	5	76,152	-	76,152	79,226
Voluntary sources					
Grants and donations	6	48,581	1,000	49,581	23,480
Total income and endowments		2,715,212	20,387	2,735,599	2,867,653
EXPENDITURE ON:					
Costs of raising funds					
Investment Management	7	23,238	-	23,238	17,249
Interest and other costs		22,382	-	22,382	24,799
Charitable activities					
Education	7	2,341,286	19,387	2,360,673	2,315,999
Total expenditure		2,386,906	19,387	2,406,293	2,358,047
Net operating income/(expenditure)		328,306	1,000	329,306	509,606
Net gains on investments	12	(62,059)	-	(62,059)	64,120
Net income/(expenditure)		266,247	1,000	267,247	573,726
Transfer between funds		-	-	-	-
Net movement in funds		266,247	1,000	267,247	573,726
Fund balances brought forward		5,151,449	12,800	5,164,249	4,590,523
Fund balances carried forward	21, 22	5,417,696	13,800	5,431,496	5,164,249

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

The Tower House School Charitable Foundation

BALANCE SHEET

as at 31 August 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	11	4,022,513	3,932,671
Investments	12	<u>2,659,575</u>	<u>2,641,927</u>
		6,682,088	6,574,598
CURRENT ASSETS			
Debtors	13	51,995	56,363
Cash at bank and in hand		<u>936,907</u>	<u>937,506</u>
		988,902	993,869
CREDITORS: Amounts falling due within one year	14	<u>(596,023)</u>	<u>(667,521)</u>
NET CURRENT ASSETS		<u>392,879</u>	<u>326,348</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,074,967	6,900,946
CREDITORS: Amounts falling due after more than one year	15	<u>(1,643,471)</u>	<u>(1,736,697)</u>
NET ASSETS		<u><u>5,431,496</u></u>	<u><u>5,164,249</u></u>
FUNDS			
Restricted funds	17	13,800	12,800
Unrestricted funds	17	<u>5,417,696</u>	<u>5,151,449</u>
		<u><u>5,431,496</u></u>	<u><u>5,164,249</u></u>

Approved and authorised for issue by the Board of Governors on 19 January 2021 and signed on their behalf by:



Charles Pike
Chairman of the Board of Governors

The accompanying notes form part of these financial statements.
Company Number: 03345004

The Tower House School Charitable Foundation

CASHFLOW STATEMENT

for the year ended 31 August 2020

CASH FLOW STATEMENT	Notes	2020 £	2019 £
Net cash inflow from operating activities	22	264,302	532,735
Cash flows from investing activities:			
Bank interest received		18,267	17,749
Dividends received		57,885	61,477
Interest paid		(22,382)	(24,799)
Proceeds from sale of investments		382,556	280,994
Payments to acquire fixed assets		(155,161)	(50,541)
Payments to acquire investments		(462,263)	(607,185)
Net cash outflow from investing activities		(181,098)	(322,305)
Financing:			
Loans repaid		(83,803)	(80,987)
Net cash outflow from financing activities		(83,803)	(80,987)
Increase/(decrease) in cash		(599)	129,443
Cash and cash equivalents at the beginning of the reporting period		937,506	808,063
Cash and cash equivalents at the end of the reporting period		936,907	937,506

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2020

1 ACCOUNTING POLICIES

The Tower House School Charitable Foundation is a company limited by guarantee with registered number 03345004, incorporated and domiciled in England and Wales. Its registered office is 188 Sheen Lane, East Sheen, London, SW14 8LF.

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

1.2 GOING CONCERN

The financial statements are prepared on a going concern basis which assumes the school will continue in operation for the foreseeable future. The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The school is dependent on students applying to it and on parents to pay their fees. Long term forecasting of student numbers is difficult but work continues to raise the profile of the school and to maintain and enhance relationships with parents, feeder schools and nurseries and destination schools. In particular the governors have considered the forecasts and projections and have taken account of pressures on fee income, particularly in the light of the impact of the COVID-19 pandemic. After making enquiries the governors have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparation of the financial statements.

1.3 COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee. In the event of the charitable company being wound up the liability in respect of the guarantee is limited to £10 per member of the charity.

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2020

1.4 INCOME RECOGNITION

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within the scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective method and dividend and rent income is recognised as the Charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

School Fees are recognised within income when they become due. Fees are charged on a termly basis. Fees raised in advance are deferred until the School becomes entitled to the funds.

In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised. Refer to Trustees' report for more information about their contribution.

Income tax recoverable in relation to donation received under Gift Aid or deeds of covenant is recognised at the time of donation.

Income from government or other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable the income will be received and the amount can be reliably measured.

1.5 DONATIONS

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds.

1.6 EXPENDITURE

All Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is categorised under Expenditure on charitable activities, which includes all costs incurred on furthering objects of the Charity.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at the School.

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

1.7 FUND ACCOUNTING

the general objectives of the charity. Designated funds are unrestricted funds earmarked by the governors for particular purposes. Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

1.8 FIXED ASSETS AND DEPRECIATION

All fixed assets are used in direct furtherance of the school's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date. Assets over £1,000 are capitalised.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Freehold property	2% on reducing balance
Fixtures and fittings	20% on reducing balance

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2020

1.09 PENSIONS

The charity contributes to three pension schemes: the Teacher's Pension Scheme, the National Employment Savings Trust and Independent Schools Pension Scheme.

Retirement benefits to employees of the Charity are provided by the Teacher's Pension Scheme ("TPS") and the Independent Schools' Pension Scheme. These are defined benefit schemes and the assets and liabilities are held separately from those of the Charity. Defined contributions retirement benefits to the employees of the Charity are also provided under the National Employment Savings Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of the pensions over employee's working lives with the Charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 19, the TPS is a multi employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period in which they relate.

The Charity participates in the Independent School's Pension Scheme (Note 19). Included in the scheme is an employer's debt which would become payable if the Charity left the scheme and this is explained in Note 19. As a multi-employer scheme within the definitions of FRS 102, none of the assets or liabilities of the scheme are included on the Charity's Balance Sheet. The pension charge represents amounts payable by the Charity to each scheme in respect of the year. Contributions are expensed as they become payable.

1.10 LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1.11 INVESTMENTS

The charity has equity investments in listed entities. Investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds. All gains and losses are taken to the Statement of Financial Activities as they arise.

1.12 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

The Tower House School Charitable Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2020

1.13 FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 9, 11 and 12 for the debtor and creditor notes.

1.14 TAXATION

The company is a registered charity and is exempt from taxation as afforded by Section 505 ICTA 1988.

1.15 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

2 KEY ESTIMATES & JUDGEMENTS

In the application of the company's accounting policies, the Council is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the opinion of the board, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 15 for the carrying amount of the property, plant and equipment and note 1.10 for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 15 for the net carrying amount of the debtors and associated impairment provision.

Deficit pension scheme

The net present value of the calculation for the pension deficit has been based on an estimated percentage based on potential future events.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

3 FEE INCOME

The School's activities are carried out within the UK.

The school's fee income comprised:

	2020 £	2019 £
Gross fees	2,817,559	2,748,053
Less: Scholarships, bursaries and discounts	(23,036)	(36,897)
Less: Covid-19 discount	(231,205)	-
	<u>2,563,318</u>	<u>2,711,156</u>

4 OTHER EDUCATIONAL INCOME

	2020 £	2019 £
Extras and disbursements	3,570	5,615
Registration fees	5,000	7,500
Retained deposits	9,000	5,884
Other income	28,978	34,792
	<u>46,548</u>	<u>53,791</u>

5 INVESTMENT INCOME

	2020 £	2019 £
Interest received	18,267	17,749
Dividend income	57,885	61,477
	<u>76,152</u>	<u>79,226</u>

6 DONATIONS AND GRANTS

	2020 £	2019 £
Donations and gifts	1,000	23,480
Furlough income	48,581	-
	<u>49,581</u>	<u>23,480</u>

Included within the above is an amount of £1,000 (2019: £12,800) which relates to restricted income.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

7 EXPENDITURE

(a) Costs of Raising Funds	Staff costs (note 8)	Other	Depreciation	Total 2020
	£	£	£	£
Investment Management Fees	-	23,238	-	23,238
Finance Costs	-	22,382	-	22,382
Total Costs of Raising Funds	-	45,620	-	45,620
Charitable expenditure	Staff costs (note 8)	Other	Depreciation	Total 2020
	£	£	£	£
Teaching	1,357,374	118,659	-	1,476,033
Welfare	-	122,431	-	122,431
Premises and Estates	-	110,337	65,319	175,656
Administration	494,229	74,460	-	568,689
Governance	-	17,864	-	17,864
Total Charitable Expenditure	1,851,603	443,751	65,319	2,360,673
Total Expended	1,851,603	489,371	65,319	2,406,293

Included within Staff Costs is an amount of £24,286 (2019: £49,929) relating to restricted expenditure.

Costs of Raising Funds	Staff costs (note 8)	Other	Depreciation	Total 2019
	£	£	£	£
Investment Management Fees	-	17,249	-	17,249
Finance	-	24,799	-	24,799
Total Costs of Raising Funds	-	42,048	-	42,048
Charitable expenditure	Staff costs (note 8)	Other	Depreciation	Total 2019
	£	£	£	£
Teaching	1,274,607	162,881	-	1,437,488
Welfare	-	167,534	-	167,534
Premises and Estates	-	106,223	69,165	175,388
Administration	426,636	87,633	-	514,269
Governance	-	21,320	-	21,320
Total Charitable Expenditure	1,701,243	545,591	69,165	2,315,999
Total Expended	1,701,243	587,639	69,165	2,358,047

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

7 EXPENDITURE (continued)

(b) Other Governance Costs include:	2020	2019
	£	£
Auditors' remuneration		
- Audit Fees	11,700	12,400
- under provision from previous year	2,310	3,480
- Accountancy Fees	2,474	4,120
- Other Auditors remuneration	1,380	1,320
	2020	2019
(c) Administration Costs	£	£
Salaries	418,887	355,788
National Insurance	38,148	33,529
Pension Costs	32,837	33,634
Staff Training	4,357	3,685
Staff travel	837	871
Operating Leases	4,064	4,544
IT support	22,068	21,555
Postage and stationery	9,921	13,865
Telephones	7,053	5,698
Marketing and advertising	15,715	28,508
Memberships	5,147	3,830
Inspection costs	3,483	3,604
Legal and Professional Fees	4,541	2,349
Other Administration Costs	491	1,518
Bank charges and interest	1,140	1,291
	568,689	514,269

8 STAFF COSTS

	2020	2019
	£	£
Wages and salaries	1,422,418	1,374,268
Social security costs	144,612	144,937
Other pension costs	261,277	197,393
Other staff costs	23,296	(15,355)
	1,851,603	1,701,243

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

	2020	2019
	No.	No.
Teaching	22	21
Welfare	1	1
Support	10	10
	33	32

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

8 STAFF COSTS (continued)

The number of employees

£60,000 in the year was as follows:

	2020 No.	2019 No.
£70,001 - £80,000	2	2
£90,001 - £100,000	-	1
£100,001 - £110,00	1	-
	<u>3</u>	<u>3</u>

Pension contributions for the year amounted to £58,945 (2019: £42,929) for the above employees.

Key management personnel include the Governors and the senior executives which are made up of the head, the bursar and the deputy heads. The total pay and benefits received by key management personnel were £490,582 (2019: £459,604).

9 GOVERNORS REMUNERATION AND EXPENSES

There were no Governors' remuneration or other benefits for the year ended 31 August 2020 nor for the year ended 31 August 2019.

No governors were reimbursed any expenditure in the year (2019: £Nil).

10 NET INCOME FOR THE YEAR

	2020 £	2019 £
Net income is stated after charging:		
Depreciation of tangible fixed assets	65,319	69,165
Loan Interest	22,382	24,799
Operating lease rentals – other	23,651	18,972
Auditor's remuneration		
Audit services for the school- current year	12,400	12,400
Audit services for the school- prior year under provision	3,480	3,480
Non-audit services	5,440	5,440

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

11 TANGIBLE FIXED ASSETS

	Assets under Construction £	Freehold Property £	Fixtures & Fittings & Motor Vehicles £	Total £
Cost:				
At 1 September 2019	86,796	3,949,558	878,998	4,915,352
Additions	<u>136,591</u>	<u>-</u>	<u>18,570</u>	<u>155,161</u>
At 31 August 2020	<u>223,387</u>	<u>3,949,558</u>	<u>897,568</u>	<u>5,070,513</u>
Depreciation:				
At 1 September 2019	-	240,849	741,832	982,681
Charge for year	<u>-</u>	<u>34,172</u>	<u>31,147</u>	<u>65,319</u>
At 31 August 2020	<u>-</u>	<u>275,021</u>	<u>772,979</u>	<u>1,048,000</u>
Net book value:				
At 31 August 2020	<u>223,387</u>	<u>3,674,537</u>	<u>124,589</u>	<u>4,022,513</u>
At 1 September 2019	<u>86,796</u>	<u>3,708,709</u>	<u>137,166</u>	<u>3,932,671</u>

The freehold property was formerly held at market value, following a professional revaluation performed on 24 August 2011 by Bonsor Penningtons. The Trustees have elected to preserve this value under the transitional provisions to FRS102. In the Trustees opinion, the net book value of the property is indicative of the market value as at 31 August 2020. The property's deemed cost will no longer be subject to revaluation. The buildings have an insured value of £6,273,621 (2019: £5,918,510).

Within the cost of freehold property is land totalling £2,000,000 which is not depreciated.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

12 INVESTMENTS

	Listed investments £	2020 £	2019 £
Cost/valuation At 1 September 2019	2,641,927	2,641,927	2,251,616
Additions	462,263	462,263	607,185
Disposal proceeds	(382,556)	(382,556)	(280,994)
Gains/(Losses) arising on investments	(62,059)	(62,059)	64,120
Cost/valuation At 31 August 2020	<u>2,659,575</u>	<u>2,659,575</u>	<u>2,641,927</u>
Overseas fixed interest	23,870	23,870	52,403
UK equities	364,103	364,103	314,381
International equities	1,060,528	1,060,528	1,019,737
Property	73,134	73,134	58,036
Alternative assets	1,127,940	1,127,940	1,197,370
	2,649,575	2,649,575	2,641,927
Historical Cost	<u>2,239,540</u>	<u>2,239,540</u>	<u>2,324,620</u>

There are no material investments to the school.

13 DEBTORS

	2020 £	2019 £
Fees and extras	6,837	10,972
Other debtors	549	-
Prepayments and accrued income	44,609	45,391
	<u>51,995</u>	<u>56,363</u>

14 CREDITORS

	2020 £	2019 £
Amounts falling due within one year:		
Bank loan	79,315	77,818
Trade creditors	16,275	26,725
Taxation and social security costs	45,048	42,934
Fee Deposits	28,740	22,165
Fees in advance	369,185	438,572
Other creditors	29,217	21,607
Accruals	28,243	37,700
	<u>596,023</u>	<u>667,521</u>
Deferred income:	2020 £	2019 £
Brought forwards	438,572	445,499
Released in year	(438,572)	(445,499)
Received in year	369,185	438,572
Carried forwards	<u>369,185</u>	<u>438,572</u>

Deferred income relates to schools fees received in advance for the following term.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

15 CREDITORS DUE AFTER ONE YEAR	2020	2019
	£	£
Amounts falling due after more than one year:		
Bank loan	1,380,150	1,465,450
Other creditors	34,061	37,912
School fee deposits	229,260	233,335
	<u>1,643,471</u>	<u>1,736,697</u>
	2020	2019
	£	£
Movement on loans		
In one year or less	79,315	76,034
Between one and two years	79,315	76,034
Between two and five years	237,944	233,455
After five years	1,062,891	1,155,961
	<u>1,459,465</u>	<u>1,541,484</u>
	2020	2019
	£	£
Movement on deposits:		
In one year or less	28,740	22,165
Between one and two years	229,260	233,335
	<u>258,000</u>	<u>255,500</u>

The bank loans provided to the Charity by NatWest Bank Plc are secured by a fixed and floating charge over the assets of the Charity, including the properties at 28 Sheen Gate Gardens, 188 Sheen Lane and 190 Sheen Lane, London. The loan is to be repaid over 20 years from 17 February 2017 and interest charges at 1.75% above the base rate on an offset basis.

16 FINANCIAL INSTRUMENTS

	2020	2019
	£	£
Carrying amount of financial assets		
Financial assets measured at fair value through profit and loss	2,659,575	2,641,927
Debt instruments at amortised cost	21,675	10,972
Carrying amount of financial liabilities		
Measured at amortised cost	228,338	233,671

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

17 STATEMENT OF FUNDS

	At 1 September 2019 £	Income £	Expenditure £	Gains/ (losses) & transfers £	At 31 August 2020 £
Unrestricted funds:					
General reserve	5,151,449	2,715,212	(2,386,906)	(62,059)	5,417,696
Restricted funds:					
190 project	12,800	1,000	-	-	13,800
Extra learning support	-	19,387	(19,387)	-	-
Total restricted	12,800	20,387	(19,387)	-	13,800
Total funds	5,164,249	2,735,599	(2,406,293)	(62,059)	5,431,496
	At 1 September 2018 £	Income £	Expenditure £	Gains/ (losses) £	At 31 August 2019 £
Unrestricted funds:					
General reserve	4,590,523	2,837,584	(2,340,778)	64,120	5,151,449
Restricted funds:					
190 Project	-	12,800	-	-	12,800
Extra learning support	-	17,289	(17,289)	-	-
Total restricted	-	30,069	(17,269)	-	12,800
Total funds	4,590,523	2,867,653	(2,358,047)	64,120	5,164,249

Restricted funds

190 Project - these relate to donations received for the 190 project.

Extra learning support - grant funding for extra learning support

Transfers between funds

These relate to the school funding part of the additional support

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2020 Total £
Tangible fixed assets	4,022,513	-	4,022,513
Investments	2,659,575	-	2,659,575
Current assets	975,102	13,800	988,902
Current liabilities	(596,023)	-	(596,023)
Long term liabilities	(1,643,471)	-	(1,643,471)
Total net assets	<u>5,417,696</u>	<u>13,800</u>	<u>5,431,496</u>
	Unrestricted funds £	Restricted funds £	2019 Total £
Tangible fixed assets	3,932,671	-	3,932,671
Investments	2,641,927	-	2,641,927
Current assets	981,069	12,800	993,869
Current liabilities	(667,521)	-	(667,521)
Long term liabilities	(1,736,697)	-	(1,736,697)
Total net assets	<u>5,151,449</u>	<u>12,800</u>	<u>5,164,249</u>

19 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2020, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 Office equipment	2019 Office equipment
Due within one year	21,927	19,731
Due between two and five years	62,603	44,694
Due after more than five years	-	2,976
	<u>84,530</u>	<u>67,401</u>

20 RELATED PARTIES

The Tower House School Charitable Foundation used the services of Sutch a Good Idea Ltd for first aid training which was the wife of Andy Sutch, one of the governors. During the year total payment made was £4,320 (2019: £nil).

21 CONTINGENT LIABILITY

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

22 NOTES TO THE CASHFLOW STATEMENT

	2020	2019
	£	£
Reconciliation of operating result to net cash inflow from operating activities		
Net movement in funds	267,247	573,726
Gains on investments	62,059	(64,120)
Depreciation	65,319	69,165
Gift in Kind	-	(10,680)
Bank interest received	(18,267)	(17,749)
Dividends received	(57,885)	(61,477)
Interest payable	22,382	24,799
Increase/(Decrease) in creditors	(80,921)	20,531
(Increase)/Decrease in debtors	4,368	(1,460)
	264,302	532,735

Analysis of changes in net debt

	At 1 September 2019	Cash flows	Other non- cash changes	At 30 August 2020
Cash and cash equivalents				
Cash	937,506	(599)	-	936,907
Overdrafts	-	-	-	-
Cash Equivalents	-	-	-	-
	937,506	(599)	-	936,907
Borrowings				
Debt due within one year	(77,818)	83,803	(85,300)	(79,315)
Debt due after one year	(1,465,450)	-	85,300	(1,380,150)
	(1,543,268)	83,803	-	(1,459,465)
Total	(605,762)	83,204	-	(522,558)

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

23 PENSION COMMITMENTS

The charity contributes to three pension schemes: The Teacher's Pension Schemes ("TPS"), the Independent Schools Pension Scheme ("ISPS") and the National Employment Savings Trust ("NEST").

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £228,440 (2019: £160,791) and at the year-end £27,423 (2019: £21,136) 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 TPS 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 TPS 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. A consultation was launched by the government on 16 July 2020, and closes to responses on 11 October 2020.

The TPS 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 the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The Tower House School Charitable Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

Independent School's Pension

Tower house school limited participates in the ISPS. The ISPS is a multi-employer defined (DB) scheme. The scheme is funded and is contracted out the state scheme.

There are four DBS structures available, namely:

Final salary with a 1/60th accrual rate

Final salary with a 1/80th accrual rate

Career average revalued earnings with a 1/80th accrual rate

Career average revalued earnings with a 1/120th accrual rate

A defined contribution (DC) benefit structure was made available from 1 September 2013.

An employer can elect to operate different benefit structures for different categories of staff.

Tower House School has elected to operate a Final Salary 1/60th accrual rate benefit scheme for Category A members as at 31 August 2017.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation . Asset values are calculated by reference to market levels. Accrued pension benefits are value by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

During the accounting period the Charity paid a joint contribution rate of 27.3% comprising employer contributions of 20.9% and members contributions of 6.4%.

As at the Balance Sheet date, there was 1 active member of the Scheme. The charity continues to offer membership of the Scheme to its employees.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the scheme is a multi-employer scheme where the Scheme assets are co-mingled for investment purposes and benefits are paid from the total Scheme assets. Accordingly due to the nature of the Scheme, the accounting charge for the period under section 28 of FRS 102 represents the employer contribution payable.

The pension charge in the period amounted to £18,663 (2019: £14,354). The pension cost charge represents the contributions payable by the Charity to the Funds in respect of the year. At year end, there were outstanding contributions of £nil (2019: £nil). The last formal valuation of the Scheme was performed at 30 September 2014 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £110.0 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £37.4million, equivalent to a past service funding level of 75%.

In 2019, the Charity was notified by the Pensions Trust of the estimated employer debt on withdrawal from the LIPSPS Plan based in the financial position of the Plan as at 30 September 2017. As of this date the estimated employer debt was £272,000. The Charity has also been notified that additional contributions of £3,406 + 3% p.a. will be payable for 13 years from 1 September 2019 in order to eliminate the deficit in the Plan. In accordance with the Charity's accounting policy, this expenditure has been recognised in the accounts.

National Employment Savings Trust

During the year, the Charity made contributions to defined contribution schemes of £14,174 (2019: £14,558) to the National Employment Savings Trust ("NEST")

The amount of pension outstanding at year end is £1,794 (2019: £nil).