

Charity No: 1076317  
Company No: 03069213

**Talbot House Children's Charity Limited**  
(a company limited by guarantee and not having a share capital)

Report of the Management Trustees and  
Financial Statements  
for the year ended 31 March 2024

**Talbot House Children's Charity Limited**  
**(a company limited by guarantee and not having a share capital)**

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**Talbot House Children's Charity Limited**  
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**Report of the Management Trustees**  
**for the year ended 31 March 2024**

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The Management Trustees, who act as directors for the purposes of company law, are pleased to present their annual report together with the audited financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

**OBJECTIVES AND ACTIVITIES**

In setting our objectives and planning our activities we have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and care.

**Principal objective**

To provide an innovative approach to the needs of children with social, emotional and mental health considerations, in either daily education in school, our children's home or in both.

**Mission statement**

Talbot House Children's Charity is a children's charitable organisation with a non-maintained special school and a registered children's home. We exist to improve the lives of the children we work with.

Talbot House School provides education for children who have complex needs centred around their social, emotional, or mental health.

The Charity's core values are:

People – passionate people are at the heart of Talbot House.

Place – providing a safe, nurturing environment where we are all equally valued and encouraged.

Pride – we take pride in celebrating our achievements and inspire self-belief.

**Overview**

Our School was last inspected by Ofsted in July 2023. Our rating is 'Good' in all four areas of effectiveness. This is recognition for the hard work by our staff to make sure that our children feel happy and safe when at school and that we provide an excellent quality of education.

**Talbot House Children's Charity Limited**  
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**Report of the Management Trustees (Continued)**  
**for the year ended 31 March 2024**

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We took the difficult decision to close our Residential Children's Home in March 2024. The reason for this was we continued to try to recruit a qualified Residential Manager and qualified Residential Childcare Workers to no avail. This resulted in the home being unable to continue to operate without qualified staff, resulting in its closure. At this time, we had three children living in our care, who were all placed in new homes.

**Key areas of operation**

Talbot House Children's Charity's key area of operation is the school.

**ACHIEVEMENTS AND PERFORMANCE**

**Charity**

First and foremost, we are a children's charity and as such structured differently to other schools. We have a Chief Executive Officer and a Head Teacher of the school, who is supported by a Deputy Head Teacher / SENDco. We are governed by a Board of Trustees, although all those Trustees are also Governors within our school governing board. We also have Parent and Staff Governors on the governing board for school.

**School**

The school has capacity for 70 children, from reception class to year 11. We recently requested an additional 10 places (60 to 70) and a reception provision from the DfE which was granted in July 2024. We currently have 63 children on roll; however, we are expecting to reach 70 before Christmas.

All our children have an EHC plan, predominantly for SEMH as their primary need, however, over 70% of the children have a secondary need of ASD. Attendance over the past two years has significantly increased, from 64% to 92%. We believe our pupils enjoy school, feel safe and want to learn. Our curriculum is tailored for the varying needs of our children. We offer a pre-engagement model, Key Stage 1, 2, 3 and 4 national curriculum and our pupils work towards achieving various qualifications as well as meeting their EHCP outcome.

We believe that our pupils are entitled to good, broad, and balanced curriculum as well as skills to ensure that they are successful in life beyond year 11. We offer, social skills, preparation for adulthood, wellbeing, communication and interaction and vocational lessons to ensure our children achieve academically and socially.

Within our offer we also have occupational health and speech and language therapists working with our children. We offer 'Thrive' sessions and practice the 'Thrive' approach across the school. Our staff are skilled in Makaton, sensory stories and will be offering rebound therapy later this year.

The school has different zones, Blue, Orange, Yellow and Green.

- Blue Zone – 3 classes, Pear, and Peach, following an Equals informal curriculum, Palm, following Key Stage 1 curriculum.
- Orange Zone – 1 class, Beech, following a semi-formal curriculum, (part Equals, part national curriculum key stage 1)
- Yellow Zone – 2 classes, Apple, and Sycamore, both follow, national curriculum key stage 2.
- Green Zone – 5 house groups, Oak, Pine, Willow, Maple, and Cherry, they are set into 5 teaching groups following key stage 3 and 4 national curriculum.

We pride ourselves on adapting to all our children's needs, building good relationships with parents and carers, and supporting all children to achieve the best they can.

**Talbot House Children's Charity Limited**  
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**Report of the Management Trustees (Continued)**  
**for the year ended 31 March 2024**

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**FINANCIAL REVIEW**

The financial position remains stable. The building refurbishment program continues to progress with more areas of modernisation planned. School roll has remained static compared this position last year, with 26 on roll. The results by activity are detailed below;

	<b>Income</b>	<b>Expenditure</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
School	2,668,710	2,131,503	537,207	48,151
Residential care home	675,788	758,780	( 82,992 )	( 71,213 )
	<u>3,344,498</u>	<u>2,890,283</u>	<u>454,215</u>	<u>( 23,062 )</u>

An operating surplus of £453,796 (2023 deficit - £2,430) is shown on the Statement of Financial Activities.



**Talbot House Children's Charity Limited**  
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**Report of the Management Trustees (Continued)**  
**for the year ended 31 March 2024**

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The fund balances carried forward at 31 March 2024 show a total of £2,572,002 (2023 - £2,298,206) of which £nil (2022: £nil) related to restricted funds.

**Reserves policy**

The charity is reliant for its operational costs on numbers of children attending our school or living in our children's home. All unrestricted income is received from government funding. Our policy is to hold reserves of six months operation expenses. At 31 March 2024 the free reserves held amounts to £425,478.

In the Trustees' view, these reserves should provide the charity with adequate financial stability and the means for it to meet its charitable objectives for the foreseeable future. We are currently working towards increasing our level of reserves in order to meet to policy. Trustees will review the amount of reserves on a quarterly basis at their board meetings to ensure that the charity is able to fulfil its continuing obligations.

**Going Concern**

The charity reported a surplus of £453,796 for the year ended 31 March 2024 (2023 – deficit of £2,430) and has net assets of £2,752,002 (2021: £2,298,206).

The Charity have been able to sustain a healthy cash position during this year. We continue to support families during school holiday periods by providing Aldi vouchers to assist with increases in the cost of living. A number of development projects were completed, including the nature garden and outside classroom, the sports hall is almost complete, and we purchased two electric minibuses. We continue to successfully increase the number of children enrolled at our school, and we have increased the overall capacity, agreeing 10 more school places.

Referrals to the school have increased significantly with the majority of them now for children of primary school age. Many of them are now instigated by parents and their current provision. We are able to match the children referred to us more rigorously as a result, gathering information from numerous sources. As the children's needs are identified and met when they are younger, they are more likely to achieve good outcomes at the end of their school life. We had another wonderful 'Celebration of Success Day' at the end of the summer term to recognise our children's amazing achievements throughout the year.

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**Report of the Management Trustees (*Continued*)**  
**for the year ended 31 March 2024**

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**PLANS FOR THE FUTURE**

**Aims**

Our aims for 2024/2025 are:

- Complete the IT network renewal
- Create a minibus compound
- Build a new workshop for our Maintenance Team
- Demolish the Caretakers house (no longer in use)
- Complete the Sports Hall
- Continue to develop the Nature Garden
- Investigate the possibility of a new demountable classroom

**REFERENCE AND ADMINISTRATIVE DETAILS**

Charity Number                      1076317

Company Number                    03069213

Registered office                    Hexham Road, Walbottle, Newcastle upon Tyne, NE15 8HW

**Our advisors**

Bankers                                National Westminster Bank, 149 High Street, Gosforth, Newcastle upon Tyne,  
NE3 1HA

Solicitors/Legal issues            Ward Hadaway Law Firm, Sandgate House, 102 Quayside, Newcastle upon Tyne,  
NE1 3DX

Auditors                                CLA Evelyn Partners Limited, 17 Queens Lane, Newcastle upon Tyne, NE1 1RN

**Talbot House Children's Charity Limited**  
**(a company limited by guarantee and not having a share capital)**

**Report of the Management Trustees (Continued)**  
**for the year ended 31 March 2024**

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**Directors and Trustees**

The directors of the charitable company ('the charity') are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Management Trustees.

The members of the Management Trustees during and after the year were as follows:-

Rev A Harding	(Chair)
L Cannell-Mirza	Resigned 17 January 2024
L Alcorn	
N Ramsey	
V Mears	
T Johnson	Appointed 17 January 2024
R Scott	Appointed 24 April 2024
D Wilson	Appointed 24 April 2024

The Trustees are also members of the Board of Governors, in addition to the following:

D Pearson	Chief Executive Governor
C Smiles	Head Teacher Governor
Karen Cowan	Staff Governor
Steve Hughes	Staff Governor
Rachael Gosling	Parent Governor

**Key management**

D Pearson	Chief Executive
C Smiles	Head Teacher



**Talbot House Children's Charity Limited**  
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**Report of the Management Trustees (Continued)**  
**for the year ended 31 March 2024**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

Talbot House Children's Charity is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

A Trust Deed established Talbot House 'The Charity' on 12 December 1973. On 31 March 2000 all assets and liabilities were transferred to Talbot House Independent Special School Limited ('a company limited by guarantee').

In July 2002 an application to the DfES, by the Trustees, to become a Non-Maintained Special School was approved by the Secretary of State for Education. New Articles and Memorandum of Association were duly implemented and subsequently, as a condition, a Governing Body was formulated.

On 29 January 2015 an Extraordinary General Meeting passed a Special Resolution to ratify a further change of name to that of 'Talbot House Trust'. Further to this another Extraordinary General Meeting passed a Special Resolution to ratify a further change of name to that of Talbot House Trust North East on the 20 May 2015.

On the 18<sup>th</sup> January 2023 within a scheduled general meeting a special resolution was passed to ratify a change of name to that of Talbot House Children's Charity Limited.

Talbot House Children's Charity is a Registered Charity (Charity No 1076317). It is also a Company Limited by Guarantee (Company No 03069213) and a Non-Maintained Special School (DfES No 3917038).

**Method of Election of Trustees and Governors**

Approval for the appointment of new Trustees/Members is made at Trustees Meetings. New members are recruited proactively through various networks available to the trust. Rotation of Members/Trustees is in accordance with the Memorandum and Articles of Association.

Governors are appointed in accordance with the Instrument and Articles of Government documents.

**Talbot House Children's Charity Limited**  
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**Report of the Management Trustees (Continued)**  
**for the year ended 31 March 2024**

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**Trustee induction and training**

All the trustees are familiar with the practical work of the charity and are kept up to date with their legal responsibilities through the circularisation of Charity Commission newsletters, correspondence and updates. Governor training is undertaken with a subscription to an e-learning tool along with face to face training as appropriate.

**Organisational structure**

The organisation structure adopted in March 2001 consists of the Trustees and the Senior Management Team. The Trustees are responsible for governance, strategy and mission and advises, directs and supports the Senior Management Team. The Senior Management Team comprises Ms D Pearson, Chief Executive Officer and Mrs C Smiles, Head Teacher. Collectively they are responsible for the day to day running of the Charity. The school is subject to rigorous Ofsted inspections, as well as local authority monitoring visits.

The Charity has excellent external links and relationships with LA Commissioning Officers. There is also support from agencies such as Social Services, Careers Services and representatives from various health agencies NHS and LA advisory services. Relationships continue to be developed between other charities and focus groups such as provider forums, special heads groups, NASS (National Association of Special Schools) and LA procurement framework commissioners.

**Related parties and co-operation with other organisations**

The Charity maintain links with other schools in the area via special heads groups, safeguarding forums and networking.

**Pay policy for senior staff**

Our Trustees delegate responsibility to the payroll committee which is made up of up to three trustees annually. Pay increases are awarded in April each year.

**Union Recognition**

In December 2021, the trust management were approached by a representative of the NEU who represented the teaching staff. An agreement was made that the NEU would be the recognised union for the bargaining unit who requested input on decisions over teachers pay, holidays and hours.

**Risk assessment**

The Management Trustees recognise that the main risk to the Charity would result from a fall in pupil numbers. A development plan is drawn up each year and submitted to the trustees. At their quarterly meetings the Chief Executive and senior team report on all aspects of the charity's business, including pupil numbers, staffing levels and financial matters.

**Auditors**

A resolution proposing that CLA Evelyn Partners Limited be reappointed as auditors of the company will be put to the Annual General Meeting.



**Talbot House Children's Charity Limited**  
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**Report of the Management Trustees (Continued)**  
**for the year ended 31 March 2024**

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**STATEMENT OF MANAGEMENT TRUSTEES' RESPONSIBILITIES**

The Management Trustees (who are also directors of Talbot House Children's Charity for the purpose of company law) are responsible for preparing the Management Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.


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

In so far as the trustees are aware:

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

This report was approved by the Management Trustees on 16<sup>th</sup> October 2024.

Signed on behalf of the Board

  
.....  
**Rev A Harding**  
**Chair**

**Talbot House Children's Charity Limited**  
**(a company limited by guarantee and not having a share capital)**

**Independent auditor's report**  
**to the members of Talbot House Children's Charity Limited**

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**Opinion**

We have audited the financial statements of Talbot House Children's Charity (the 'charitable company') for the year ended 31 March 2024 which comprise 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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.



**Talbot House Children's Charity Limited**  
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**Independent auditor's report**  
**to the members of Talbot House Children's Charity Limited (Continued)**

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**Other information**

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

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

We have nothing to report in this regard.

**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' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

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

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

- 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 directors' 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Talbot House Children's Charity Limited**  
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**Independent auditor's report**  
**to the members of Talbot House Children's Charity Limited (Continued)**

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**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 9, 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**

We have been appointed auditor under the companies Act 2006 and we report in accordance with this Act.

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

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

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Charities Act 2011, Companies Act 2006, UK GAAP (FRS102) and relevant tax legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- confirming with the trustees and management whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the risk of management override including identifying and testing a sample of journal entries;
- confirmation received from the banks to verify the balance as on the last day of the accounting year;
- reviewing minutes of meetings of those charged with governance.



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**Independent auditor's report**  
**to the members of Talbot House Children's Charity Limited (Continued)**

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Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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

**Use of our report**

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



**Craig Henderson (Senior Statutory Auditor)**  
**For and on behalf of CLA Evelyn Partners Limited**

21 November 2024

17 Queens Lane  
Newcastle upon Tyne  
NE1 1RN

**Talbot House Children's Charity Limited**  
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**Statement of Financial Activities (including the income and expenditure account)**  
for the year ended 31 March 2024

		Unrestricted funds	Designated funds	Restricted funds	Total 2024	Total 2023
	Notes	£	£	£	£	£
<b>Income from:</b>						
Grants and donations	4	40,021	-	25,507	65,528	95,459
Charitable activities	5	3,278,975	-	-	3,278,975	2,432,167
Investment income		6,133	-	-	6,133	975
<b>Total income</b>		<u>3,325,129</u>	<u>-</u>	<u>25,507</u>	<u>3,350,636</u>	<u>2,528,601</u>
<b>Expenditure on:</b>						
Charitable activities	6	2,839,160	32,173	25,507	2,896,840	2,531,031
<b>Total expenditure</b>		<u>2,839,160</u>	<u>32,173</u>	<u>25,507</u>	<u>2,896,840</u>	<u>2,531,031</u>
<b>Net movement before transfers</b>		485,969	( 32,173 )	-	453,796	( 2,430 )
Transfers between funds	18	( 315,504 )	315,504	-		-
<b>Net movement in funds</b>		<u>170,465</u>	<u>283,331</u>	<u>-</u>	<u>453,796</u>	<u>( 2,430 )</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		468,132	1,830,074	-	2,298,206	2,300,636
<b>Total funds carried forward</b>		<u>638,597</u>	<u>2,113,405</u>	<u>-</u>	<u>2,752,002</u>	<u>2,298,206</u>

There have been no recognised gains or losses other than the above surplus.  
All income and expenditure derives from continuing activities.




**Talbot House Children's Charity Limited**  
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**Balance Sheet**  
**as at 31 March 2024**

	Notes	2024		2023	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		2,000,581		2,073,674
<b>Current assets</b>					
Debtors	13	346,626		732,303	
Cash at bank and in hand		672,241		335,270	
		<u>1,018,867</u>		<u>1,067,573</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	14	( 250,503 )		( 806,769 )	
<b>Net current assets</b>			<u>768,364</u>		<u>260,804</u>
<b>Total assets less current liabilities</b>			<u>2,768,945</u>		<u>2,334,478</u>
<b>Provisions for Liabilities</b>					
Pension Liability	16		( 16,943 )		( 36,272 )
<b>Total net assets</b>			<u>2,752,002</u>		<u>2,298,206</u>
<b>The funds of the charity</b>					
Restricted funds	18		-		-
Unrestricted funds	18		638,597		468,132
Designated	18		2,113,405		1,830,074
			<u>2,752,002</u>		<u>2,298,206</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Management Trustees on 16th October 2024 and signed on their behalf by:

  
 Rev A Harding  
 Chair

Company Number 03069213

The notes on pages 17 to 31 form part of these financial statements.

**Talbot House Children's Charity Limited**  
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**Cash Flow Statement**  
**for the year ended 31 March 2024**

	<b>Note</b>	<b>2024</b> <b>£</b>	<b>2023</b> <b>£</b>
<b>Cash flow from operating activities</b>			
<b>Net cash flow from operating activities</b>	<b>21</b>	<b>418,509</b>	<b>78,120</b>
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		( 81,538 )	( 247,859 )
<b>Net cash flow from investing activities</b>		<b>( 81,538 )</b>	<b>( 418,655 )</b>
<b>Cash flow from financing activities</b>			
Repayment of borrowings		-	( 52,526 )
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>( 52,526 )</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>336,971</b>	<b>( 169,739 )</b>
Cash and cash equivalents at the beginning of the year		335,270	505,009
<b>Cash and cash equivalents at the end of the year</b>		<b>672,241</b>	<b>335,270</b>
<b>Cash and cash equivalents consist of:</b>			
Cash at bank and in hand		672,241	335,270

**Notes to the Financial Statements**  
**for the year ended 31 March 2024**

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**1. Accounting Policies**

**1.1 Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

Talbot House Children's Charity North East meets the definition of a public benefit under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**1.2 Going concern**

The charity reported a surplus of £453,796 for the year ended 31 March 2024 (2023 deficit: £2,430) and has net assets of £2,752,002 (2023: £2,298,206).

We have increased our capacity by 10 extra spaces in our school, up to 70 pupils, which are in great demand. This, in turn will add to our income going forward. A waiting list for September 2025 has already been started. Most of our referrals are now either word of mouth, or through schools recommending us to parents of pupils with additional needs. The matching process is much smoother and is managed between our referrals officer and our Deputy Head/SENDco. This includes visits to previous schools and parent/carer visits to our school, along with making sure we can meet needs which is identified on each child's EHCP.

Our children's residential home was closed in March 24, however, it had failed to make a surplus for some time so will have little impact on the business.

The budgets for 2024/25 are extremely healthy.

**1.3 Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.



**Notes to the Financial Statements (Continued)**  
**for the year ended 31 March 2024**

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**1.3 Funds (Continued)**

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

**1.4 Incoming resources**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity has entitlement to the funds, any performance conditions have been met, the amount can be measured reliably and it is possible that the income will be received.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with reasonable certainty. Income received to deliver services over a specific period covering more than one financial year is accounted for over the specific period; related expenditure is accounted when incurred.

Investment income relates to interest earned through holding assets on deposit.

**1.5 Expenditure and irrecoverable VAT**

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.

Irrecoverable VAT is charged against the cost which the expenditure was incurred.

**1.6 Support cost allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

**1.7 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost including any incidental expenses of acquisition.

Depreciation of tangible fixed assets is provided by equal annual instalments so as to write off the cost of the assets over their estimated useful economic lives as follows:

Freehold buildings	-	50 years
Fixtures, fittings & equipment	-	3 - 10 years
Motor vehicles	-	3 years

Land is not depreciated.

Fixed assets below a value of £100 are not capitalised.



**Notes to the Financial Statements (Continued)**  
**for the year ended 31 March 2024**

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**1.8 Debtors**

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

**1.9 Cash at bank and in hand**

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

**1.10 Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of fund to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement after allowing for any trade discounts due.

**1.11 Financial instruments**

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

**1.12 Leases**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**1.13 Post retirement benefits**

The charitable company contributes to a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charitable company. The annual contributions payable are charged to the SoFA.

The charity also contributes to a defined benefit pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. It is not possible for the charitable company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme and therefore accounts for it as a defined contribution scheme. In addition to the above accounting the scheme has agreed a schedule of contributions with participating employers that will eliminate the plan over 12 years. The charity has recognised a liability for the contributions adjusted for the time value of money and an equal expense in the SoFA.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust 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 18, 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 to which they relate.

**Talbot House Children's Charity Limited**  
**(a company limited by guarantee and not having a share capital)**

**Notes to the Financial Statements (Continued)**  
**for the year ended 31 March 2024**

**1.14 Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**2. Legal status**

Talbot House Children's Charity is a company limited by guarantee (No 03069213) and not having a share capital. In the event of the company being wound up, members may be required to contribute an amount not exceeding £1 each.

**3. Comparative Statement of Financial Activities**

		Unrestricted funds	Designated funds	Restricted funds	Total 2023	Total 2022
	Notes	£	£	£	£	£
<b>Income from:</b>						
Grants and donations	4	54,004	-	41,455	95,459	74,429
Charitable activities	5	2,432,167	-	-	2,432,167	2,778,266
Investment income		975	-	-	975	27
<b>Total income</b>		<u>2,487,146</u>	<u>-</u>	<u>41,455</u>	<u>2,528,601</u>	<u>2,852,722</u>
<b>Expenditure on:</b>						
Charitable activities	6	2,454,440	35,136	41,455	2,531,031	2,317,382
<b>Total expenditure</b>		<u>2,454,440</u>	<u>35,136</u>	<u>41,455</u>	<u>2,531,031</u>	<u>2,317,382</u>
<b>Net movement before transfers</b>		32,706	( 35,136 )	-	( 2,430 )	535,340
Transfers between funds	18	-	-	-	-	-
<b>Net movement in funds</b>		<u>32,706</u>	<u>( 35,136 )</u>	<u>-</u>	<u>( 2,430 )</u>	<u>535,340</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		435,426	1,865,210	-	2,300,636	1,765,296
<b>Total funds carried forward</b>		<u>468,132</u>	<u>1,830,074</u>	<u>-</u>	<u>2,298,206</u>	<u>2,300,636</u>

**Talbot House Children's Charity Limited**  
(a company limited by guarantee and not having a share capital)

**Notes to the Financial Statements (Continued)**  
for the year ended 31 March 2024

**4. Income from grants and donations**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Grants	65,528	95,459
	<u>65,528</u>	<u>94,459</u>
	<u><u>65,528</u></u>	<u><u>94,459</u></u>

**5. Income from charitable activities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
School	2,605,323	1,754,255
Residential children's home	673,652	677,912
	<u>3,278,975</u>	<u>2,432,167</u>
	<u><u>3,278,975</u></u>	<u><u>2,432,167</u></u>

**6. Expenditure on charitable activities**

	<b>Activities undertaken directly</b>	<b>Support costs</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
School	1,866,572	286,199	2,152,771	1,779,534
Residential care home	658,343	85,726	744,069	751,497
	<u>2,524,915</u>	<u>371,925</u>	<u>2,896,840</u>	<u>2,531,031</u>
	<u><u>2,524,915</u></u>	<u><u>371,925</u></u>	<u><u>2,896,840</u></u>	<u><u>2,531,031</u></u>

**Talbot House Children's Charity Limited**  
**(a company limited by guarantee and not having a share capital)**

**Notes to the Financial Statements (Continued)**  
**for the year ended 31 March 2024**

**7. Support costs**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Salary costs	358,950	333,433
Governance costs (note 8)	12,975	10,799
	<u>371,925</u>	<u>344,232</u>

**8. Governance costs**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Payroll costs	4,555	4,139
Audit fee	8,000	6,240
Other fees	420	420
	<u>12,975</u>	<u>10,799</u>

**9. Net movement for the year**

This is stated after charging:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Depreciation	154,631	142,553
Audit remuneration	8,000	6,240
	<u></u>	<u></u>

**10. Analysis of staff costs and trustee remuneration and expenses**

Staff costs were as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,681,823	1,440,886
Social security costs	154,862	139,440
Pension costs	160,275	140,409
	<u>1,996,960</u>	<u>1,720,735</u>



**Talbot House Children's Charity Limited**  
**(a company limited by guarantee and not having a share capital)**

**Notes to the Financial Statements (Continued)**  
**for the year ended 31 March 2024**

**11. Analysis of staff costs and trustee remuneration and expenses (Continued)**

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Average employees	62	62

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2024 Number	2023 Number
£60,000 - £70,000	2	1
£80,000 - £90,000	1	1

The charity trustees were not paid or received any other benefits from employment in the year (2023 - £nil) neither were they reimbursed expenses during the year (2023 - £nil). No charity trustee received payment for professional or other services supplied to the charity (2023 - £nil).

The key management personnel of the charity comprise the trustees, the Chief Executive Officer, the Head of Development, Head Teacher and Residential Manager. The total employee benefits of the key management personnel of the charity were £272,926 (2023 - £262,334).

**12. Tangible fixed assets**

	Freehold land & buildings £	Motor Vehicles £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>				
At 1 April 2023	2,342,185	58,869	905,818	3,306,872
Additions	-	58,941	22,597	81,538
At 31 March 2024	2,342,185	117,810	928,415	3,388,410
<b>Depreciation</b>				
At 1 April 2024	502,683	58,868	671,647	1,233,198
Charge for the year	35,097	3,275	116,259	154,631
Depreciation C/F	537,780	62,143	787,906	1,387,829
<b>Net book value</b>				
At 31 March 2024	1,804,405	55,667	140,509	2,000,581
At 31 March 2023	1,839,502	-	234,172	2,073,674

**Talbot House Children's Charity Limited**  
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**Notes to the Financial Statements (Continued)**  
**for the year ended 31 March 2024**

**13. Debtors**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade debtors	271,581	693,900
Prepayments and accrued income	75,045	38,403
	<u>346,626</u>	<u>732,303</u>

**14. Creditors: amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade creditors	111,112	66,865
Taxes and social security	38,718	26,915
Accruals and deferred income	79,746	699,034
Other creditors	20,927	13,955
	<u>250,503</u>	<u>806,769</u>

**15. Deferred income**

Deferred income comprises fee income relating to future periods:

	<b>£</b>
Balance at 1 April 2023	682,778
Amounts released to income earned from charitable activities	( 682,778 )
Amounts deferred in the year	-
	<u>-</u>
Balance at 31 March 2024	<u>-</u>

**Talbot House Children's Charity Limited**  
**(a company limited by guarantee and not having a share capital)**

**Notes to the Financial Statements (Continued)**  
**for the year ended 31 March 2024**

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**16. Provisions for Liabilities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Pension liability (note 17)	16,943	36,272
	<u>16,943</u>	<u>36,272</u>

**17. Pension scheme**

Talbot House School's employees belong to two principal pension schemes; the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff and The Pension Trust for non-teaching staff. Both are defined benefit schemes. The charity also operates a defined contribution scheme run by Royal London (previously Scottish Equitable). The percentage contributions paid in to this scheme vary depending on employment contract.

**Defined contribution scheme**

Pension contributions payable for the year ended 31 March 2024 amounted to £160,275 (2023 - £140,409).

**Teachers' Pension Scheme**

**Introduction**

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



**17. Pension scheme (Continued)**

***The Teachers' Pension Budgeting and Valuation Account***

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

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

***Valuation of The Teachers' Pension Scheme***

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

A copy of the latest valuation report can be found by following this link to [the Teachers' Pension Scheme website](#)

***Scheme Changes***

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

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

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

**Notes to the Financial Statements (Continued)**  
**for the year ended 31 March 2024**

**17. Pension scheme (Continued)**

**The Pensions Trust**

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating 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 by the Financial Reporting Council, set out in 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 at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2022 to 31 January 2025: £3,312,000 per annum (payable monthly)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2019 to 30 September 2025: £11,243,000 per annum (payable monthly and increasing by 3% on 1<sup>st</sup> April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 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 provisions**

	31 March 2024	31 March 2023	31 March 2022
	£'000	£'000	£'000
Present value of provision	17	36	57



**Notes to the Financial Statements (Continued)**  
**for the year ended 31 March 2024**

**17. Pension scheme (Continued)**

**Reconciliation of opening and closing provisions**

	<b>Year Ending 31 March 2024</b>	<b>Year Ending 31 March 2023</b>
	<b>£'000</b>	<b>£'000</b>
Provision at start of period	36	57
Unwinding of the discount factor (interest expense)	1	1
Deficit contribution paid	( 21 )	( 21 )
Remeasurements – impact of any change in assumptions	1	( 1 )
	<u>17</u>	<u>36</u>
Provision at end of period		

**Income and expenditure impact**

	<b>Year Ending 31 March 2024</b>	<b>Year Ending 31 March 2023</b>
	<b>£'000</b>	<b>£'000</b>
Interest expense	1	1
Remeasurements – impact of any change in assumptions	1	( 1 )
Remeasurements – amendments to the contribution schedule	-	-
Contributions paid in respect of future service*	-	-
Costs recognised in income and expenditure account	-	-
	<u></u>	<u></u>

\* 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.

<b>Assumptions</b>	<b>31 March 2024 % per annum</b>	<b>31 March 2023 % per annum</b>	<b>31 March 2022 % per annum</b>
Rate of discount	5.31	5.52	2.35

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.



**Talbot House Children's Charity Limited**  
(a company limited by guarantee and not having a share capital)

**Notes to the Financial Statements (Continued)**  
for the year ended 31 March 2024

**18. Funds**

Year ended 31 March 2024

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
<b>Unrestricted funds</b>	468,132	3,325,129	( 2,839,160 )	( 315,504 )	638,597
<b>Designated funds</b>					
Property fund	1,830,074	-	( 32,713 )	6,504	1,804,405
Capital projects	-	-	-	244,000	244,000
IT Upgrade	-	-	-	65,000	65,000
<b>Restricted funds</b>					
Devolved Formula Capital	-	25,507	( 25,507 )	-	-
<b>Total</b>	<u>2,298,206</u>	<u>3,350,636</u>	<u>( 2,896,840 )</u>	<u>-</u>	<u>2,752,002</u>

Year ended 31 March 2023

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
<b>Unrestricted funds</b>	435,426	2,487,146	( 2,454,440 )	-	468,132
<b>Designated funds</b>					
Property fund	1,865,210	-	( 35,136 )	-	1,830,074
<b>Restricted funds</b>					
Devolved Formula Capital	-	41,455	( 41,455 )	-	-
<b>Total</b>	<u>2,300,636</u>	<u>2,528,601</u>	<u>( 2,531,031 )</u>	<u>-</u>	<u>2,298,206</u>

**Designated funds**

Property fund – During the year the Trustees elected to designate a property fund, with a value equivalent to the carrying value of the freehold land and buildings held by the charity.

**Restricted funds**

Devolved Formula Capital – This income is received for improvements to the building and other facilities or capital repairs/refurbishment and minor work.

Capital projects – For various capital refurbishment across the school site.

IT Upgrade – Upgrade to the IT system.

**Talbot House Children's Charity Limited**  
**(a company limited by guarantee and not having a share capital)**

**Notes to the Financial Statements (Continued)**  
**for the year ended 31 March 2024**

**19. Analysis of net assets between funds**

Year ended 31 March 2024

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total £</b>
Tangible fixed assets	2,000,581	-	2,000,581
Net current assets	768,364	-	768,364
Provisions for liabilities	( 16,943 )	-	( 16,943 )
	<u>2,752,002</u>	<u>-</u>	<u>2,752,002</u>

**19. Analysis of net assets between funds (Continued)**

Year ended 31 March 2023

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total £</b>
Tangible fixed assets	2,073,674	-	2,073,674
Net current assets	260,804	-	260,804
Provisions for liabilities	( 36,272 )	-	( 36,272 )
	<u>2,298,206</u>	<u>-</u>	<u>2,298,206</u>

**Talbot House Children's Charity Limited**  
(a company limited by guarantee and not having a share capital)

**Notes to the Financial Statements (Continued)**  
for the year ended 31 March 2024

**20. Related party transactions**

There have been no transactions incurred with related parties during the period (2023 – none).

**21. Reconciliation of net (deficit)/surplus to net cash flow from operating activities**

	2024	2023
	£	£
Net (deficit)/surplus for the year	453,796	( 2,430 )
Depreciation	154,631	142,553
Increase in debtors	385,677	( 191,089 )
Increase in creditors: due within one year	( 556,266 )	149,710
Decrease creditors: due after more than one year	( 19,329 )	( 20,624 )
	<u>418,509</u>	<u>78,120</u>

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

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
<b>Cash and cash equivalents</b>			
Cash at bank and in hand	335,270	336,971	672,241
<b>Total</b>	<u>335,270</u>	<u>336,971</u>	<u>672,241</u>