

TAUNTON SCHOOL EDUCATIONAL CHARITY

England & Wales · Charity number 1081420

Details

Other names	TAUNTON SCHOOL EDUCATIONAL CHARITY, TAUNTON SCHOOL
Status	Registered
Legal form	Charitable company
Company number	04005803
Registered	2000-07-04
Register	View on the Charity Commission register

Contact

Address	Taunton School Staplegrove Road Taunton TA2 6AD
Phone	01823703602
Email	jenny.agnew@tauntonschool.co.uk
Website	www.tauntonschool.co.uk

Activities

Objects: 3.1 TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION BY THE PROVISION OF A SCHOOL OR SUCH OTHER MEANS AS THE GOVERNORS SHALL FROM TIME TO TIME DETERMINE PROVIDED ALWAYS THAT:3.1.1. IN ADMITTING PUPILS TO THE SCHOOL, THE GOVERNORS MUST EXERCISE (ALL OTHER THINGS BEING EQUAL) A PREFERENCE IN FAVOUR OF SONS AND DAUGHTERS OF MEMBERS OF THE FREE CHURCHES; AND3.1.2. IN CARRYING OUT ITS OBJECTS, THE CHARITY SHALL UPHOLD THE FOUNDING PRINCIPLES OF THE SCHOOL WHICH ARE ROOTED IN THE CHRISTIAN FAITH AND RECOGNISE THE PARTICULAR EMPHASIS OF ITS FREE CHURCH FOUNDATION ON THE IMPORTANCE OF PERSONAL RESPONSIBILITY IN THE QUEST FOR FAITH, AND RESPECT FOR ALL RELIGIOUS TRADITIONS.

Activities: Advancing education for girls and boys age 2 to 18 both day and boarding. Adding the maximum value to help most pupils achieve excellent exam results and enabling all to maximise their potential. Helping pupils to be 'Ready for Life' through many co-curricular activities including; debating, music, drama and sport.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** Education/training, Religious Activities, Arts/culture/heritage/science, Amateur Sport, Other Charitable Purposes
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Somerset

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£30,542,000	£29,770,000	£23,010,000	694
2024-08-31	£31,417,000	£30,515,000	£21,838,000	661
2023-08-31	£29,190,000	£27,570,900	£20,793,400	628
2022-08-31	£25,328,000	£23,811,800	£19,193,500	567
2021-08-31	£21,180,200	£21,276,900	£17,905,100	554
2020-08-31	£20,932,000	£21,685,700	£17,003,100	567

Trustees

Name	Role	Appointed
Mark Anderson	Chair	2023-11-15
David Hugh Hebditch		2017-09-01
Dinah Close		2023-06-26
Elias Musa Mazzawi		2025-11-29
Grant Passey		2026-01-09
Julian Peter Whiteley		2022-12-03
Matthew Mervyn Pyke		2023-06-26
Philip Michael Cooper BAHonsMSc		2014-09-01
REV Nigel Carl Manges		2016-09-01
Richard Kennedy		
Robert Charles Aldrich		2016-03-11
Sheila Majella Wheeler		2020-12-05
Shirlene Adam		2024-04-22
Shirley Shayler		2024-03-09
Steven Johnathon Hampton		2025-11-29
Tracey Anne Hazell		2024-11-30

Linked charities

- TAUNTON SCHOOL TRUST (1081420-1)
- TAUNTON SCHOOL GENERAL CHARITABLE TRUST (1081420-2)

TAUNTON SCHOOL EDUCATIONAL CHARITY

England & Wales - Charity number 1081420

Accounts

Taunton School Educational Charity

Annual Report and Financial Statements Year Ended 31 August 2025

Company registration number: 04005803

Charity registration number: 1081420

Taunton School Educational Charity

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Taunton School Educational Charity

Reference and Administrative Details

Chairman: Mr M Anderson

Governors: Mrs S Adam
Mr R Aldrich
Mr C Butters (resigned 14 March 2025)
Mrs D Close
Mr P Cooper
Mr D Hebditch
Dr I Kelham (resigned 21 June 2025)
Mr R Kennedy, Treasurer
Reverend N Manges
Rear Admiral I Moncrieff
Mr M Pike
Mrs S Shayler
Mrs S Wheeler, Deputy Chair
Mr J Whiteley
Mrs T Hazell (appointed 30 November 2024)

Chief Executive Officer: Mr J Johnson

Other Officers: Mrs S Reynolds, Chief Operating Officer (resigned 30 June 2025)
Mrs S Reynolds, Clerk to the Governors (resigned 30 June 2025)
Mr E Burnett, Taunton Preparatory School Head
Ms R Lewis, Taunton Pre-Prep and Nursery Head
Mr A Hallworth, Taunton School International Principal (resigned 31 December 2024)
Ms K Short, Interim Clerk to Governors (appointed 1 July 2025)
Mr A Hallworth, Director of Admissions (appointed 1 January 2025)

Charity Registration Number 1081420

Company Registration Number 04005803

The charity is incorporated in England and Wales.

Taunton School Educational Charity

Reference and Administrative Details

Registered Office	Taunton School Staplegrove Road Taunton Somerset TA2 6AD
Auditor	PKF Francis Clark Independent Auditor Ground Floor 90 Victoria Street Bristol BS1 6DP
Solicitors	Veale Wasbrough Vizards Narrow Quay House Narrow Quay Bristol BS1 4QA
Bankers	HSBC Bank Plc 17 North Street Taunton Somerset TA1 1NA

Taunton School Educational Charity

Governors' Report

The Board of Governors (the 'Board'), who are Directors and Trustees of Taunton School Educational Charity (the 'Charity'), present their annual report for the year ended 31 August 2025. It is in the format prescribed by the Charities Act 2011 and the Companies Act 2006.

Constitution and Objects

Taunton School (the 'School') was founded in 1847. It is constituted as a company limited by guarantee registered in England as per the details at page 3. It is governed by its Memorandum of Association and Articles of Association reviewed and amended 11 March 2016 with a further small update in December 2020 to allow for online meetings.

The objects of the Charity are 'to promote and provide for the advancement of education by the provision of a school or such other means as the Governors shall from time to time determine.' In carrying out these objects, the Charity upholds the founding principles of the School which are rooted in the Christian faith. It recognises the particular emphasis of its 'Free Church' foundation on the importance of personal responsibility in the quest for faith, and in respect of religious traditions.

Significantly, in furthering these Objects for the public benefit, the Charity provides Taunton School organisation in 4 completely co-educational parts; the Senior School (known as Taunton School), Prep School, Pre-Prep and Nursery, and Taunton School International. This spans an age range from Infants to 18.

The School administers assisted places (bursaries), grants, awards and other benefactions such as scholarships and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of its objects.

Structure, Governance and management

The Articles of Association sets the maximum number on the Board at 17, of which one is appointed by the Churches Advisory Panel. The remaining governors are appointed by an ordinary resolution of the Members, passed at an AGM of the Charity.

The Governors are the company directors and trustees of the Charity, and those who have been in office for all or part of the year are listed on page 1.

Membership

The charity has an unlimited number of members. Members are former governors and pupils of the School, over the age of 18.

Taunton School Educational Charity

Governors' Report

Governor Recruitment & Training

Board vacancies are considered by the Nominations Panel, which then makes recommendations to the full Board. All prospective candidates are considered in light of the skills/experience balance required at the time which will include eligibility, diversity, personal competence, specialist skills and local availability. New Governors are appointed for a term of 3 years and, subject to periodic performance review, may be re-elected for a further 4 terms. All Governors will be formally appointed by the Members at the AGM.

New Governors' induction into the workings of the School includes the policies and procedures of the Board through briefings by the Chairman, Head and Clerk and through comprehensive documentation that is kept updated on the Governors' secure online portal. They also attend specialist external courses on such matters as the role and responsibilities of Charity Trustees and receive the updated Charity Governance Code as part of their induction pack. Governors have access to continuous professional development run by organisations such as the Association of Governing Bodies of Independent Schools (AGBIS) to stay abreast of current issues and regulations in the Independent Sector. All Governors are subject to DBS checks and regular associated 'Safeguarding' training. A nominated Governor has responsibility for the Safeguarding Lead on the Board.

Organisational management

As the Charity Trustees and Directors, Board members, are legally responsible for the overall management and control of the School and promotion of its long term success. The Board meets at least 3 times a year. The work of implementing its policies and specific key elements is overseen by sub-groups, most of which meet at least termly and report into the Full Board as follows:

- Finance Committee
- People Committee
- Compliance Committee
- Educational Advisory Panel
- Marketing and Admissions Panel
- Churches Advisory Panel
- Estates and Infrastructure Panel
- Foundation Panel
- Nominations Panel

Other specialist working groups are set up as and when required.

Day-to-day running of the Schools is delegated to the Executive Leadership Team, which is a group drawn from key management personnel. The CEO, COO and Heads attend all of the meetings of the Board and most of the meetings of the sub-groups above. Remuneration policy is set by the Board, with a policy objective of encouraging enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success.

Taunton School Educational Charity

Governors' Report

Group Structure

The School has 2 wholly owned non-charitable subsidiaries, Taunton School Enterprises (TSE) Limited (company number 02846335) and Taunton School Trustees Limited (company number 06706952).

The principal activity of TSE Limited is the trading activity of the School whose annual profits are donated to the School under the Gift Aid Scheme. The principal activity of Taunton School Trustees Limited is that of a corporate Trustee of the School's defined benefit pension scheme for support staff, which closed to new joiners in 2001.

Employment Policy

The School recognises that its employees are fundamental to its success. A strategic, professional and timely approach to recruitment is used to attract and appoint employees with the necessary skills and required attributes to support the School's purpose and core values to meet its aims.

The School is committed to ensuring that the process of recruitment wholly adheres to Safer Recruitment guidelines, as articulated by the Department of Education and that selection of employees is conducted in a manner that secures the best talent, is fair, effective and efficient and which promotes equality of opportunity.

Public Benefit

The Board confirms that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

How our activities deliver public benefit

The Board has considered the Charity Commission's current guidance on public benefit carefully. They try to ensure that the School's charitable objects are carried out for the public benefit by making sure that wherever possible, education is available to all who can draw most value from it. This is irrespective of financial circumstances since our charitable activities promote the wider education of children and access is not restricted solely by the ability to pay fees. The School's facilities are also made available as far as possible to other local schools and the wider community.

The Board remains committed to providing public benefit which is, in itself, in accordance with the School's founding principles. To this end the School cooperates with local charities and educational bodies in an ongoing endeavour to widen public access to it. It also seeks to optimise the use of the School's cultural and sporting facilities and to awaken in the School's own pupils an awareness of the social context of the all-round education they receive at the School.

Taunton School Educational Charity

Governors' Report

Grant Making Policy

Opportunity to benefit from the School's Grants of Assisted Places (also sometimes referred to as bursaries) is not subject to geographical or other restrictions such as the ability to pay fees. Accordingly, no one is excluded from this opportunity. The Board takes the view that those pupils who attend the School and who receive financial support, contribute positively to the School community in a variety of ways. Accordingly, the benefit accrues not only to these pupils, but to the whole School ethos and inclusivity and, in some cases, to the wider community.

In the 12-month period to 31 August 2025, a total of £1,484,927 (2024: £1,741,242) was spent on means- tested assisted places/bursaries. This is the equivalent of 57 full Senior School-day fees. 162 pupils (2024: 201) received assistance with school fees.

	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
Assisted Place/Bursary recipients	213	232	292	258	252	233
Value of awards	£1,777,969	£1,727,635	£1,866,726	£1,701,122	£1,638,089	£1,348,710
Average value						
- £	£8,347	£7,447	£6,393	£6,606	£6,500	£5,788
- % of Senior school day fee	38.1%	35.7%	31.8%	32.9%	33.5%	30.0%

Taunton School Foundation

The Foundation continues to maintain the connection between the School and its alumni as well as raising vital funds to support capital projects and means-tested Assisted Places at Taunton School. The majority of our donations come from alumni, but we also receive gifts from parents, staff and the wider community. In the 12-month period to 31 August 2025, voluntary donations and legacies totalled £1,150,629. We had 729 donations with most of the funds restricted to our 'One School, Many Pathways' campaign. This campaign will transform the campus and includes the building of two new boarding houses.

The School did not employ any external fundraisers during the year and is not registered with the Fundraising Regulator but is committed to 'good fundraising practices'. The School is a member of the Institute of Development Professionals in Education (IDPE) and actively collaborates with professional bodies in the sector. There are no instances to report of the School failing to comply with fundraising standards and the School received no formal complaints about its fundraising activity during the year. The School adheres to the General Data Protection Regulation (GDPR) and only contacts those for whom our communication will be relevant and of interest.

Taunton School Educational Charity

Governors' Report

Objectives and Activities

Charitable Objects

The Objects of the School are in the Articles of Association dated 4 December 2020. Principally:

To promote and provide for the advancement of education by the provision of a school or such other means as the Governors shall from time to time determine provided always that:

- a. In admitting pupils to the School, the Governors must exercise (all other things being equal) a preference in favour of sons and daughters of members of the Free Churches; and
- b. In carrying out its objects, the Charity shall uphold the founding principles of the School which are rooted in the Christian faith and recognise the particular emphasis on its Free Church foundation and the importance of personal responsibility in the quest for faith, and respect for all religious traditions.

To these ends the School:

- i. Provides an education for children aged 0 to 18 years;
- ii. Provides substantial financial support towards fee remission;
- iii. Has a continuous programme of maintenance, building and technology refurbishment and development;
- iv. Allows controlled access by the public to its grounds, buildings and facilities generally;
- v. Holds a variety of religious services on weekdays and on Sundays in the Chapel;
- vi. Provides a wide range of sporting and cultural facilities, many of which are available to children from other local schools and which are also made available to members of the public where appropriate;
- vii. Supports the wider community by 'community service' and other activities; and
- viii. Demonstrates significant public benefit through its academic and other activities as described in paragraphs (i) to (vii) above.

Taunton School Educational Charity

Governors' Report

Aims and Targets

Within these objects the School aims to meet its publicly stated purpose by providing outstanding and innovative teaching and developing a culture which uses technology to drive forward teaching and learning. Pupil and staff well-being is central to all that we do and the School aims to encourage, train and develop confident, enthusiastic and well-rounded young people who are able to form meaningful relationships with others in an international arena, irrespective of circumstance.

We are committed to excellence in education and holistic student development.

Our strategic objectives serve as guiding principles, ensuring that we provide an ambitious and enriching environment for every student. From academic excellence to fostering inclusive communities, each objective is designed to propel our school forward in achieving our goals.

A culture of ambition

1. Ensure that every student and member of staff embraces our culture of ambition for themselves and for each other
2. Offer a broad and relevant curriculum enabling all students to achieve personal success
3. Consistently achieve positive value added across all educational stages
4. Ensure the school is financially strong, enabling continual reinvestment in our staff and facilities

A mindset for life

5. Offer a co-curricular programme that enables students to develop the independence, resilience and skills essential for success
6. Be a community in which integrity and authenticity are highly prized
7. Temper ambition with humility
8. Provide a first-class student futures programme

A sense of belonging

9. Ensure that all members of our community feel a sense of belonging in a proudly inclusive school
10. Provide a holistic education, of genuine breadth, promoting engagement and allowing each student to 'Find Their Exceptional'
11. Ensure that Taunton School sits at the heart of our local community and that students understand their place within it
12. Unite all staff in a common purpose and shared vision for the school

A global community

13. Maintain our exceptional international diversity so that the school remains a genuinely global community
14. Ensure our cultural diversity is celebrated and recognised as a benefit by all
15. Create a connected network of Old Tauntonians across the globe, united by their affection for the school
16. Develop a sustainability strategy that recognises our individual and collective responsibilities to safeguard the environment

Taunton School Educational Charity

Governors' Report

RISK MANAGEMENT

Principal risks and uncertainties

The Chief Executive Officer and Chief Operating Officer, under the oversight of the Chair of Governors, are responsible for the identification and management of the risks faced by the School. A formal review of the School's risk management appetite and processes is made at each panel and committee meeting, with risks allocated. The Board considers the imposition of VAT on school fees, removal of business rates relief and increases in employer national insurance costs to be the principal risks faced by the School. Pupil safeguarding as well as health, safety and security are an ever-present significant area for risk management that are monitored astutely.

Through its internal management structures, the School has carried out a wide-ranging examination of the risks in the principal areas of the School's operations and other activities. The Board has reviewed these critically and satisfied itself that the major risks identified have been mitigated to a level as low as reasonably practicable commensurate with available resources.

Key controls used by the Charity in the whole area of Risk Management include:

- Well-publicised policies and procedures, as required by law for the safeguarding and protection of children, including procedures for the safer recruiting and vetting of staff, volunteers and contractors;
- Clear health and safety policies overseen by an active committee;
- Formal agendas for all Committees, Panels and Board of Governors activities;
- Detailed Terms of Reference for all Committees and Panels;
- Comprehensive strategic planning, budgeting and management accounting;
- Risks assigned to responsible panels and members of the executive team to aid accountability;
- Formal written policies, processes and procedures that are subject to audit;
- Clear written delegation in authorisation and approval levels.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Board is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and UK Generally Accepted Accounting Practice (UK GAAP). Company Law requires financial statements to be prepared for each financial year.

Under Company Law, the Board must only approve the financial statements if they are satisfied that they give a true and fair view of the state of affairs of the Charity and the group and of the incoming resources and the application of resources. This includes the income and expenditure of the charitable group, for that period.

In preparing the financial statements, the Board has met its requirements to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Taunton School Educational Charity

Governors' Report

And its responsibility for:

- Keeping adequate accounting records that are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable the Board to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Charity's constitution.
- Safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Having done so, and, insofar as each of the Governors, as members of the Board is aware, at the date of approval of this report, there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each member of the Board has taken all the steps that he or she should have taken in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

ACHIEVEMENTS AND PERFORMANCE

EDUCATION

Stakeholder Engagement and Section 172 Statement

The Governors consider that they have fulfilled their duties in accordance with section 172 of the U.K. Companies Act 2006 and have acted in a way in which is most likely to promote the long-term success of the School for the benefit of its stakeholders as a whole in the following ways:

Academic Results

Taunton School continues to offer four pathways of Sixth Form study: A-Levels, the International Baccalaureate Diploma Programme, BTEC and the NCUK International Foundation Year. We firmly believe that this allows us to find the right academic pathway for the students in our care. Student tracking against baseline data is a critical part of our goal to add significant value to every student.

Guided by our experienced Futures Department, over 80% of all Sixth Form students take up university or college places either in the UK or overseas each year, with others beginning apprenticeships or entering the workplace directly or taking gap years.

Students at our Sixth Form celebrated outstanding personal success in their A-Level and BTEC qualifications in 2025.

The cohort of 127 students achieved 73% A* - B, or equivalent, in their A-Level, BTEC and International Baccalaureate qualifications, while 46% of their results were awarded the equivalent of the highest grades of A* - A.

The top 100 students achieved an impressive 88% A* - B or equivalent and 57% A*- A, or equivalent.

These results represent a level of value added at A-level that places Taunton School in the top 10% of providers nationally.

We also offer our Sixth Form students the chance to complete an Extended Project Qualification (EPQ) alongside their studies and this year 44% of students saw their EPQs awarded A*-A in a wide range of topics beyond the Sixth Form curriculum.

Taunton School Educational Charity

Governors' Report

Year 13 students celebrated impressive results in the International Baccalaureate Diploma. With an average score of 33.3 points, they significantly exceeded the global average.

Taunton School's Year 11 students achieved 53% 9 - 7 in their GCSEs with the top 100 students achieving 72% 9-7. These results represent a level of value added that places Taunton School in the top 5% of providers nationally.

We are extremely proud of all students' attainments, not just those achieving top grades.

Our academic programme extends beyond the classroom and students have enjoyed a full range of presentations, lectures and trips, which have enhanced their learning. We are extremely proud that our co-curricular programme, in our ISI inspection in April 2024, was recognized as 'a significant strength, with the activities on offer making a major contribution to pupils' physical and mental health, and their social, economic and emotional wellbeing.'

Taunton School Educational Charity

Governors' Report

The report commented that 'the programme has been carefully crafted and honed by the school's leaders, who take into account pupils' views and show a deep understanding of how to unearth the potential of each pupil.'

Taunton School remains committed to delivering a holistic education that best prepares our students for their future whilst allowing every child to find their version of exceptional.

Taunton Prep School is all about breadth. Academically, it continues to offer a broad range of subjects which are underpinned by modern approaches to teaching and learning. Up to year 5 a creative curriculum is followed and from year 6, pupils then move into specialist teaching groups. Since 2021-22 we have underpinned this with a whole school digital strategy which ensures a consistent pathway of apps and platforms which are used. With staff increasingly at ease with these benefits we are now seeing the consistent use of devices to enhance teaching and learning. Digital learning platforms need to be used alongside more traditional methods of learning so the move to 60 minute lessons at the start of September 2023 has made it easier to use a hybrid approach in class. 60 minute lessons have also allowed the school to increase curriculum time. In 2022-23 we commented on the significant benefits seen from a Maths curriculum review which focused further on the development of problem-solving and reasoning skills: 'In Maths, the standardised test results over the past three years put the average Year 8 pupil in the top 16% in the country, and the results also indicated that over half of the pupils are on track to obtain a 7, 8 or 9 at GCSE'. During 2024-2025 we completed a similar curriculum review of English to help the school with its continued desire to improve the value added outcomes for all the pupils. In teaching and learning, the Prep school has increased the scope of mixed prior attainment teaching to ensure higher levels of inclusion and better outcomes for all pupils.

A key role of the prep school is to ensure they are ready to thrive in the senior school. The Year 8 Summer exams provide our pupils with a 'gold standard' to aim for which, if attained, puts them right at the top of National Prep School standards. Since 2022 we have seen continued improvement in the year 8 exam results. With the 2022 sitting GCSEs this summer - and recording some of the best public examination results in the School's history - we hope to continue to see these benefits come through in future years.

In the wider spheres of personal development the pupils have an incredible array of co-curricular opportunities to enjoy and to learn from: breadth and character development remain very much at the heart of the Prep School experience. We continue to develop this area of school life and the development of the 'Taunton 12' gives pupils the chance to reflect and develop their whole character. All year 7s and 8s use regular diary entries and self-reflection to learn and develop their character, a process which eschews the principles of the IB diploma core curriculum and the importance of an inquiry based approach to learning.

Taunton School Educational Charity

Governors' Report

At the prep school we firmly believe that what happens outside the class is as important as what happens inside the class (and that the two complement and enhance one another). With over 70 different clubs and activities during the year the pupils are able to 'find their exceptional'. Finding the thing you love, that shapes you and builds your sense of identity and self-confidence comes from the skill and commitment of the staff who have ensured excellence through inclusion - for example, the school has 84 sports teams, 904 fixtures during the year with every pupil consistently representing the school - and excellence through achievement with pupils regularly attending national events. Since 2016, the school has supported over 70 children in swimming the English Channel as part of relay teams. Alongside this, the channel teams have raised over £70,000 for charities.

Pre-Prep and Nursery continues to be an exciting learning environment for children. The performing arts curriculum has been developed to great effect. The arts café is a particular highlight, giving children the opportunity to perform in front of an audience and develop their love for dance, music, speech and drama. Forest School provision continues to progress for all year groups, promoting teamwork, developing resilience and fostering a love for the outdoors and nature. The new Head of Pre-prep Sports is developing the curriculum, focusing on a values based approach, with a view to facilitate more inter-school competitions. CPD remains a priority in Nursery in enabling staff to facilitate the very best learning opportunities. Nursery was closed for the August INSET which enabled staff to receive training in facilitating meaningful interactions, particularly for children with SEND. Pupil numbers in both Pre-prep and Nursery are high and, with successful recruitment, the expansion of Nursery will be realised.

Taunton School International offers 4 academic pathways; a Year 9 and 10 GCSE Access Pathway, one- and two-year GCSE/pre-IB programme (for 14 - 16 year olds), a Pre-Foundation Year in Business, Economics, English and Maths (for 16 - 17 year olds) and an International Foundation Year in Business, Economics, Maths/Global Studies and EAP (for 17 - 18 year olds). The School is a market leader in its one-year GCSE provision, having offered this particular course for over 25 years. In August 2025 TSI achieved an 87% GCSE pass rate (9-4) with 48% of the total grades at 9-7. Students are able to select 16 different subjects at GCSE level. On our International Foundation Year programme, our A*- B pass rate was a very impressive 85% with just under 70% of the grades being A*/A.

All students at TSI are taught in small classes, enabling them the extensive teacher support that is required on such intensive academic programmes. TSI has a spread of nationalities with approximately 30 countries represented, with around 5% of the cohort being British passport holders.

Group Finances

The principal funding sources for the Charity are school fees and income generated by many other educational and non-educational activities. The latter are carried out by the Charity's trading company, Taunton School Enterprises Ltd (TSE) which, as described above, passes all its profits to the School. The year's expenditure has continued to support the Charity's key objectives by operating the School and investing in its development.

The Group's finances remain strong with total incoming resources of £30.5m (2024: £31.5m); net incoming resources of £1.8m (2024: £1.0m); and total reserves of £23.6m (2024: £21.8m) after making capital additions of £2.6m (2024: £4.1m).

Taunton School Educational Charity

Governors' Report

The Charity continued to invest significantly in the site, with most of capital spend relating to the new boarding facility which will host more than 140 students.

We have prepared a number of scenarios that consider our cash position, sources of income and planned expenditure. These scenarios consider reduced pupil numbers, delayed fee payment, reduced fees and potential bad debts as well as impact on costs from the measures taken so far. Sensitivity around these assumptions has also been considered in our forecasting. Results of this cash flow and sensitivity analysis indicate that the cash reserves of the Charity are adequate to meet the Charity's obligations as they fall due. Correspondingly, the trustees consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

During the year, the school was impacted by VAT on fees, the removal of business rate relief and the uplift in Employer National Insurance contributions. The school made the decision to pass on 5% in January 2025, and a further 4.5% in September 2025 (in the next academic year), to reduce the impact to our parents/guardians. The school was also able to offset some of the additional costs against more favourable utility contract renewals.

Investment policies, objectives and performance

The Finance Committee advises on the investments and monitors the performance of funds on behalf of the School, the Foundation and the Evans-Lombe Fund. At the year end the total funds invested were £2.1m (2024: £2.0m). The Finance Committee reports to the Board of Governors and the Trustees of the Evans-Lombe Fund, having taken appropriate and professional advice. The Board and Trustees have set a target of 5% income and fund growth to sustain the value of the capital. The Board is satisfied with the return on these funds in the prevailing financial climate.

Reserves level and policy

The Board has examined the financial risks and challenges faced by the Charity closely over the short and medium term. The Charity has invested its reserves in the provision of the educational facilities to meet its objectives and consequently, like many well-established independent schools, has negative free reserves. The Board is satisfied that the financial plans and forecasts give them comfort that the Charity is able to meet all its foreseeable commitments.

The School's total reserves of £23.6m at the period end include £2.1m endowment capital, £2.9m of unspent restricted income and £18.6m unrestricted income.

Taunton School Educational Charity

Governors' Report

SECR Energy Use and Carbon Emissions Disclosure

Taunton School Educational Charity disclose our energy use and greenhouse gas emissions that Taunton School are responsible for in line with the requirements of the Companies Act 2006 (Strategic and Directors' Reports) Regulations 2013 and latest 2018 regulations.

	Energy use (kWh)		Carbon Emissions (tCO2e)				
	2024-25 (Current)	2023-24	2024-25 (Current)	2023-24	2022-23	2019-20 (Baseline)	Change (Baseline - Current)
Electricity	1,840,155	1,899,518	326	393	386	676	-52%
Gas	3,193,633	2,987,752	584	547	599	917	-36%
Business Travel - Grey Fleet	10,595	66,781	3	16			
Transport Fuels	719,024	866,201	182	207	246	115	58%
Gross Annual Total	5,763,407	5,820,252	1,095	1,163	1,235	1,708	-36%
Intensity Metric (No of Pupils)	1237	1248	1237	1248	1166	1156	7%
Total TCO2e/Pupils			0.62	1	0.73	1.48	-58%
Qualifying Green Tariff	1,834,422	1,899,518	325	393	386	-	
Net Annual Total	5,763,407	5,820,252	770	770	849	1,708	-55%

Taunton School Educational Charity

Governors' Report

Table 1: Primary Statement for the Financial Year ending 31st August 2025.

Baseline Year

This is the sixth year of GHG reporting. 2020 / 2021 was the baseline year which fell during the COVID-19 pandemic and as such comparisons to this and future years may be skewed.

Targets

Carbon targets have not been developed for the current reporting period but are currently in development.

Intensity Measurement

The intensity metric chosen is average pupil numbers as at the 31 August 2025. This metric was chosen as the organisation's carbon emissions are closely linked to pupil activity.

Carbon Offset

Taunton School now have qualifying carbon offsets during this financial period and procure qualifying green or renewable tariffs for the supply of electricity or gas.

FUTURE PLANS

The School's strategy is to maintain a strong financial position by delivering clear evidence of a consistently first-class education matched with demonstrably outstanding pastoral support. To do this, it is building a healthy recruitment pipeline, controlling costs, increasing commercial income and using the facilities for the public benefit year on year. This generates sufficient resources to invest in the School's infrastructure, supporting the strategy of building on existing resources and foundations and making every penny count directly towards the School's purpose.

Accordingly, the priorities for resource allocation agreed by the Board are based on improving and enhancing the existing infrastructure estate and ensuring a return on that investment. The objectives are to:

- be an outstanding School of choice by evidence of its educational and pastoral experience for all pupils;
- continue a strong financial performance to fully resource the operation of the School and its development and continuance of long term success;
- invest in maintenance and new facilities as dictated by the campus masterplan;
- always be compliant with legislation and best practice wherever it may be identified to provide a safe, happy and purposeful education;
- invest in staff training and development to attract and retain the best staff.

The School is reviewing its needs and opportunities to continue to develop its estate to maximise advantage. As the strategy is reviewed, more projects will be considered by the Board in due course.

During the year, the school appointed a new Chief Operating Officer whom will take post in Spring 2026.

Taunton School Educational Charity

Governors' Report

Statement of trustees' responsibilities

The trustees (who are also the directors of Taunton School Educational Charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. 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 parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 parent charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group 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 parent charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The annual report was approved by the trustees of the charity on 14.3.26 and signed on its behalf by:


.....
Mr R Kennedy
Treasurer

Taunton School Educational Charity

Independent Auditor's Report to the Governors of Taunton School Educational Charity

Opinion

We have audited the financial statements of Taunton School Educational Charity (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 August 2025, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 August 2025 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 Governors 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

Other information

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

Taunton School Educational Charity

Independent Auditor's Report to the Governors of Taunton School Educational Charity

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.

Opinion on other matter 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 and Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the and Governors' Report have 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the and the Governors' 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the Statement of trustees' responsibilities (set out on page 17), the trustees 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 Governors are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Taunton School Educational Charity

Independent Auditor's Report to the Governors of Taunton School Educational Charity

Auditor responsibilities for the audit of the financial statements

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

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

Taunton School Educational Charity

Independent Auditor's Report to the Governors of Taunton School Educational Charity

As part of our audit planning, through discussions with management, we obtained an understanding of the legal and regulatory framework that is applicable to the group and the sector in which it operates to identify the key laws and regulations affecting the group.

We considered those laws and regulations that have a direct impact on the preparation of the financial statements, including, but not limited to the Companies Act 2006, FRS 102 (effective 1 January 2019) - (Charities SORP), the Charities Act 2011 and relevant tax compliance regulations in the UK. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. We identified the following areas as those most likely to have such an effect: Employment Law, Data Protection, Health and Safety Legislation and the Independent Schools Inspectorate.

We discussed with management how the compliance with these laws and regulations is monitored and we discussed the policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deals with reporting any issues as they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the group's ability to continue trading and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations.

Our procedures involved the following:

- Discussions and enquiries with management of compliance with laws and regulations;
- Review of board minutes and significant legal costs incurred in the year; and
- Addressing the risk of management override of internal controls, including testing of journals and evaluating whether there was evidence of bias by the Governors that represented a risk of material misstatement due to fraud.

As part of our enquiries, we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. 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 omissions, collusion, forgery, misrepresentations, or the override of internal controls. We are also 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Taunton School Educational Charity

Independent Auditor's Report to the Governors of Taunton School Educational Charity

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

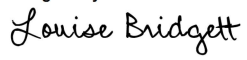
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an 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 purpose of expressing an opinion on the effectiveness of the group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Governors;
- Conclude on the appropriateness of the Governors' 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 group's or the parent 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 group or parent 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;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion; and
- 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 the audit.

Use of our report

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

Taunton School Educational Charity

Independent Auditor's Report to the Governors of Taunton School Educational Charity

Signed by:


.....006DF78DEBD3402.....

Louise Bridgett (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Ground Floor
90 Victoria Street
Bristol
BS1 6DP

25 March 2026
Date:.....

Taunton School Educational Charity

Consolidated Statement of Financial Activities

Year Ended 31 August 2025

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £ 000	Restricted funds £ 000	Endowment funds £ 000	Total 2025 £ 000	Total 2024 £ 000
Income and Endowments from:						
Donations and legacies	3	1,135	15	-	1,151	1,143
Charitable activities						
School fees	4	25,645	-	-	25,645	26,901
Other educational income	5	1,753	-	-	1,753	2,249
Other ancillary trading income	6	51	-	-	51	5
Other trading activities	7	1,865	-	-	1,865	1,044
Investment income	8	-	-	77	77	75
Total income		<u>30,450</u>	<u>15</u>	<u>77</u>	<u>30,542</u>	<u>31,417</u>
Expenditure on:						
Raising funds	9	-	-	-	-	-
Trading expenses		(2,376)	-	-	(2,376)	(738)
Financing costs		(163)	-	-	(163)	(160)
Charitable activities						
Education and grant making	10	-	-	-	-	-
		<u>(27,231)</u>	<u>-</u>	<u>-</u>	<u>(27,231)</u>	<u>(29,618)</u>
Total expenditure		<u>(29,770)</u>	<u>-</u>	<u>-</u>	<u>(29,770)</u>	<u>(30,515)</u>
Gains/losses on investment assets		<u>364</u>	<u>-</u>	<u>35</u>	<u>400</u>	<u>143</u>
Net income		1,044	15	112	1,172	1,045
Transfers between funds		<u>746</u>	<u>(642)</u>	<u>(104)</u>	<u>-</u>	<u>-</u>
Net movement in funds		1,790	(627)	8	1,172	1,045
Reconciliation of funds						
Total funds brought forward		<u>16,207</u>	<u>3,580</u>	<u>2,051</u>	<u>21,838</u>	<u>20,793</u>
Total funds carried forward	22	<u>17,997</u>	<u>2,953</u>	<u>2,059</u>	<u>23,010</u>	<u>21,838</u>

All of the group's activities derive from continuing operations during the above two periods.
The funds breakdown for 2025 and 2024 shown in note 22.

The notes on pages 28 to 54 form an integral part of these financial statements.

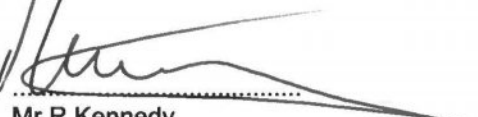
Taunton School Educational Charity

Consolidated Balance Sheet

31 August 2025

	Note	2025 £ 000	2024 £ 000
Fixed assets			
Tangible assets	13	28,513	29,146
Investment properties		2,300	-
Investments		2,059	2,020
		<u>32,872</u>	<u>31,165</u>
Current assets			
Stocks	16	196	207
Debtors	17	5,995	1,568
Cash at bank and in hand		5,187	6,080
		<u>11,378</u>	<u>7,855</u>
Creditors: Amounts falling due within one year	18	<u>(15,364)</u>	<u>(11,108)</u>
Net current liabilities		<u>(3,986)</u>	<u>(3,253)</u>
Total assets less current liabilities		28,886	27,912
Creditors: Amounts falling due after more than one year	19	<u>(5,876)</u>	<u>(6,074)</u>
Net assets		<u>23,010</u>	<u>21,838</u>
Funds of the group:			
Endowment funds		2,059	2,051
Restricted funds	22	2,953	3,580
Unrestricted funds		17,998	16,207
Total funds	22	<u>23,010</u>	<u>21,838</u>

The financial statements on pages 24 to 54 were approved by the trustees, and authorised for issue on 14-3-26 and signed on their behalf by:


 Mr R Kennedy
 Treasurer

The notes on pages 28 to 54 form an integral part of these financial statements.

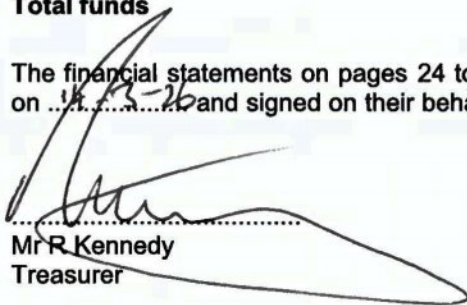
Taunton School Educational Charity

Balance Sheet

31 August 2025

	Note	2025 £ 000	2024 £ 000
Fixed assets			
Tangible assets	13	28,276	28,868
Investment properties		2,300	-
Investments		2,059	2,020
		<u>32,635</u>	<u>30,888</u>
Current assets			
Stocks	16	84	195
Debtors	17	6,437	1,740
Cash at bank and in hand		4,502	5,569
		<u>11,022</u>	<u>7,504</u>
Creditors: Amounts falling due within one year	18	<u>(14,843)</u>	<u>(10,712)</u>
Net current liabilities		<u>(3,821)</u>	<u>(3,208)</u>
Total assets less current liabilities		28,814	27,679
Creditors: Amounts falling due after more than one year	19	<u>(5,876)</u>	<u>(6,074)</u>
Net assets		<u>22,937</u>	<u>21,605</u>
Funds of the charity:			
Endowment funds		2,059	2,051
Restricted income funds			
Restricted funds		2,953	3,580
Unrestricted income funds			
Unrestricted funds		17,925	15,974
Total funds	22	<u>22,937</u>	<u>21,605</u>

The financial statements on pages 24 to 54 were approved by the trustees, and authorised for issue on 14/8/25 and signed on their behalf by:


 Mr R Kennedy
 Treasurer

The notes on pages 28 to 54 form an integral part of these financial statements.

Taunton School Educational Charity

Consolidated Statement of Cash Flows

Year Ended 31 August 2025

	Note	2025 £ 000	2024 £ 000
Cash flows from operating activities			
Net cash income		1,172	1,045
Adjustments to cash flows from non-cash items			
Depreciation		1,321	1,145
Investment income		(77)	(132)
Interest payable		163	160
Revaluation gain on investment property		(400)	-
		<u>2,179</u>	<u>2,218</u>
Working capital adjustments			
Decrease/(increase) in stocks	16	11	(8)
Increase in debtors	17	(4,427)	(531)
Increase in creditors	18	1,904	131
Increase in deferred income	19	1,064	2,583
		<u>731</u>	<u>4,393</u>
Cash flows from investing activities			
Dividends, interests and rents from investments		77	132
Acquisitions of tangible assets		(2,623)	(4,079)
Purchase of investments		(4)	(267)
Sale of investments		-	3,457
		<u>(2,550)</u>	<u>(757)</u>
Cash flows from financing activities			
Interest paid		(163)	(160)
Cash inflows from new borrowings		1,200	-
Repayment of loans and borrowings		(111)	(119)
		<u>926</u>	<u>(279)</u>
Net (decrease)/increase in cash and cash equivalents		(893)	3,357
Cash and cash equivalents at 1 September		<u>6,080</u>	<u>2,723</u>
Cash and cash equivalents at 31 August		<u><u>5,187</u></u>	<u><u>6,080</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 28 to 54 form an integral part of these financial statements.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

1 Charity status

Taunton School Educational Charity (the 'School') was incorporated in England and Wales as a company limited by guarantee, (registered no. 04005803) on 1 June 2000 and has no share capital. The School is also registered with the Charity Commission (registered no. 1081420).

The address of its registered and principal office is:

Taunton School
Staplegrove Road
Taunton
Somerset
TA2 6AD

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Taunton School Educational Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 August 2025. The results of the subsidiary are consolidated on a line by line basis.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

Income and endowments

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the Charity against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Charity is considered probable. Voluntary income for the Charity's general purposes is accounted for as unrestricted. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

Legacies are included when it is probable that a payment will be made or property transferred that the school is entitled to and the amount or value can be reliably measured.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Redundancy and Termination costs

Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and, where they remain unpaid, a liability on the Balance Sheet immediately at the point the Charity is demonstrably committed to either: terminate the employment of an employee or group of employees before normal retirement date; or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. These costs are disclosed separately within staff costs.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

The Charity's Land and Buildings are vested in Taunton School Trust, a restricted fund.

Tangible fixed assets are stated at historical cost and subsequently depreciated to their estimated net realisable value over their useful lives. Even so, the School operates a formal programme of maintenance that includes routine building work written off in the Statement of Financial Activities in the period concerned. Land is not depreciated.

Major items of expenditure on buildings and assets over £1,000 are capitalised. To the extent that refurbishment work is considered to improve and thus add a commensurate value to the building, Such refurbishment costs are also capitalised and depreciated as appropriate.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	5-50 years
Equipment	3-25 years
Motor vehicles	5 years
Assets under construction	Not depreciated

Investment properties

Investment properties are properties are to earn rental income and/or capital appreciation, rather than for charitable use or administrative purposes. Investment properties are initially recognised at cost, including transaction costs. Subsequently, they are measured at fair value at the reporting date. Gains or losses arising from changes in fair value are recognised in the Statement of Financial Activities within the section gains/losses on investments assets.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

Fixed asset investments

Fixed Asset Investments are stated at market value. Income from Fixed Asset Investments and the related tax credit are recognised in the Statement of Financial Activities in the period to which they relate. Where the market value of investments differs from the historic cost, the difference is recognised as an unrealised gain/loss in the Statement of Financial Activities. Where the investment has been sold, this is recognised as a realised gain/loss. The investment in the subsidiary is held at cost.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

Fund structure

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds and Endowed funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs 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.

Investment income, gains and losses are allocated to the appropriate fund.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight-line basis over the lease term.

Pensions and other post retirement obligations

The Teachers' Pension Scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The charity contributes to the Pensions Trust Growth Plan for certain of its employees. This is in most respects a money purchase arrangement, but does not include certain guaranteed benefit elements. The Plan is a multi-employer scheme as it is not possible in the normal course of events to identify the share of underlying assets belonging to the individual participating employers and accordingly, in accordance with FRS 102, is accounted for as a defined contribution scheme with contributions being recorded as they become payable.

The Taunton School Final Salary Pension Scheme is a defined benefit scheme. The defined benefit pension scheme current service costs are charged to the Statement of Financial Activities within staff costs. The expected return on the scheme assets less the scheme interest costs are credited within other interest. The scheme actuarial gains and losses are recognised immediately as other recognised gains and losses. The defined benefit scheme assets are measured at fair value at the Balance Sheet date. The scheme liabilities are measured on an actuarial basis at the Balance Sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the Balance Sheet.

The School operates a defined contribution pension scheme, for teaching staff, managed by The Royal London, as an alternative to Teachers' Pension Scheme. The employer's contribution is either 8% or 16.48%.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

Financial Instruments

Classification

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Recognition and measurement

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

Significant estimate and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of tangible fixed assets

The annual amortisation and depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 13 for the carrying amount of the tangible assets.

Impairment of debtors

The School 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 16 for the net carrying amount of the debtors and associated impairment provision.

3 Income from donations and legacies

	Unrestricted	Restricted	Total	Total
	funds	funds	2025	2024
	£ 000	£ 000	£ 000	£ 000
Donations	170	15	185	143
Legacies	965	-	965	1,000
	<u>1,135</u>	<u>15</u>	<u>1,151</u>	<u>1,143</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

4 Income from School fees

	Total 2025 £ 000	Total 2024 £ 000
The School's fee income comprised:		
Gross fees	31,131	33,063
Less: Total bursaries, grants and allowances	<u>(5,485)</u>	<u>(6,161)</u>
	<u>25,645</u>	<u>26,901</u>

In 2025 and 2024, of the total income from School fees all were unrestricted.

5 Income from other educational charitable activities

	Total 2025 £ 000	Total 2024 £ 000
Entrance and registration fees	48	60
Other charges to pupils	538	646
Courses and sub-lettings	794	1,294
Fees in lieu	<u>372</u>	<u>248</u>
	<u>1,753</u>	<u>2,249</u>

In 2025 and 2024, of the total income from other educational charitable activities receivable all were unrestricted.

6 Income from other ancillary trading activities

	Total 2025 £ 000	Total 2024 £ 000
Other income	<u>51</u>	<u>5</u>

In 2025 and 2024, of the total income from other ancillary trading activities all were unrestricted.

7 Income from other trading activities

Income from non ancillary trading activities

	Unrestricted funds £ 000	Total 2025 £ 000	Total 2024 £ 000
Taunton School Enterprises Limited	1,864	1,864	342
School shop	-	-	451
Swim school	-	-	251
	<u>1,864</u>	<u>1,864</u>	<u>1,044</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

8 Investment income

	Endowment £ 000	Total 2025 £ 000	Total 2024 £ 000
Interest received	<u>77</u>	<u>77</u>	<u>75</u>

9 Expenditure on raising funds

a) Non-ancillary trading expenses

	Unrestricted funds £ 000	Total 2025 £ 000	Total 2024 £ 000
Trading expenses	2,355	2,355	723
Trading expenses - depreciation	<u>21</u>	<u>21</u>	<u>15</u>
	<u>2,376</u>	<u>2,376</u>	<u>738</u>

b) Financing costs

	Unrestricted funds £ 000	Total 2025 £ 000	Total 2024 £ 000
Loan interest payable	<u>163</u>	<u>163</u>	<u>160</u>
	<u>163</u>	<u>163</u>	<u>160</u>

10 Expenditure on charitable activities

Summary by fund type

	Unrestricted funds £ 000	Total 2025 £ 000	Total 2024 £ 000
Teaching	16,427	16,427	14,125
Premises	5,183	5,183	5,735
Welfare	2,452	2,452	2,887
Support costs of schooling and governance costs	<u>3,169</u>	<u>3,169</u>	<u>6,871</u>
	<u>27,231</u>	<u>27,231</u>	<u>29,618</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

Summary by expenditure type

	Staff costs	Depreciation	Other costs	2025	2024
	£ 000	£ 000	£ 000	£ 000	£ 000
Teaching	15,317	-	1,111	16,427	14,125
Premises	1,686	1,300	2,197	5,183	5,735
Welfare	1,407	-	1,046	2,452	2,887
Support costs of schooling and governance costs	1,892	-	1,277	3,169	6,871
	<u>20,301</u>	<u>1,300</u>	<u>5,631</u>	<u>27,231</u>	<u>29,618</u>

Governance included in support costs

	2025	2024
	£000	£000
Staff costs	323	333
Auditor's remuneration	32	32
Auditor's remuneration - non audit services	10	9
Office costs	10	3
	<u>376</u>	<u>377</u>

11 Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2024: £Nil).

During the year ended 31 August 2025, expenses totalling £1.6k were reimbursed or paid directly to Governors for expenditure such as travel and subsistence for all of the trustees (2024: £0.8k).

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

12 Staff costs

The aggregate payroll costs were as follows:

	Group 2025 £ 000	Group 2024 £ 000
Staff costs during the year were:		
Wages and salaries	16,538	15,672
Social security costs	1,601	1,405
Pension costs	2,097	1,982
Termination/severance payments	65	-
	<u>20,301</u>	<u>19,059</u>

The average number of persons employed by the group during the year was as follows:

	Group 2025 No	Group 2024 No
Teaching staff	357	366
Support staff	337	295
	<u>694</u>	<u>661</u>

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

	2025 No	2024 No
£60,001 - £70,000	21	6
£70,001 - £80,000	6	5
£80,001 - £90,000	2	2
£100,001 - £110,000	2	3
£160,001 - £170,000	2	1

The School considers its key management personnel to comprise the governors and the senior leadership team. The total employee benefits of the key management personnel of the group were £782,540 (2024 - £692,201).

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

13 Tangible fixed assets

Group	Land and buildings £ 000	Equipment £ 000	Motor vehicles £ 000	Assets under Construction £ 000	Total £ 000
Cost					
At 1 September 2024	33,345	4,526	54	3,457	41,382
Additions	-	420	-	2,194	2,614
Disposals	(23)	(3)	-	-	(26)
Transfers	(2,458)	2,117	-	(2,117)	(2,458)
At 31 August 2025	<u>30,864</u>	<u>7,060</u>	<u>54</u>	<u>3,534</u>	<u>41,512</u>
Depreciation					
At 1 September 2024	8,735	3,495	7	-	12,236
Charge for the year	869	441	11	-	1,321
Eliminated on disposals	(23)	(3)	-	-	(26)
Transfers	(532)	-	-	-	(532)
At 31 August 2025	<u>9,049</u>	<u>3,933</u>	<u>18</u>	<u>-</u>	<u>12,999</u>
Net book value					
At 31 August 2025	<u>21,816</u>	<u>3,127</u>	<u>37</u>	<u>3,534</u>	<u>28,513</u>
At 31 August 2024	<u>24,611</u>	<u>1,031</u>	<u>47</u>	<u>3,457</u>	<u>29,146</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

Charity

	Land and buildings £ 000	Equipment £ 000	Assets under Construction £ 000	Total £ 000
Cost				
At 1 September 2024	33,132	4,228	3,457	40,817
Additions	-	419	2,194	2,614
Disposals	(23)	(3)	-	(26)
Transfers	(2,458)	2,117	(2,117)	(2,458)
At 31 August 2025	<u>30,651</u>	<u>6,761</u>	<u>3,534</u>	<u>40,946</u>
Depreciation				
At 1 September 2024	8,723	3,226	-	11,949
Charge for the year	849	430	-	1,280
Eliminated on disposals	(23)	(3)	-	(26)
Transfers	(532)	-	-	(532)
At 31 August 2025	<u>9,017</u>	<u>3,654</u>	<u>-</u>	<u>12,671</u>
Net book value				
At 31 August 2025	<u>21,634</u>	<u>3,107</u>	<u>3,534</u>	<u>28,276</u>
At 31 August 2024	<u>24,409</u>	<u>1,002</u>	<u>3,457</u>	<u>28,868</u>

14 Investment properties

Group

	Investment properties £ 000
Cost or Valuation	
Revaluation	364
Transfers	<u>1,936</u>
At 31 August 2025	2,300
Provision	
At 31 August 2025	<u>-</u>
Net book value	
At 31 August 2025	<u>2,300</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

The Grange has been transferred from tangible fixed assets to investment property as the property is no longer being used as an operational building but rather for rental purposes from 14 August 2025.

The investment property was valued on 14 August 2025 by Christie & Co. The valuation was prepared on the basis of market value as defined in the Royal Institution of Chartered Surveyors Valuation.

Charity

	Investment properties £ 000
Cost or Valuation	
Revaluation	364
Additions	<u>1,936</u>
At 31 August 2025	2,300
Provision	
At 31 August 2025	<u>-</u>
Net book value	
At 31 August 2025	<u><u>2,300</u></u>

15 Fixed asset investments

Group

	Other fixed asset investments £ 000	Total £ 000
Cost or Valuation		
At 1 September 2024	2,020	2,020
Revaluation	35	35
Additions	<u>4</u>	<u>4</u>
At 31 August 2025	<u>2,059</u>	<u>2,059</u>
Net book value		
At 31 August 2025	<u><u>2,059</u></u>	<u><u>2,059</u></u>
At 31 August 2024	<u><u>2,020</u></u>	<u><u>2,020</u></u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

Charity

Shares in group undertakings and participating interests

	Subsidiary undertakings	Total
	£	£
Cost		
At 1 September 2024	100	100
At 31 August 2025	<u>100</u>	<u>100</u>
Net book value		
At 31 August 2025	<u>100</u>	<u>100</u>
At 31 August 2024	<u>100</u>	<u>100</u>

Other investments

	Listed investments £ 000	Total £ 000
Cost or Valuation		
At 1 September 2024	2,020	2,020
Revaluation	35	35
Additions	4	4
At 31 August 2025	<u>2,059</u>	<u>2,059</u>
Net book value		
At 31 August 2025	<u>2,059</u>	<u>2,059</u>
At 31 August 2024	<u>2,020</u>	<u>2,020</u>

Analysis of fixed asset investments

	2025 £000	2024 £000
Quoted investments at market value	1,980	1,912
Cash at brokers	79	108
	<u>2,059</u>	<u>2,020</u>

Historical cost of quoted investments was £1,767k.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2025	2024	
Subsidiary undertakings					
Taunton School Enterprises Limited (company no. 02846335) Taunton School, Staplegrove Road, Taunton, TA2 6AD	England and Wales	£1 Ordinary	100%	100%	To support the School's charitable aims through letting of its facilities when not required for educational purposes
Taunton School Trustees Limited (company no. 06706952) Taunton School, Staplegrove Road, Taunton, TA2 6AD	England and Wales	£1 Ordinary	100%	100%	Dormant company

The financial results of the subsidiaries for the year were:

	Income	Expenditure	Profit/(Loss)	Net (liabilities)/assets
	£000	£000	£000	£000
Taunton School Enterprises Limited	1,916	2,028	(112)	(20)
Taunton School Trustees Limited	-	-	-	0.1

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

Taunton School Enterprises Limited was formed to support the School's charitable aims through letting of its facilities when not required for educational purposes. It donates its annual taxable profits to the School by Gift Aid - £nil (2024 - £nil).

At the year end, £673.3k (2024: £314.8k) was owed by the subsidiary.

16 Stock

	2025 £ 000	Group 2024 £ 000	2025 £ 000	Charity 2024 £ 000
Consumable materials	84	103	84	103
School shop and materials for sale	112	104	-	92
	<u>196</u>	<u>207</u>	<u>84</u>	<u>195</u>

17 Debtors

	2025 £ 000	Group 2024 £ 000	2025 £ 000	Charity 2024 £ 000
Trade and other debtors	619	584	523	510
Due from group undertakings		-	582	314
Prepayments and accrued income	732	428	689	428
VAT recoverable	-	68	-	-
Fee debtors	4,643	488	4,643	488
	<u>5,995</u>	<u>1,568</u>	<u>6,437</u>	<u>1,740</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

18 Creditors: amounts falling due within one year

	2025	Group	2025	Charity
	£ 000	2024	£ 000	2024
		£ 000		£ 000
Bank loans	152	40	152	40
Trade creditors	1,649	1,121	1,543	1,083
Other taxation and social security	1,649	377	1,606	377
Pension scheme creditor	302	299	302	299
Other creditors and accruals	1,119	1,016	748	658
Fee deposits	1,435	1,092	1,435	1,092
Advance fee scheme	782	1,338	782	1,338
Fees received in advance of term	8,276	5,824	8,276	5,824
	<u>15,364</u>	<u>11,108</u>	<u>14,843</u>	<u>10,712</u>

19 Creditors: amounts falling due after one year

	2025	Group	2025	Charity
	£ 000	2024	£ 000	2024
		£ 000		£ 000
Bank loans	2,104	1,127	2,104	1,127
Fee deposits	2,932	3,366	2,932	3,366
Advance fee scheme	841	1,581	841	1,581
	<u>5,876</u>	<u>6,074</u>	<u>5,876</u>	<u>6,074</u>

Included within the above are amounts falling due as follows:

Between two and five years

Bank loans	1,312	190	1,312	190
	<u>1,312</u>	<u>190</u>	<u>1,312</u>	<u>190</u>

Over five years

Bank loans	792	937	792	937
	<u>792</u>	<u>937</u>	<u>792</u>	<u>937</u>

The School has four bank loans with HSBC plc. Two of the loans are secured by a legal charge over the School's properties Greenway Road and The Grange.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

20 Advance fees

Parents may pay to the School tuition fees in advance. Assuming pupils remain in the advance fee scheme, payments will be applied to offset fees as follows:

	2025	2024
	£000	£000
Within one year	782	1,338
Within one to two years	452	787
Within two to five years	344	747
Over five years	44	47
	<u>1,622</u>	<u>2,919</u>

	2024	2023
	£000	£000
Balance at 1 September 2024	2,919	1,180
New contracts	23	2,360
Amounts utilised in payment fees	(1,319)	(535)
Capital repaid	(28)	(110)
Discounts applied	27	24
Balance at 31 August 2025	<u>1,622</u>	<u>2,919</u>

21 Financial Instruments

	Group	Group	Charity	Charity
	2025	2024	2025	2024
Financial assets	£000	£000	£000	£000
Financial assets measured at fair value	<u>1,980</u>	<u>1,945</u>	<u>1,980</u>	<u>1,945</u>

Financial assets measured at fair value includes assets held as investments less cash held.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

22 Funds

Group

Group	Balance at 1 September 2024 £ 000	Incoming resources £ 000	Resources expended £ 000	Transfers £ 000	Gains/ (losses) £ 000	Balance at 31 August 2025 £ 000
Unrestricted funds						
General Funds - all funds	16,207	30,867	(29,787)	746	(35)	17,998
Restricted funds						
Taunton School Foundation	1,620	15	-	(642)	-	993
Taunton School Trust - Land & Buildings	<u>1,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,960</u>
Total restricted funds	<u>3,580</u>	<u>15</u>	<u>-</u>	<u>(642)</u>	<u>-</u>	<u>2,953</u>
Endowment funds						
Ian Evans-Lombe Scholarship Fund	<u>2,051</u>	<u>77</u>	<u>-</u>	<u>(104)</u>	<u>35</u>	<u>2,059</u>
	<u>2,051</u>	<u>77</u>	<u>-</u>	<u>(104)</u>	<u>35</u>	<u>2,059</u>
Total funds	<u>21,838</u>	<u>30,959</u>	<u>(29,787)</u>	<u>-</u>	<u>-</u>	<u>23,010</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

	Balance at 1 September 2023 £ 000	Incoming resources £ 000	Resources expended £ 000	Transfers £ 000	Balance at 31 August 2024 £ 000
Unrestricted funds					
General Funds - all funds	14,035	31,342	(29,431)	261	16,207
Restricted funds					
Taunton School Foundation	1,508	-	-	113	1,620
Parental Funds	105	-	-	(105)	-
Taunton School Trust - Land & Buildings	1,960	-	-	-	1,960
Haynes Fund	101	-	-	(101)	-
Ian Evans-Lombe Scholarship Fund	104	-	-	(104)	-
Gerrard Memorial Bursary	998	-	(998)	-	-
Taunton School Scholarship and Bursary Fund	113	-	-	(113)	-
Other Restricted Funds	55	-	-	(55)	-
Total restricted funds	<u>4,943</u>	<u>-</u>	<u>(998)</u>	<u>(365)</u>	<u>3,580</u>
Endowment funds					
Ian Evans-Lombe Scholarship Fund	1,815	132	-	104	2,051
	<u>1,815</u>	<u>132</u>	<u>-</u>	<u>104</u>	<u>2,051</u>
Total funds	<u>20,793</u>	<u>31,474</u>	<u>(30,429)</u>	<u>-</u>	<u>21,838</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

The specific purposes for which the funds are to be applied are as follows:

Endowment funds:

The Ian Evans-Lombe Scholarship Fund forms part of the Foundation Funds. The gift was made by the Trustees of Mr Evans-Lombe with the objective to advance the education of children who could not otherwise afford the School's education by providing for scholarships to be awarded to two pupils starting in the Lower Sixth each year.

Restricted funds:

Taunton School Foundation (TSF) - The trust is administered by a Foundation Board, who work with the Governors to promote and provide for the development of the educational facilities and activities of the School.

Taunton School Trust - The fund represents the land and property and restricted funds held by Taunton School Trust on incorporation.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

23 Analysis of net assets between funds

Group	Unrestricted funds	Restricted funds	Endowment funds	Total funds
	General £ 000	£ 000	Expendable £ 000	at 31 August 2025 £ 000
Tangible fixed assets	26,553	1,960	-	28,513
Investment property	2,300	-	-	2,300
Fixed asset investments	-	-	2,059	2,059
Current assets	10,385	993	-	11,378
Current liabilities	(18,435)	-	-	(18,435)
Creditors over 1 year	(2,805)	-	-	(2,805)
Total net assets	17,998	2,953	2,059	23,010
	Unrestricted funds	Restricted funds	Endowment funds	Total funds
	£ 000	£ 000	£ 000	at 31 August 2024 £ 000
Tangible fixed assets	27,186	1,960	-	29,146
Fixed asset investments	(31)	-	2,051	2,020
Current assets	6,235	1,620	-	7,855
Current liabilities	(11,108)	-	-	(11,108)
Creditors over 1 year	(6,074)	-	-	(6,074)
Total net assets	16,208	3,580	2,051	21,839

24 Analysis of net funds

Group	At 1 September 2024	Financing cash flows	At 31 August 2025
	£ 000	£ 000	£ 000
Cash at bank and in hand	6,080	(893)	5,187
Debt due within one year	(40)	(112)	(152)
Debt due after more than one year	(1,127)	(977)	(2,104)
Net debt	4,913	(1,982)	2,931

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

	At 1 September 2023 £ 000	Financing cash flows £ 000	At 31 August 2024 £ 000
Cash at bank and in hand	2,723	3,357	6,080
Debt due within one year	(65)	25	(40)
Debt due after more than one year	(1,137)	10	(1,127)
Net debt	<u>1,521</u>	<u>3,392</u>	<u>4,913</u>

25 Pension and other schemes

Defined benefit pension schemes

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 £1,134,174 (2024: £1,626,705) and at the year-end £126,648 (2024: £126,542) 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 Group operates a defined benefit pension scheme.

Support staff

The School operates a defined benefit pension scheme for its support staff, The Taunton School Final Salary Scheme, which is managed on its behalf by JLT. The scheme is funded and is contracted into the state scheme. The scheme closed to new entrants on 1 October 2001. The last formal valuation of the scheme was performed in 2021 and showed an actuarial deficit so a recovery plan has been put in place, subject to review at future funding assessments. The position at the end of 2025 is set out below.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2025	2024
	£000	£000
Actual return less expected return on assets	(458)	(1,311)
Experience losses on the liabilities	459	(46)
Change in assumptions	-	-
Unrecognised surplus	-	257
Total amount recognised in the Consolidated Statement of Financial Activities	<u>1</u>	<u>(1,100)</u>

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2025	2024
	£ 000	£ 000
Fair value of scheme assets	4,259	4,789
Present value of defined benefit obligation	<u>(4,205)</u>	<u>(4,738)</u>
Asset ceiling adjustment	54	51
Defined benefit pension scheme surplus/(deficit)	<u>(54)</u>	<u>(51)</u>
	<u>-</u>	<u>-</u>

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2025
	£ 000
Present value at start of year	(4,738)
Interest cost	(229)
Actuarial gains and losses	459
Benefits paid	<u>303</u>
Present value at end of year	<u>(4,205)</u>

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	2025
	£ 000
Fair value at start of year	4,789
Interest income	232
Return on assets less interest income	(459)
Benefits paid	<u>(303)</u>
Fair value at end of year	<u>4,259</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

Analysis of assets

The major categories of scheme assets are as follows:

	2025	2024
	£ 000	£ 000
Cash	54	51
Bonds	4,205	4,738
	<u>4,259</u>	<u>4,789</u>

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2025	2024
	%	%
Discount rate	5.90	5.00
Future pension increases	2.70	2.90
Inflation	2.80	3.00

Post retirement mortality assumptions

	2025	2024
	Years	Years
Current UK pensioners at retirement age - male	26.00	26.00
Current UK pensioners at retirement age - female	28.00	27.00
Future UK pensioners at retirement age - male	27.00	28.00
Future UK pensioners at retirement age - female	30.00	30.00

The School also operates a defined contribution pension scheme managed by The Royal London, which non-teaching staff are eligible to join. The assets of the scheme are held separately from the School. The employer's contributions matches that of the employee within the region of 5-12.5%. The cost for the year represents the School's contribution to the Scheme of £355,487 (2024: £355,295).

The School operates a defined contribution pension scheme, for teaching staff, managed by The Royal London, as an alternative to Teachers' Pension Scheme. The employers contribution is either 3%, 8% or 16.48%. As at 31 August 2025 there were 83 (2024: 50) members and the cost for the year represents the School's contribution to the scheme of £598,168 (2024: £294,194).

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2025

26 Obligations under leases

Operating lease commitments

At 31 August 2025 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases are as follows:

	2025	Group		Charity
	£ 000	2024	2025	2024
		£ 000	£ 000	£ 000
Within one year	286	294	-	7
Between one and five years	661	772	-	5
After five years	222	300	-	-
	<u>1,168</u>	<u>1,366</u>	<u>-</u>	<u>12</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities: £288k (2024: £247k).

27 Related party transactions

Two (2024 - two) Governors pay for children at the School. School fees incurred by the Governors are paid on a commercial arms' length basis.

Governors' remuneration and expenses are disclosed in note 11 and key management personnel remuneration is disclosed in note 12.

Transactions with Taunton School Enterprises are disclosed in note 15.

A total of £200 (2024 - £1,003,776) was donated to Taunton School Educational Charity by current or former trustees.

There are no other related party transactions to note.

TAUNTON SCHOOL EDUCATIONAL CHARITY

England & Wales - Charity number 1081420

Accounts

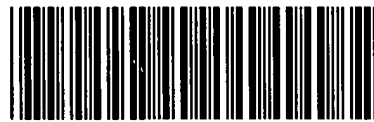
Taunton School Educational Charity

Annual Report and Financial Statements Year Ended 31 August 2024

Company registration number: 04005803

Charity registration number: 1081420

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COMPANIES HOUSE

Taunton School Educational Charity

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Taunton School Educational Charity

Reference and Administrative Details

Chairman: Mr H Keeling (resigned 14 November 2023)
Mr M Anderson (appointed 14 November 2023)

Governor: Mrs S Adam (appointed 22 April 2024)
Mr R Aldrich
Mr C Butters
Mrs D Close
Mr P Cooper
Brigadier (retired) M Hallas (resigned 27 June 2024)
Mr D Hebditch
Dr I Kelham
Mr R Kennedy, Treasurer
Reverend N Manges
Rear Admiral I Moncrieff
Mr M Pike
Mrs S Shayler (appointed 9 March 2024)
Mrs E Waymouth (resigned 27 June 2024)
Mrs S Wheeler, Deputy Chair
Mr J Whiteley

Chief Executive Officer: Mr J Johnson

Other Officers: Mrs S Reynolds, Chief Operating Officer
Mrs S Reynolds, Clerk to the Governors
Mr E Burnett, Taunton Preparatory School Head
Ms R Lewis, Taunton Pre-Prep and Nursery Head
Mr A Hallworth, Taunton School International Principal

Charity Registration Number 1081420

Company Registration Number 04005803

The charity is incorporated in England and Wales.

Taunton School Educational Charity

Reference and Administrative Details

Registered Office	Taunton School Staplegrove Road Taunton Somerset TA2 6AD
Auditor	PKF Francis Clark Independent Auditor Ground Floor 90 Victoria Street Bristol BS1 6DP
Solicitors	Veale Wasbrough Vizards Narrow Quay House Narrow Quay Bristol BS1 4QA
Bankers	HSBC Bank Plc 17 North Street Taunton Somerset TA1 1NA

Taunton School Educational Charity

Governors' Report

Governor:

Mrs S Adam (appointed 22 April 2024)
Mr R Aldrich
Mr C Butters
Mrs D Close
Mr P Cooper
Brigadier (retired) M Hallas (resigned 27 June 2024)
Mr D Hebditch
Dr I Kelham
Mr R Kennedy, Treasurer
Reverend N Manges
Rear Admiral I Moncrieff
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Mrs S Shayler (appointed 9 March 2024)
Mrs E Waymouth (resigned 27 June 2024)
Mrs S Wheeler, Deputy Chair
Mr J Whiteley

Other Officers:

Mrs S Reynolds, Chief Operating Officer
Mrs S Reynolds, Clerk to the Governors
Mr E Burnett, Taunton Preparatory School Head
Ms R Lewis, Taunton Pre-Prep and Nursery Head
Mr A Hallworth, Taunton School International Principal

Membership

The charity has an unlimited number of members. Members are former governors and pupils of the School, over the age of 18.

Taunton School Educational Charity

Governors' Report

Governor Recruitment & Training

Board vacancies are considered by the Nominations Panel, which then makes recommendations to the full Board. All prospective candidates are considered in light of the skills/experience balance required at the time which will include eligibility, diversity, personal competence, specialist skills and local availability. New Governors are appointed for a term of 3 years and, subject to periodic performance review, may be re-elected for a further 4 terms. All Governors will be formally appointed by the Members at the AGM.

New Governors' induction into the workings of the School includes the policies and procedures of the Board through briefings by the Chairman, Head and Clerk and through comprehensive documentation that is kept updated on the Governors' secure online portal. They also attend specialist external courses on such matters as the role and responsibilities of Charity Trustees and receive the updated Charity Governance Code as part of their induction pack. Governors have access to continuous professional development run by organisations such as the Association of Governing Bodies of Independent Schools (AGBIS) to stay abreast of current issues and regulations in the Independent Sector. All Governors are subject to DBS checks and regular associated 'Safeguarding' training. A nominated Governor has responsibility for the Safeguarding Lead on the Board.

Organisational management

As the Charity Trustees and Directors, Board members, are legally responsible for the overall management and control of the School and promotion of its long term success. The Board meets at least 3 times a year. The work of implementing its policies and specific key elements is overseen by sub-groups, most of which meet at least termly and report into the Full Board as follows:

- Finance Committee
- People Committee
- Compliance Committee
- Educational Advisory Panel
- Marketing and Admissions Panel
- Churches Advisory Panel
- Estates and Infrastructure Panel
- Foundation Panel
- Nominations Panel

Other specialist working groups are set up as and when required.

Day-to-day running of the Schools is delegated to the Executive Leadership Team, which is a group drawn from key management personnel. The CEO, COO and Heads attend all of the meetings of the Board and most of the meetings of the sub-groups above. Remuneration policy is set by the Board, with a policy objective of encouraging enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success.

Taunton School Educational Charity

Governors' Report

Group Structure

The School has 2 wholly owned non-charitable subsidiaries, Taunton School Enterprises (TSE) Limited (company number 02846335) and Taunton School Trustees Limited (company number 06706952).

The principal activity of TSE Limited is the trading activity of the School whose annual profits are donated to the School under the Gift Aid Scheme. The principal activity of Taunton School Trustees Limited is that of a corporate Trustee of the School's defined benefit pension scheme for support staff, which closed to new joiners in 2001.

Employment Policy

The School recognises that its employees are fundamental to its success. A strategic, professional and timely approach to recruitment is used to attract and appoint employees with the necessary skills and required attributes to support the School's purpose and core values to meet its aims.

The School is committed to ensuring that the process of recruitment wholly adheres to Safer Recruitment guidelines, as articulated by the Department of Education and that selection of employees is conducted in a manner that secures the best talent, is fair, effective and efficient and which promotes equality of opportunity.

Public Benefit

The Board confirms that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

How our activities deliver public benefit

The Board has considered the Charity Commission's current guidance on public benefit carefully. They try to ensure that the School's charitable objects are carried out for the public benefit by making sure that wherever possible, education is available to all who can draw most value from it. This is irrespective of financial circumstances since our charitable activities promote the wider education of children and access is not restricted solely by the ability to pay fees. The School's facilities are also made available as far as possible to other local schools and the wider community.

The Board remains committed to providing public benefit which is, in itself, in accordance with the School's founding principles. To this end the School cooperates with local charities and educational bodies in an ongoing endeavour to widen public access to it. It also seeks to optimise the use of the School's cultural and sporting facilities and to awaken in the School's own pupils an awareness of the social context of the all-round education they receive at the School.

Taunton School Educational Charity

Governors' Report

Grant Making Policy

Opportunity to benefit from the School's Grants of Assisted Places (also sometimes referred to as bursaries) is not subject to geographical or other restrictions such as the ability to pay fees. Accordingly, no one is excluded from this opportunity. The Board takes the view that those pupils who attend the School and who receive financial support, contribute positively to the School community in a variety of ways. Accordingly, the benefit accrues not only to these pupils, but to the whole School ethos and inclusivity and, in some cases, to the wider community.

In the 12-month period to 31 August 2024, a total of £1,741,242 (2023: £1,777,969) was spent on means- tested assisted places/bursaries. This is the equivalent of 74 full Senior School-day fees and 6.2% of gross fee income. 201 pupils (2023: 213) received assistance with school fees.

	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
Assisted Place/Bursary recipients	213	232	292	258	252	233
Value of awards	£1,777,969	£1,727,635	£1,866,726	£1,701,122	£1,638,089	£1,348,710
Average value						
- £	£8,347	£7,447	£6,393	£6,606	£6,500	£5,788
- % of Senior schoolday fee	38.1%	35.7%	31.8%	32.9%	33.5%	30.0%

Taunton School Foundation

The Foundation continues to maintain the connection between the School and its alumni as well as raising vital funds to support capital projects and means-tested Assisted Places at Taunton School. The majority of our donations come from alumni, but we also receive gifts from parents, staff and the wider community. In the 12-month period to 31 August 2024, voluntary donations and legacies totalled £1,142,874. Of the 374 donations received, most gifts supported means-tested Assisted Places, which transform the lives of children who otherwise could not attend a school like Taunton. This year, we benefited from a significant legacy and two major donations which were given to support elements of our Campus Masterplan. In particular, Taunton School's two new boarding houses and the construction of the school's first golf simulator.

The School did not employ any external fundraisers during the year and is not registered with the Fundraising Regulator but is committed to 'good fundraising practices'. The School is a member of the Institute of Development Professionals in Education (IDPE) and actively collaborates with professional bodies in the sector. There are no instances to report of the School failing to comply with fundraising standards and the School received no formal complaints about its fundraising activity during the year. The School adheres to the General Data Protection Regulation (GDPR) and only contacts those for whom our communication will be relevant and of interest.

Objectives and Activities

Taunton School Educational Charity

Governors' Report

Charitable Objects

The Objects of the School are in the Articles of Association dated 4 December 2020. Principally:

To promote and provide for the advancement of education by the provision of a school or such other means as the Governors shall from time to time determine provided always that:

- a. In admitting pupils to the School, the Governors must exercise (all other things being equal) a preference in favour of sons and daughters of members of the Free Churches; and
- b. In carrying out its objects, the Charity shall uphold the founding principles of the School which are rooted in the Christian faith and recognise the particular emphasis on its Free Church foundation and the importance of personal responsibility in the quest for faith, and respect for all religious traditions.

To these ends the School:

- i. Provides an education for children aged 0 to 18 years;
- ii. Provides substantial financial support towards fee remission;
- iii. Has a continuous programme of maintenance, building and technology refurbishment and development;
- iv. Allows controlled access by the public to its grounds, buildings and facilities generally;
- v. Holds a variety of religious services on weekdays and on Sundays in the Chapel;
- vi. Provides a wide range of sporting and cultural facilities, many of which are available to children from other local schools and which are also made available to members of the public where appropriate;
- vii. Supports the wider community by 'community service' and other activities; and
- viii. Demonstrates significant public benefit through its academic and other activities as described in paragraphs (i) to (vii) above.

Taunton School Educational Charity

Governors' Report

Aims and Targets

Within these objects the School aims to meet its publicly stated purpose by providing outstanding and innovative teaching and developing a culture which uses technology to drive forward teaching and learning. Pupil and staff well-being is central to all that we do and the School aims to encourage, train and develop confident, enthusiastic and well-rounded young people who are able to form meaningful relationships with others in an international arena, irrespective of circumstance.

We are committed to excellence in education and holistic student development.

Our strategic objectives serve as guiding principles, ensuring that we provide an ambitious and enriching environment for every student. From academic excellence to fostering inclusive communities, each objective is designed to propel our school forward in achieving our goals.

A culture of ambition

1. Ensure that every student and member of staff embraces our culture of ambition for themselves and for each other
2. Offer a broad and relevant curriculum enabling all students to achieve personal success
3. Consistently achieve positive value added across all educational stages
4. Ensure the school is financially strong, enabling continual reinvestment in our staff and facilities

A mindset for life

5. Offer a co-curricular programme that enables students to develop the independence, resilience and skills essential for success
6. Be a community in which integrity and authenticity are highly prized
7. Temper ambition with humility
8. Provide a first-class student futures programme

A sense of belonging

9. Ensure that all members of our community feel a sense of belonging in a proudly inclusive school
10. Provide a holistic education, of genuine breadth, promoting engagement and allowing each student to 'Find Their Exceptional'
11. Ensure that Taunton School sits at the heart of our local community and that students understand their place within it
12. Unite all staff in a common purpose and shared vision for the school

A global community

13. Maintain our exceptional international diversity so that the school remains a genuinely global community
14. Ensure our cultural diversity is celebrated and recognised as a benefit by all
15. Create a connected network of Old Tauntonians across the globe, united by their affection for the school
16. Develop a sustainability strategy that recognises our individual and collective responsibilities to safeguard the environment

Taunton School Educational Charity

Governors' Report

RISK MANAGEMENT

Principle risks and uncertainties

The Chief Executive Officer and Chief Operating Officer, under the oversight of the Chair of Governors, are responsible for the identification and management of the risks faced by the School. A formal review of the School's risk management appetite and processes is made at each panel and committee meeting, with risks allocated. The Board considers the imposition of VAT on school fees, removal of business rates relief and increases in employer national insurance costs to be the principal risks faced by the School. Pupil safeguarding as well as health, safety and security are an ever-present significant area for risk management that are monitored astutely.

Through its internal management structures, the School has carried out a wide-ranging examination of the risks in the principal areas of the School's operations and other activities. The Board has reviewed these critically and satisfied itself that the major risks identified have been mitigated to a level as low as reasonably practical commensurate with available resources.

Key controls used by the Charity in the whole area of Risk Management include:

- Well-publicised policies and procedures, as required by law for the safeguarding and protection of children, including procedures for the safer recruiting and vetting of staff, volunteers and contractors;
- clear health and safety policies overseen by an active committee;
- formal agendas for all Committees, Panels and Board of Governors activities;
- detailed Terms of Reference for all Committees and Panels;
- comprehensive strategic planning, budgeting and management accounting;
- risks assigned to responsible panels and members of the executive team to aid accountability;
- formal written policies, processes and procedures that are subject to audit;
- clear written delegation in authorisation and approval levels.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Board is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and UK Generally Accepted Accounting Practice (UK GAAP). Company Law requires financial statements to be prepared for each financial year.

Under Company Law, the Board must only approve the financial statements if they are satisfied that they give a true and fair view of the state of affairs of the Charity and the group and of the incoming resources and the application of resources. This includes the income and expenditure of the charitable group, for that period.

In preparing the financial statements, the Board has met its requirements to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Taunton School Educational Charity

Governors' Report

And its responsibility for:

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

Having done so, and, insofar as each of the Governors, as members of the Board is aware, at the date of approval of this report, there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each member of the Board has taken all the steps that he or she should have taken in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

ACHIEVEMENTS AND PERFORMANCE

EDUCATION

Stakeholder Engagement and Section 172 Statement

The Governors consider that they have fulfilled their duties in accordance with section 172 of the U.K. Companies Act 2006 and have acted in a way in which is most likely to promote the long-term success of the School for the benefit of its stakeholders as a whole in the following ways:

Academic Results

Taunton School continues to offer three pathways of Sixth Form study: A levels, International Baccalaureate Diploma Programme, BTEC and the NCUK International Foundation Year. We firmly believe that this allows us to find the right academic pathway for the students in our care. Student tracking against baseline data is a critical part of our goal to add significant value to every student.

Guided by our experienced Futures Department, approximately 96% of all Sixth Formers take up university or college places either in the UK or overseas, with others beginning apprenticeships or entering the workplace directly.

Students at our Sixth Form celebrated outstanding personal success in their A-Level and BTEC qualifications.

The cohort of 130 students achieved 61% A* - B, or equivalent, in their A-Level, BTEC and International Baccalaureate qualifications, while 40% of their results were awarded the highest grades of A* - A.

The top 100 students achieved an impressive 76% A* - B or equivalent and 51% A* - A.

We also offer our Sixth Form students the chance to complete an Extended Project Qualification (EPQ) alongside their studies and this year 70% of students saw their EPQs awarded A*-A in a wide range of topics beyond the Sixth Form curriculum.

Taunton School Educational Charity

Governors' Report

Year 13 students celebrated impressive results in the International Baccalaureate Diploma. With an average score of 34 points and a 100% pass rate, they significantly exceeded the global average.

Taunton School's Year 11 students achieved 42% 9 - 7 in their GCSEs with the top 100 students achieving 67% 9-7. These results are on average half a grade higher than those expected from national benchmarking, placing Taunton School in the top 10% of schools for value added nationally.

As a non-selective school, we are extremely proud of all students' attainments, not just those achieving top grades.

Our academic programme extends beyond the classroom and students have enjoyed a full range of presentations, lectures and trips, which have enhanced their learning. We are extremely proud that our co-curricular programme, in our ISI inspection in April 2024, was recognized as 'a significant strength, with the activities on offer making a major contribution to pupils' physical and mental health, and their social, economic and emotional wellbeing.'

The report commented that 'the programme has been carefully crafted and honed by the school's leaders, who take into account pupils' views and show a deep understanding of how to unearth the potential of each pupil.'

Taunton School remains committed to finding every child's unique talents.

Taunton Prep School is all about breadth. Academically, it continues to offer a broad range of subjects which are underpinned by modern approaches to teaching and learning. Up to year 5 a creative curriculum is followed and from year 6, pupils then move into specialist teaching groups. Since 2021-22 we have underpinned this with a whole school digital strategy which ensures a consistent pathway of apps and platforms which are used. With staff increasingly at ease with these benefits we are now seeing the consistent use of devices to enhance teaching and learning. Digital learning platforms need to be used alongside more traditional methods of learning so the move to 60 minute lessons at the start of September 2023 has made it easier to use a hybrid approach in class. 60 minute lessons have also allowed the school to increase curriculum time. In 2022-23 we commented on the significant benefits seen from a Maths curriculum review which focused further on the development of problem-solving and reasoning skills: 'In Maths, the standardised test results over the past three years put the average Year 8 pupil in the top 16% in the country, and the results also indicated that over half of the pupils are on track to obtain a 7, 8 or 9 at GCSE'. This academic year we are going through the same process with the English curriculum as we build on the literacy review in conjunction with the Literacy Tree last year.

A key role of the prep school is to ensure they are ready to thrive in the senior school. The Year 8 Summer exams provide our pupils with a 'gold standard' to aim for which, if attained, puts them right at the top of National Prep School standards. In 2024 the results from the year 8 exams showed a continued improvement from 2022 as we continue to aim to add value at each key stage of a child's curriculum.

In the wider spheres of personal development the pupils have an incredible array of co-curricular opportunities to enjoy and to learn from: breadth and character development remain very much at the heart of the Prep School experience. We continue to develop this area of school life and the development of the 'Taunton 12' gives pupils the chance to reflect and develop their whole character. All year 7s and 8s use regular diary entries and self-reflection to learn and develop their character, a process which eschews the principles of the IB diploma core curriculum and the importance of an inquiry based approach to learning.

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Governors' Report

At the prep school we firmly believe that what happens outside the class is as important as what happens inside the class (and that the two complement and enhance one another). With over 70 different clubs and activities during the year the pupils are able to 'find their exceptional'. Finding the thing you love, that shapes you and builds your sense of identity and self-confidence comes from the skill and commitment of the staff who have ensured excellence through inclusion - for example, the school has 84 sports teams, 904 fixtures during the year with every pupil consistently representing the school - and excellence through achievement with pupils regularly attending national events and even swimming the English Channel in August 2024.

Pre-Prep and Nursery continues to be an exciting learning environment for children. The performing arts curriculum has been developed to great effect. The arts café is a particular highlight, giving children the opportunity to perform in front of an audience and develop their love for dance, music, speech and drama. Forest School provision continues to progress for all year groups, promoting teamwork, developing resilience and fostering a love for the outdoors and nature. The new Head of Pre-prep Sports is developing the curriculum, focusing on a values based approach, with a view to facilitate more inter-school competitions. CPD remains a priority in Nursery in enabling staff to facilitate the very best learning opportunities. Nursery was closed for the August INSET which enabled staff to receive training in facilitating meaningful interactions, particularly for children with SEND. Pupil numbers in both Pre-prep and Nursery are high and, with successful recruitment, the expansion of Nursery will be realised.

Taunton School International offers 3 academic programmes; a one- and two-year GCSE/pre-IB programme (for 14 - 16 year olds), a Pre-Foundation Year in Business, Economics and Maths (for 16 - 17 year olds) and an International Foundation Year in Business, Economics, Maths/Global Studies and EAP (for 17 - 18 year olds). The School is a market leader in its one-year GCSE provision, having offered this particular course for over 25 years. In August 2024, TSI achieved an 88.4% GCSE pass rate (9-4) with 43.3% of the total grades at 9-7. Students are able to select from more than 20 different subjects at GCSE level. On our International Foundation Year programme, our A*- B pass rate was a very impressive 79%. with just under 60% of the grades being A*/A.

All students at TSI are taught in small classes, enabling them the extensive teacher support that is required on such intensive academic programmes. TSI has a spread of nationalities with approximately 30 countries represented, with around 5% of the cohort being British passport holders

Taunton School International Middle School provides international students between the age of 7 and 14 years with the appropriate and relevant education, co-curricular and pastoral support they need to enter Taunton Prep School, Senior School or TSI, depending on their age and level of English. Those not entering another section of Taunton School are ideally equipped to go to another British independent school. Specialist teachers offer an extensive curriculum, which is closely linked to the curricula at the Senior School, Prep School and TSI in order to facilitate the transfer of students from one section of the School to another.

Taunton School Educational Charity

Governors' Report

Inspection

In the second week of the Summer term we were visited by a team of inspectors from the Independent Schools Inspectorate (ISI).

The language of school inspection reports now avoids single word judgements such as 'excellent' or 'good' and instead makes a series of evidence-based statements to describe the school's provision.

Taunton School's report, encompassing TS, TSI and TSIMS, is very complimentary about several key areas of the education we provide: the academic progress our students make and our ambition for them; the personalised and tailored curriculum for Sixth Form students; the mutual respect evident between students and their celebration of cultural diversity within our global community; the development of close bonds between students who feel valued and that they belong; our strong emphasis on skills for leadership and independent living, ensuring the right mindset for life. It is really encouraging to see such positive commentary on each of our four key strategic pillars highlighted in bold.

We are delighted to have been praised in particular for the extraordinary breadth of opportunity provided for all. Inspectors highlighted our leading co-curricular programme as a 'significant strength'. This is the highest accolade available to schools under the new inspection regime and we understand that only a small percentage of schools will be awarded a 'significant strength'.

We are delighted to have external validation for what we know to be true of Taunton School, where, in the words of the report, we 'show a deep understanding of how to unearth the potential of each child.' In short, we enable children to find their version of 'exceptional'.

Taunton School's Prep and Pre-Prep report, which encompasses all the year groups from Year 1 through to Year 8, is very complimentary. The headline judgements are that pupils benefit from our 'dynamic and caring community rich with opportunity both inside and outside the classroom'. In this community pupils are able 'to find their exceptional by embracing the opportunities available and they flourish as a result.'

The inspectors focused on the 'stimulating' learning environment where the classroom experience 'inspires pupils' because of 'teachers' in-depth subject knowledge.' Pupils are 'focused and motivated' by teachers who have ambition for them. Outside the classroom pupils speak 'enthusiastically' about the 'extensive' co-curricular opportunities which enable them to 'flourish.' They become 'rounded individuals for the future' developing the right mindset for life.

Staff 'prioritise' the pupils' emotional wellbeing which is underpinned by the 'vigilance of pastoral leaders' who 'actively promote respect and inclusion.' Such an environment means that pupils are 'happy,' demonstrating a sense of belonging, in part because they are 'confident their voices will be heard.' By recognising the 'importance of embracing the view of others' the inspectors praised how our pupils learn to 'become responsible and caring citizens' speaking 'respectfully about those from different races and genders to themselves.' Even at an early age they are aware of the importance of our global community.

Boarding received special mention with the parent survey being particularly positive. The pupils spoke very warmly about the homely atmosphere in Thone with experiences that were 'rich and nurturing' with particular focus on the leadership opportunities they enjoyed. The inspectors also highlighted the enthusiasm the pupils have for the wide range of weekend activities.

Our Nursery setting was also inspected during the second week of term. There were again many compliments, recognising the hard work and dedication of the staff. The Nursery was judged to be good in all areas, with 'valuable links' between home and Nursery, as well as the 'positive relationships' between staff and children being recognised as strengths.

Taunton School Educational Charity

Governors' Report

Even at this young age, there was a positive commentary on each of our four key strategic pillars. The inspectors focused on the curriculum noting, 'staff are effective at supporting children to take risks and investigate during their play' and recognised the ambition they have for all children in designing a curriculum 'with the intention that each child, including those who have SEND, is able to gain the knowledge and understanding they need to succeed.' There was also recognition of the fabulous 'rich experiences' offered by our specialist teachers and that children are 'well prepared for future learning.' Children were notably encouraged to develop a mindset for life through a 'stimulating curriculum' and opportunities to 'play co-operatively' using the skills of 'investigation, curiosity and critical thinking', enabling children to 'be active learners and to have positive attitudes to their learning' while also learning to 'respect each other's ideas, communicate together and establish fair rules for play.'

Inspectors observed a 'strong culture of shared responsibility' for safeguarding practices within the Nursery, noting 'leaders give the utmost priority to safeguarding ensuring children are kept safe.' Staff ensure that children feel 'emotionally secure' by 'valuing their opinions' and as a result 'children consistently demonstrate that they feel extremely safe and happy.' This environment fosters a sense of belonging, because key persons 'know their children extremely well' and enable children to achieve 'a sense of pride and confidence.' Even at an early age, all are aware of the importance of our global community, with staff and children seen to 'welcome the diverse cultures evident in Nursery.' Throughout the Nursery, staff provide opportunities for children to deepen their understanding of other cultures as they 'celebrate festivals from different countries.'

We are delighted that the ISI team recognised what a special community we are part of. It is reassuring that even in a challenging economic climate for all fee-paying parents, that we really do add value both in and out of the classroom.

Group Finances

The principal funding sources for the Charity are school fees and income generated by many other educational and non-educational activities. The latter are carried out by the Charity's trading company, Taunton School Enterprises Ltd (TSE) which, as described above, passes all its profits to the School. The year's expenditure has continued to support the Charity's key objectives by operating the School and investing in its development.

The Group's finances remain strong with total incoming resources of £31.5m (2023: £29.2m); net incoming resources of £1.0m, (2023: £1.6m); and total reserves of £21.8m (2023: £20.8m) after making capital additions of £4.1m (2023: £1.4m).

The Charity continued to invest significantly in the site, with the majority of expenditure on a new multi use games area, two new astro turf pitches, significant investment in the outdoor and indoor areas of our Nursery and Pre-prep and

We have prepared a number of scenarios that consider our cash position, sources of income and planned expenditure. These scenarios consider reduced pupil numbers, delayed fee payment, reduced fees and potential bad debts as well as impact on costs from the measures taken so far. Sensitivity around these assumptions has also been considered in our forecasting. Results of this cash flow and sensitivity analysis indicate that the cash reserves of the Charity are adequate to meet the Charity's obligations as they fall due. Correspondingly, the trustees consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Taunton School Educational Charity

Governors' Report

Investment policies, objectives and performance

The Investment Panel advises on the investments and monitors the performance of funds on behalf of the School, the Foundation and the Evans-Lombe Fund. At the year end the total funds invested were £2m (2023: £5.1m). The Investment Panel reports to the Board of Governors and the Trustees of the Evans-Lombe Fund, having taken appropriate and professional advice. The Board and Trustees have set a target of 5% income and fund growth to sustain the value of the capital. The School also holds some restricted funds in recognised charitable investment funds with CCLA and some on deposit awaiting investment. The Board is satisfied with the return on these funds in the prevailing financial climate.

Reserves level and policy

The Board has examined the financial risks and challenges faced by the Charity closely over the short and medium term. The Charity has invested its reserves in the provision of the educational facilities to meet its objectives and consequently, like many well-established independent schools, has negative free reserves. The Board is satisfied that the financial plans and forecasts give them comfort that the Charity is able to meet all its foreseeable commitments.

The School's total reserves of £21.8m at the period end include £2.1m endowment capital, £3.6m of unspent restricted income and £16.2m unrestricted income.

SECR Energy Use and Carbon Emissions Disclosure

Taunton School Educational Charity disclose our energy use and greenhouse gas emissions that Taunton School are responsible for in line with the requirements of the Companies Act 2006 (Strategic and Directors' Reports) Regulations 2013 and latest 2018 regulations.

	Energy use		Carbon Emissions					
	(kWh)		(tCO2e)					
	2023-24 (Current)	2022-23	2023-24 (Current)	2022-23	2021-22	2020-21	2019-20 (Baseline)	Change (Baseline - Current)
Electricity	1,899,518	1,862,819	393	386	450	364	676	-42%
Gas	2,987,752	3,273,430	547	599	923	1015	917	-40%
Business Travel - Grey Fleet	66,781		16		228			
Transport Fuels	866,201	1,030,610	207	246		117	115	80%
Gross Annual Total	5,820,252	6,185,885	1,163	1,235	1,601	1,496	1,708	-32%
Intensity Metric (No of Pupils)	1248	1166	1248	1166	1270	1195	1156	8%
Total TCO2e/Pupils			1	0.73	1.26	1.25	1.48	-32%
Qualifying Green Tariff	1,899,518	1,862,819	393	386	-	-	-	
Net Annual Total	5,820,252	6,185,885	770	849	1,601	1,496	1,708	-55%

Table 1: Primary Statement for the Financial Year ending 31st August 2024.

Taunton School Educational Charity

Governors' Report

Baseline Year

This is the fourth year of GHG reporting. 2020 / 2021 was the baseline year which fell during the COVID-19 pandemic and as such comparisons to this and future years may be skewed.

Targets

Carbon targets have not been developed for the current reporting period but are currently in development.

Intensity Measurement

The intensity metric chosen is average pupil numbers as at the 31 August 2024. This metric was chosen as the organisation's carbon emissions are closely linked to pupil activity.

Carbon Offset

Taunton School now have qualifying carbon offsets during this financial period and procure qualifying green or renewable tariffs for the supply of electricity or gas.

FUTURE PLANS

The School's strategy is to maintain a strong financial position by delivering clear evidence of a consistently first-class education matched with demonstrably outstanding pastoral support. To do this, it is building a healthy recruitment pipeline, controlling costs, increasing commercial income and using the facilities for the public benefit year on year. This generates sufficient resources to invest in the School's infrastructure, supporting the strategy of building on existing resources and foundations and making every penny count directly towards the School's purpose and its non-selective basis.

Accordingly, the priorities for resource allocation agreed by the Board are based on improving and enhancing the existing infrastructure estate and the objectives are to:

- be an outstanding School of choice by evidence of its educational and pastoral experience for all pupils;
- continue a strong financial performance to fully resource the operation of the School and its development and continuance of long term success;
- increase and plough back investment in maintenance and new facilities over the next three years;
- always be compliant with legislation and best practice wherever it may be identified to provide a safe, happy and purposeful education;
- invest in staff training and development to attract and retain the best staff.

The School is reviewing its needs and opportunities to continue to develop its estate to maximise advantage. As the strategy is reviewed, more projects will be considered by the Board in due course.

Statement of trustees' responsibilities

The trustees (who are also the directors of Taunton School Educational Charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. 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 parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

Taunton School Educational Charity

Governors' Report

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 parent charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group 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 parent charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The annual report was approved by the trustees of the charity on 04/02/2025 and signed on its behalf by:



.....
Mr R Kennedy
Treasurer

Taunton School Educational Charity

Independent Auditor's Report to the Governors of Taunton School Educational Charity

Opinion

We have audited the financial statements of Taunton School Educational Charity (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 August 2024, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity'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 responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 Governors 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

Other information

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

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Independent Auditor's Report to the Governors of Taunton School Educational Charity

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.

Opinion on other matter 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 and Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the and Governors' Report have 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the and the Governors' 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the Statement of trustees' responsibilities (set out on page 10), the trustees 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 Governors are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Taunton School Educational Charity

Independent Auditor's Report to the Governors of Taunton School Educational Charity

Auditor responsibilities for the audit of the financial statements

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

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

Taunton School Educational Charity

Independent Auditor's Report to the Governors of Taunton School Educational Charity

As part of our audit planning, through discussions with management, we obtained an understanding of the legal and regulatory framework that is applicable to the group and the sector in which it operates to identify the key laws and regulations affecting the group.

We considered those laws and regulations that have a direct impact on the preparation of the financial statements, including, but not limited to the Companies Act 2006, FRS 102 (effective 1 January 2019) - (Charities SORP), the Charities Act 2011 and relevant tax compliance regulations in the UK. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. We identified the following areas as those most likely to have such an effect: Employment Law, Data Protection, Health and Safety Legislation and the Independent Schools Inspectorate.

We discussed with management how the compliance with these laws and regulations is monitored and we discussed the policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deals with reporting any issues as they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the group's ability to continue trading and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations.

Our procedures involved the following:

- Discussions and enquiries with management of compliance with laws and regulations;
- Review of board minutes and significant legal costs incurred in the year; and
- Addressing the risk of management override of internal controls, including testing of journals and evaluating whether there was evidence of bias by the Governors that represented a risk of material misstatement due to fraud.

As part of our enquiries, we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. 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 omissions, collusion, forgery, misrepresentations, or the override of internal controls. We are also 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Taunton School Educational Charity

Independent Auditor's Report to the Governors of Taunton School Educational Charity

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 an 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 purpose of expressing an opinion on the effectiveness of the group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Governors;
- Conclude on the appropriateness of the Governors' 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 group's or the parent 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 group or parent 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;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion; and
- 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 the audit.

Use of our report

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

Taunton School Educational Charity

Independent Auditor's Report to the Governors of Taunton School Educational Charity

PKF Francis Clark

.....
Duncan Leslie (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Ground Floor
90 Victoria Street
Bristol
BS1 6DP

Date: 27/03/2025.....

Taunton School Educational Charity

Consolidated Statement of Financial Activities

Year Ended 31 August 2024

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £ 000	Restricted funds £ 000	Endowment funds £ 000	Total 2024 £ 000	Total 2023 £ 000
Income and Endowments from:						
Donations and legacies	3	1,143	-	-	1,143	441
Charitable activities		-	-	-	-	-
School fees	4	26,901	-	-	26,901	25,706
Other educational income	5	2,000	-	-	2,000	1,776
Other ancillary trading income	6	5	-	-	5	3
Other trading activities	7	1,293	-	-	1,293	1,158
Investment income	8	-	-	75	75	105
Total income		<u>31,342</u>	<u>-</u>	<u>75</u>	<u>31,417</u>	<u>29,190</u>
Expenditure on:						
Raising funds	9	-	-	-	-	-
Trading expenses		(738)	-	-	(738)	(586)
Financing costs		(160)	-	-	(160)	(146)
Charitable activities	10	-	-	-	-	-
Education and grant making		<u>(28,534)</u>	<u>(998)</u>	<u>(86)</u>	<u>(29,618)</u>	<u>(26,839)</u>
Total expenditure		<u>(29,431)</u>	<u>(998)</u>	<u>(86)</u>	<u>(30,515)</u>	<u>(27,571)</u>
Gains/losses on investment assets		-	-	143	143	(19)
Net income/(expenditure)		<u>1,911</u>	<u>(998)</u>	<u>132</u>	<u>1,045</u>	<u>1,600</u>
Transfers between funds		<u>261</u>	<u>(365)</u>	<u>104</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>2,172</u>	<u>(1,363)</u>	<u>236</u>	<u>1,045</u>	<u>1,600</u>
Reconciliation of funds						
Total funds brought forward		<u>14,035</u>	<u>4,943</u>	<u>1,815</u>	<u>20,793</u>	<u>19,194</u>
Total funds carried forward	21	<u>16,207</u>	<u>3,580</u>	<u>2,051</u>	<u>21,838</u>	<u>20,793</u>

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 and 2024 shown in note 21.

The notes on pages 29 to 57 form an integral part of these financial statements.

Taunton School Educational Charity

Consolidated Balance Sheet

31 August 2024

	Note	2024 £ 000	2023 £ 000
Fixed assets			
Tangible assets	13	29,146	26,212
Investments		<u>2,020</u>	<u>5,066</u>
		<u>31,165</u>	<u>31,278</u>
Current assets			
Stocks	15	207	199
Debtors	16	1,568	1,037
Cash at bank and in hand		<u>6,080</u>	<u>2,723</u>
		7,855	3,959
Creditors: Amounts falling due within one year	17	<u>(11,108)</u>	<u>(10,361)</u>
Net current liabilities		<u>(3,253)</u>	<u>(6,403)</u>
Total assets less current liabilities		27,912	24,875
Creditors: Amounts falling due after more than one year	18	<u>(6,074)</u>	<u>(4,082)</u>
Net assets		<u>21,838</u>	<u>20,793</u>
Funds of the group:			
Endowment funds		2,051	1,815
Restricted funds	21	3,580	4,943
Unrestricted funds		<u>16,207</u>	<u>14,035</u>
Total funds	21	<u>21,838</u>	<u>20,793</u>

The financial statements on pages 25 to 57 were approved by the trustees, and authorised for issue on 04/02/2025 and signed on their behalf by:



Mr R Kennedy
Treasurer

The notes on pages 29 to 57 form an integral part of these financial statements.

Taunton School Educational Charity

Balance Sheet

31 August 2024

	Note	2024 £ 000	2023 £ 000
Fixed assets			
Tangible assets	13	28,868	26,200
Investments		<u>2,020</u>	<u>5,066</u>
		<u>30,888</u>	<u>31,266</u>
Current assets			
Stocks	15	195	188
Debtors	16	1,740	1,008
Cash at bank and in hand		<u>5,569</u>	<u>2,700</u>
		7,504	3,896
Creditors: Amounts falling due within one year	17	<u>(10,712)</u>	<u>(10,264)</u>
Net current liabilities		<u>(3,208)</u>	<u>(6,368)</u>
Total assets less current liabilities		27,679	24,897
Creditors: Amounts falling due after more than one year	18	<u>(6,074)</u>	<u>(4,082)</u>
Net assets		<u>21,605</u>	<u>20,815</u>
Funds of the charity:			
Endowment funds		2,051	2,008
Restricted income funds			
Restricted funds		3,580	4,772
Unrestricted income funds			
Unrestricted funds		<u>15,974</u>	<u>14,036</u>
Total funds	21	<u>21,605</u>	<u>20,815</u>

The financial statements on pages 25 to 57 were approved by the trustees, and authorised for issue on 04/02/2025... and signed on their behalf by:



Mr R Kennedy
Treasurer

The notes on pages 29 to 57 form an integral part of these financial statements.

Taunton School Educational Charity

Consolidated Statement of Cash Flows

Year Ended 31 August 2024

	Note	2024 £ 000	2023 £ 000
Cash flows from operating activities			
Net income		1,045	1,600
Adjustments to cash flows from non-cash items			
Depreciation	9	1,146	1,119
Investment income	8	(132)	(39)
Interest payable	9	160	146
Loss on investment		-	19
		<u>2,218</u>	<u>2,845</u>
Working capital adjustments			
Increase in stocks	15	(8)	(31)
Increase in debtors	16	(531)	(70)
Increase in creditors	17	131	131
Increase/(decrease) in fees in advance and parent's deposits	18	<u>2,583</u>	<u>(103)</u>
Net cash flows from operating activities		<u>4,393</u>	<u>2,772</u>
Cash flows from investing activities			
Dividends, interests and rents from investments	8	132	39
Purchase of tangible fixed assets	13	(4,079)	(1,587)
Sale of tangible fixed assets		-	197
Purchase of investments		(267)	(423)
Sale of investments		<u>3,457</u>	<u>490</u>
Net cash flows from investing activities		<u>(757)</u>	<u>(1,284)</u>
Cash flows from financing activities			
Interest payable and similar charges	9	(160)	(146)
Repayment of loans and borrowings	17	(119)	(20)
Cash inflows from new borrowing		-	608
Net cash flows from financing activities		<u>(279)</u>	<u>442</u>
Net increase in cash and cash equivalents		3,357	1,930
Cash and cash equivalents at 1 September		<u>2,723</u>	<u>793</u>
Cash and cash equivalents at 31 August		<u><u>6,080</u></u>	<u><u>2,723</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 29 to 57 form an integral part of these financial statements.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

1 Charity status

Taunton School Educational Charity (the 'School') was incorporated in England and Wales as a company limited by guarantee, (registered no. 04005803) on 1 June 2000 and has no share capital. The School is also registered with the Charity Commission (registered no. 1081420).

The address of its registered and principal office is:

Taunton School
Staplegrove Road
Taunton
Somerset
TA2 6AD

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Taunton School Educational Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 August 2024. The results of the subsidiary are consolidated on a line by line basis.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

Income and endowments

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the Charity against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Charity is considered probable. Voluntary income for the Charity's general purposes is accounted for as unrestricted. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

The Charity's Land and Buildings are vested in Taunton School Trust, a restricted fund.

Tangible fixed assets are stated at historical cost and subsequently depreciated to their estimated net realisable value over their useful lives. Even so, the School operates a formal programme of maintenance that includes routine building work written off in the Statement of Financial Activities in the period concerned. Land is not depreciated.

Major items of expenditure on buildings and assets over £1,000 are capitalised. To the extent that refurbishment work is considered to improve and thus add a commensurate value to the building, Such refurbishment costs are also capitalised and depreciated as appropriate.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	5-50 years
Equipment	3-25 years
Motor vehicles	5 years
Assets under construction	Not depreciated

Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

Fixed asset investments

Fixed Asset Investments are stated at market value. Income from Fixed Asset Investments and the related tax credit are recognised in the Statement of Financial Activities in the period to which they relate. Where the market value of investments differs from the historic cost, the difference is recognised as an unrealised gain/loss in the Statement of Financial Activities. Where the investment has been sold, this is recognised as a realised gain/loss. The investment in the subsidiary is held at cost.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds and Endowed funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs 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.

Investment income, gains and losses are allocated to the appropriate fund.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

Operating and finance leases

Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight-line basis over the lease term.

Finance leases

Assets held under finance leases and the related lease obligation are included at the fair value of the leased assets at the inception of the lease. Depreciation on leased assets is calculated to write off this amount on a straight line basis over the shorter lease term and the useful life of the asset. Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligation for future amounts payable so that the charge for each accounting period is a constant percentage of the remaining balance of the capital sum outstanding.

Pensions and other post retirement obligations

The Teachers' Pension Scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The charity contributes to the Pensions Trust Growth Plan for certain of its employees. This is in most respects a money purchase arrangement, but does not include certain guaranteed benefit elements. The Plan is a multi-employer scheme as it is not possible in the normal course of events to identify the share of underlying assets belonging to the individual participating employers and accordingly, in accordance with FRS 102, is accounted for as a defined contribution scheme with contributions being recorded as they become payable.

The Taunton School Final Salary Pension Scheme is a defined benefit scheme. The defined benefit pension scheme current service costs are charged to the Statement of Financial Activities within staff costs. The expected return on the scheme assets less the scheme interest costs are credited within other interest. The scheme actuarial gains and losses are recognised immediately as other recognised gains and losses. The defined benefit scheme assets are measured at fair value at the Balance Sheet date. The scheme liabilities are measured on an actuarial basis at the Balance Sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the Balance Sheet.

The School operates a defined contribution pension scheme, for teaching staff, managed by The Royal London, as an alternative to Teachers' Pension Scheme. The employer's contribution is either 8% or 16.48%.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Recognition and measurement

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

Significant estimate and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of tangible fixed assets

The annual amortisation and depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 13 for the carrying amount of the tangible assets.

Impairment of debtors

The School 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 16 for the net carrying amount of the debtors and associated impairment provision.

3 Income from donations and legacies

	Unrestricted funds £ 000	Total 2024 £ 000	Total 2023 £ 000
Donations	143	143	441
Legacies	1,000	1,000	-
	<u>1,143</u>	<u>1,143</u>	<u>441</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

4 Income from School fees

	Total 2024 £ 000	Total 2023 £ 000
The School's fee income comprised:		
Gross fees	33,063	31,451
Less: Total bursaries, grants and allowances	(6,161)	(5,835)
Add back: Scholarships, grants and bursaries from restricted and endowed funds	-	90
	<u>26,901</u>	<u>25,706</u>

In 2024 and 2023, of the total income from School fees all were unrestricted.

5 Income from other educational charitable activities

	Total 2024 £ 000	Total 2023 £ 000
Entrance and registration fees	60	59
Other charges to pupils	646	561
Courses and sub-lettings	1,294	1,157
	<u>2,000</u>	<u>1,776</u>

In 2024 and 2023, of the total income from other educational charitable activities receivable all were unrestricted.

6 Income from other ancillary trading activities

	Total 2024 £ 000	Total 2023 £ 000
Other income	<u>5</u>	<u>3</u>

In 2024 and 2023, of the total income from other ancillary trading activities all were unrestricted.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

7 Income from other trading activities

Income from non ancillary trading activities

	Unrestricted funds £ 000	Total 2024 £ 000	Total 2023 £ 000
Taunton School Enterprises Limited	342	342	276
School shop	451	451	451
Swim school	251	251	320
Fees in lieu	248	248	111
	<u>1,293</u>	<u>1,293</u>	<u>1,158</u>

8 Investment income

	Endowment £ 000	Total 2024 £ 000	Total 2023 £ 000
Interest received	<u>75</u>	<u>75</u>	<u>105</u>

9 Expenditure on raising funds

a) Non-ancillary trading expenses

	Unrestricted funds £ 000	Total 2024 £ 000	Total 2023 £ 000
Trading expenses	723	723	584
Trading expenses - depreciation	15	15	2
	<u>738</u>	<u>738</u>	<u>586</u>

b) Investment management costs

	Unrestricted funds £ 000	Total 2024 £ 000	Total 2023 £ 000
Loan interest payable	<u>160</u>	<u>160</u>	<u>146</u>
	<u>160</u>	<u>160</u>	<u>146</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

10 Expenditure on charitable activities

Summary by fund type

	Unrestricted funds £ 000	Restricted funds £ 000	Endowment funds £000	Total 2024 £ 000	Total 2023 £ 000
Teaching	14,125	-	-	14,125	13,287
Premises	4,737	998	-	5,735	5,378
Welfare	2,887	-	-	2,887	2,706
Support costs of schooling and governance costs	6,785	-	86	6,871	5,377
Grants and awards	-	-	-	-	90
	<u>28,534</u>	<u>998</u>	<u>86</u>	<u>29,618</u>	<u>26,839</u>

Summary by expenditure type

	Staff costs £ 000	Depreciation £ 000	Other costs £ 000	2024 £ 000	2023 £ 000
Teaching	13,273	-	852	14,125	13,287
Premises	1,724	1,135	2,877	5,735	5,378
Welfare	1,729	-	1,158	2,887	2,706
Support costs of schooling and governance costs	2,333	-	4,537	6,871	5,377
Grants and awards	-	-	-	-	90
Total for 2024	<u>19,059</u>	<u>1,135</u>	<u>9,424</u>	<u>29,618</u>	<u>26,839</u>

Governance included in support costs

	2024 £000	2023 £000
Staff costs	333	216
Governors liability insurance	-	1
Auditor's remuneration	32	31
Auditor's remuneration - non audit services	9	16
Office costs	3	5
	<u>377</u>	<u>269</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

11 Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2023: £Nil).

During the year ended 31 August 2024, expenses totalling £0.8k were reimbursed or paid directly to Governors for expenditure such as travel and subsistence for all of the trustees (2023: £14.5k).

12 Staff costs

The aggregate payroll costs were as follows:

	Group 2024 £ 000	Group 2023 £ 000
Staff costs during the year were:		
Wages and salaries	15,672	14,525
Social security costs	1,405	1,332
Pension costs	1,982	1,832
	<u>19,059</u>	<u>17,689</u>

The average number of persons employed by the group during the year was as follows:

	Group 2024 No	Group 2023 No
Teaching staff	366	354
Support staff	295	274
	<u>661</u>	<u>628</u>

During the year, the group made redundancy and/or termination payments which totalled £Nil (2023 - £73,400).

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

	2024 No	2023 No
£60,001 - £70,000	6	9
£70,001 - £80,000	5	6
£80,001 - £90,000	2	-
£90,001 - £100,000	-	2
£110,001 - £120,000	3	1
£120,001 - £130,000	-	1
£140,001 - £150,000	-	1
£160,001 - £170,000	1	-

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

The total employee benefits of the key management personnel of the group were £617,400 (2023 - £725,400).

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

13 Tangible fixed assets

Group	Land and buildings £ 000	Equipment £ 000	Motor vehicles £ 000	Assets under Construction £ 000	Total £ 000
Cost					
At 1 September 2023	32,782	3,929	-	592	37,303
Additions	247	236	54	3,543	4,079
Transfers	317	361	-	(678)	-
At 31 August 2024	<u>33,345</u>	<u>4,526</u>	<u>54</u>	<u>3,457</u>	<u>41,382</u>
Depreciation					
At 1 September 2023	7,856	3,234	-	-	11,090
Charge for the year	870	268	7	-	1,146
Transfers	8	(8)	-	-	-
At 31 August 2024	<u>8,735</u>	<u>3,495</u>	<u>7</u>	<u>-</u>	<u>12,236</u>
Net book value					
At 31 August 2024	<u>24,611</u>	<u>1,031</u>	<u>47</u>	<u>3,457</u>	<u>29,146</u>
At 31 August 2023	<u>24,925</u>	<u>695</u>	<u>-</u>	<u>592</u>	<u>26,212</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

Charity

	Land and buildings £ 000	Equipment £ 000	Assets under Construction £ 000	Total £ 000
Cost				
At 1 September 2023	32,770	3,655	592	37,017
Additions	45	212	3,543	3,799
Transfers	317	361	(678)	-
At 31 August 2024	<u>33,132</u>	<u>4,228</u>	<u>3,457</u>	<u>40,817</u>
Depreciation				
At 1 September 2023	7,845	2,973	-	10,818
Charge for the year	870	261	-	1,131
Transfers	8	(8)	-	-
At 31 August 2024	<u>8,723</u>	<u>3,226</u>	<u>-</u>	<u>11,949</u>
Net book value				
At 31 August 2024	<u>24,409</u>	<u>1,002</u>	<u>3,457</u>	<u>28,868</u>
At 31 August 2023	<u>24,925</u>	<u>682</u>	<u>592</u>	<u>26,200</u>

14 Fixed asset investments

Group

	Other fixed asset investments £ 000	Total £ 000
Cost or Valuation		
At 1 September 2023	5,066	5,066
Revaluation	143	143
Additions	267	267
Disposals	(272)	(272)
Withdraws	(3,185)	(3,185)
At 31 August 2024	<u>2,020</u>	<u>2,020</u>
Net book value		
At 31 August 2024	<u>2,020</u>	<u>2,020</u>
At 31 August 2023	<u>5,066</u>	<u>5,066</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

Charity

Shares in group undertakings and participating interests

	Subsidiary undertakings	Total
	£	£
Cost		
At 1 September 2023	100	100
At 31 August 2024	<u>100</u>	<u>100</u>
Net book value		
At 31 August 2024	<u>100</u>	<u>100</u>
At 31 August 2023	<u>100</u>	<u>100</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

Other investments

	Listed investments £ 000	Total £ 000
Cost or Valuation		
At 1 September 2023	5,066	5,066
Revaluation	143	143
Additions	267	267
Disposals	(272)	(272)
Withdraws	(3,185)	(3,185)
At 31 August 2024	<u>2,020</u>	<u>2,020</u>
Net book value		
At 31 August 2024	<u>2,020</u>	<u>2,020</u>
At 31 August 2023	<u>5,066</u>	<u>5,066</u>
Analysis of fixed asset investments		
	2024	2023
	£000	£000
Quoted investments at market value	1,912	4,966
Cash at brokers	108	100
	<u>2,020</u>	<u>5,066</u>

Historical cost of quoted investments was £1,767k.

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2024	2023	
Subsidiary undertakings					
Taunton School Enterprises Limited (company no. 02846335) Taunton School, Staplegrove Road, Taunton, TA2 6AD	England and Wales	£1 Ordinary	100%	100%	To support the School's charitable aims through letting of its facilities when not required for educational purposes
Taunton School Trustees Limited (company no. 06706952) Taunton School, Staplegrove Road, Taunton, TA2 6AD	England and Wales	£1 Ordinary	100%	100%	Dormant company

The financial results of the subsidiaries for the year were:

	Income £000	Expenditure £000	Profit/(Loss) £000	Net assets £000
Taunton School Enterprises Limited	1,428	1,287	141	-
Taunton School Trustees Limited	-	-	-	0.1

Taunton School Enterprises Limited was formed to support the School's charitable aims through letting of its facilities when not required for educational purposes. It donates its annual taxable profits to the School by Gift Aid - £nil (2023 - £82k).

Included in the turnover of Taunton School Enterprises Limited is £795k (2023: £772k) of intercompany sales to Taunton School. A management fee of £3k (2023: £3k) was paid to Taunton School. At the year end, £314.8k (2023: £50.7k) was owed by the subsidiary.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

15 Stock

	2024 £ 000	Group 2023 £ 000	2024 £ 000	Charity 2023 £ 000
Consumable materials	103	95	103	95
School shop and materials for sale	104	104	92	93
	<u>207</u>	<u>199</u>	<u>195</u>	<u>188</u>

16 Debtors

	2024 £ 000	Group 2023 £ 000	2024 £ 000	Charity 2023 £ 000
Trade and other debtors	584	418	510	415
Due from group undertakings	-	-	314	79
Prepayments and accrued income	428	331	428	272
VAT recoverable	68	45	-	-
Fee debtors	488	242	488	242
	<u>1,568</u>	<u>1,037</u>	<u>1,740</u>	<u>1,008</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

17 Creditors: amounts falling due within one year

	2024	Group	2024	Charity
	£ 000	2023	£ 000	2023
		£ 000		£ 000
Bank loans	40	65	40	65
Trade creditors	1,121	661	1,083	601
Other taxation and social security	377	378	377	378
Pension scheme creditor	299	281	299	281
Other creditors and accruals	1,016	1,364	658	1,326
Fee deposits use	1,092	1,079	1,092	1,079
Advance fee scheme	1,338	524	1,338	524
Fees received in advance of term	5,824	6,010	5,824	6,010
	<u>11,108</u>	<u>10,361</u>	<u>10,712</u>	<u>10,264</u>

18 Creditors: amounts falling due after one year

	2024	Group	2024	Charity
	£ 000	2023	£ 000	2023
		£ 000		£ 000
Bank loans	1,127	1,137	1,127	1,137
Fee deposits	3,366	2,289	3,366	2,289
Advance fee scheme	1,581	656	1,581	656
	<u>6,074</u>	<u>4,082</u>	<u>6,074</u>	<u>4,082</u>

Included within the above are amounts falling due as follows:

Between two and five years

Bank loans	<u>190</u>	<u>1,050</u>	<u>190</u>	<u>1,050</u>
------------	------------	--------------	------------	--------------

Over five years

Bank loans	<u>937</u>	<u>87</u>	<u>937</u>	<u>87</u>
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The School has three bank loans with HSBC plc. The loans are secured by a legal charge over the School's properties Greenway Road and The Grange.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

19 Advance fees

Parents may pay to the School tuition fees in advance. Assuming pupils remain in the advance fee scheme, payments will be applied to offset fees as follows:

	2024	2023
	£000	£000
Within one year	1,338	524
Within one to two years	787	286
Within two to five years	747	370
Over five years	47	-
	<u>2,919</u>	<u>1,180</u>
	2024	2023
	£000	£000
Balance at 1 September 2023	1,180	1,277
New contracts	2,360	490
Amounts utilised in payment fees	(535)	(594)
Capital repaid	(110)	(14)
Discounts applied	24	21
Balance at 31 August 2024	<u>2,919</u>	<u>1,180</u>

20 Financial instruments

	Group	Group	Company	Company
	2024	2023	2024	2023
Financial assets	£000	£000	£000	£000
Financial assets measured at fair value	<u>1,945</u>	<u>4,966</u>	<u>1,945</u>	<u>4,966</u>

Financial assets measured at fair value includes assets held as investments less cash held.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

21 Funds

Group

	Balance at 1 September 2023 £ 000	Incoming resources £ 000	Resources expended £ 000	Transfers £ 000	Balance at 31 August 2024 £ 000
Unrestricted funds					
General Funds - all funds	14,035	31,342	(29,431)	261	16,207
Restricted funds					
Taunton School Foundation	1,508	-	-	113	1,620
Parental Funds	105	-	-	(105)	-
Taunton School Trust - Land & Buildings	1,960	-	-	-	1,960
Haynes Fund	101	-	-	(101)	-
Ian Evans-Lombe Scholarship Fund	104	-	-	(104)	-
Gerrard Memorial Bursary	998	-	(998)	-	-
Taunton School Scholarship and Bursary Fund	113	-	-	(113)	-
Other Restricted Funds	55	-	-	(55)	-
Total restricted funds	<u>4,943</u>	<u>-</u>	<u>(998)</u>	<u>(365)</u>	<u>3,580</u>
Endowment funds					
Ian Evans-Lombe Scholarship Fund	1,815	132	-	104	2,051
	<u>1,815</u>	<u>132</u>	<u>-</u>	<u>104</u>	<u>2,051</u>
Total funds	<u>20,793</u>	<u>31,474</u>	<u>(30,429)</u>	<u>-</u>	<u>21,838</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

	Balance at 1 September 2022 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains/ (losses) £ 000	Balance at 31 August 2023 £ 000
Unrestricted funds					
General Funds - all funds	12,895	28,643	(27,571)	68	14,035
Restricted funds					
Taunton School Foundation	1,027	481	-	-	1,508
Parental Funds	105	-	-	-	105
Taunton School Trust - Land & Buildings	1,960	-	-	-	1,960
Haynes Fund	101	-	-	-	101
Ian Evans-Lombe Scholarship Fund	38	66	-	-	104
Gerrard Memorial Bursary	998	-	-	-	998
Taunton School Scholarship and Bursary Fund	113	-	-	-	113
Other Restricted Funds	55	-	-	-	55
Total restricted funds	<u>4,397</u>	<u>547</u>	<u>-</u>	<u>-</u>	<u>4,943</u>
Endowment funds					
Ian Evans-Lombe Scholarship Fund	1,902	-	-	(87)	1,815
	<u>1,902</u>	<u>-</u>	<u>-</u>	<u>(87)</u>	<u>1,815</u>
Total funds	<u><u>19,194</u></u>	<u><u>29,190</u></u>	<u><u>(27,571)</u></u>	<u><u>(19)</u></u>	<u><u>20,793</u></u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

The specific purposes for which the funds are to be applied are as follows:

Endowment funds:

The Ian Evans-Lombe Scholarship Fund forms part of the Foundation Funds. The gift was made by the Trustees of Mr Evans-Lombe with the objective to advance the education of children who could not otherwise afford the School's education by providing for scholarships to be awarded to two pupils starting in the Lower Sixth each year.

Restricted funds:

Taunton School Foundation (TSF) - The trust is administered by a Foundation Board, who work with the Governors to promote and provide for the development of the educational facilities and activities of the School.

Taunton School Trust - The fund represents the land and property and restricted funds held by Taunton School Trust on incorporation..

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

22 Analysis of net assets between funds

Group	Unrestricted funds	Restricted funds	Endowment funds	Total funds
	General £ 000	£ 000	Expendable £ 000	at 31 August 2024 £ 000
Tangible fixed assets	25,594	1,500	2,051	29,145
Fixed asset investments	2,020	-	-	2,020
Current assets	5,775	2,080	-	7,855
Current liabilities	(11,108)	-	-	(11,108)
Creditors over 1 year	(6,074)	-	-	(6,074)
Total net assets	16,207	3,580	2,051	21,838
	Unrestricted funds	Restricted funds	Endowment funds	Total funds
	£ 000	£ 000	£ 000	at 31 August 2023 £ 000
Tangible fixed assets	22,399	1,998	1,815	26,212
Fixed asset investments	5,066	-	-	5,066
Current assets	1,014	2,945	-	3,959
Current liabilities	(10,361)	-	-	(10,361)
Creditors over 1 year	(4,082)	-	-	(4,082)
Total net assets	14,035	4,943	1,815	20,793

23 Analysis of net funds

Group	At 1	Financing	At 31 August
	September 2023 £ 000	cash flows £ 000	2024 £ 000
Cash at bank and in hand	2,723	3,357	6,080
Debt due within one year	(65)	25	(40)
Debt due after more than one year	(1,137)	10	(1,127)
Net debt	1,521	3,392	4,913

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

	At 1 September 2022 £ 000	Financing cash flows £ 000	Other non cash changes £ 000	At 31 August 2023 £ 000
Cash at bank and in hand	793	1,930	-	2,723
Debt due within one year	(20)	20	(65)	(65)
Debt due after more than one year	(595)	(608)	65	(1,137)
Net debt	179	1,342	-	1,521

24 Pension and other schemes

Defined benefit pension schemes

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 £1,626,705 (2023: £1,190,961) and at the year-end £126,542 (2023: £147,400) 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 Group operates a defined benefit pension scheme.

Support staff

The School operates a defined benefit pension scheme for its support staff, The Taunton School Final Salary Scheme, which is managed on its behalf by JLT. The scheme is funded and is contracted into the state scheme. The scheme closed to new entrants on 1 October 2001. The last formal valuation of the scheme was performed in 2021 and showed an actuarial deficit so a recovery plan has been put in place, subject to review at future funding assessments. The position at the end of 2024 is set out below.

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2023	2024
	£000	£000
Actual return less expected return on assets	(1,311)	(1,186)
Experience losses on the liabilities	(46)	514
Change in assumptions	-	-
Unrecognised surplus	257	547
Total amount recognised in the Consolidated Statement of Financial Activities	<u>(1,100)</u>	<u>(125)</u>

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2024	2023
	£ 000	£ 000
Fair value of scheme assets	4,789	5,133
Present value of defined benefit obligation	<u>(4,738)</u>	<u>(4,860)</u>
Defined benefit pension scheme surplus	<u>51</u>	<u>273</u>

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2024
	£ 000
Present value at start of year	(4,860)
Interest cost	(251)
Actuarial gains and losses	(46)
Benefits paid	<u>419</u>
Present value at end of year	<u>(4,738)</u>

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	2024
	£ 000
Fair value at start of year	5,133
Interest income	286
Return on assets less interest income	(1,311)
Employer contributions	1,100
Benefits paid	<u>(419)</u>
Fair value at end of year	<u>4,789</u>

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

Analysis of assets

The major categories of scheme assets are as follows:

	2024	2023
	£ 000	£ 000
Cash	51	73
Bonds	4,738	5,060
	<u>4,789</u>	<u>5,133</u>

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2024	2023
	%	%
Discount rate	5.00	5.40
Future pension increases	2.90	3.00
Inflation	<u>3.00</u>	<u>3.10</u>

Post retirement mortality assumptions

	2024	2023
	Years	Years
Current UK pensioners at retirement age - male	26.00	26.40
Current UK pensioners at retirement age - female	27.00	28.40
Future UK pensioners at retirement age - male	28.00	28.00
Future UK pensioners at retirement age - female	<u>30.00</u>	<u>30.00</u>

The School also operates a defined contribution pension scheme managed by The Royal London, which non-teaching staff are eligible to join. The assets of the scheme are held separately from the School. The employer's contributions matches that of the employee within the region of 5-12.5%. The cost for the year represents the School's contribution to the Scheme of £355,295 (2023: £310,276).

The School operates a defined contribution pension scheme, for teaching staff, managed by The Royal London, as an alternative to Teachers' Pension Scheme. The employers contribution is either 3%, 8% or 16.48%. As at 31 August 2024 there were 50 members and the cost for the year represents the School's contribution to the scheme of £294,194 (2023: £293,493).

Taunton School Educational Charity

Notes to the Financial Statements

Year Ended 31 August 2024

25 Obligations under leases

Operating lease commitments

At 31 August 2024 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases are as follows:

	2024	Group	2024	Charity
	£ 000	2023	£ 000	2023
		£ 000	£ 000	£ 000
Within one year	294	261	7	11
Between one and five years	772	540	5	15
After five years	300	221	-	-
	<u>1,366</u>	<u>1,022</u>	<u>12</u>	<u>25</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities: £247k (2023: £277k).

26 Related party transactions

Two (2023 - two) Governors pay for children at the School. School fees incurred by the Governors are paid on a commercial arms' length basis.

Governors' remuneration and expenses are disclosed in note 11 and key management personnel remuneration is disclosed in note 12.

Transactions with Taunton School Enterprises are disclosed in note 14.

A total of £1,003,776 (2023 - £nil) was donated to Taunton School Educational Charity by current or former trustees.

There are no other related party transactions to note.

TAUNTON SCHOOL EDUCATIONAL CHARITY

England & Wales - Charity number 1081420

Accounts



TAUNTON
— SCHOOL —

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023



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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY

ITS GOVERNORS AND
ADVISERS FOR THE YEAR
ENDED 31 AUGUST 2023

Governors

Mr Henry Keeling, Chairman (resigned 14 November 2023)
Mr Robert Aldrich
Mr Christopher Butters
Mr Philip Cooper
Brigadier (Retired) Mark Hallis
Mr Tim Hayden (resigned 27 September 2022)
Mr David Hebditch
Dr Ian Kelham
Mr Richard Kennedy, Treasurer
Reverend Nigel Manges
Rear Admiral Ian Moncrieff
Mrs Hilary Quantick (resigned 17 March 2023)
Mr Elaine Waymouth, Deputy Chairman
Mrs Sheila Wheeler
Mrs Dinah Close (appointed 26 June 2023)
Mr Matthew Pyke (appointed 26 June 2023)
Mr Mark Anderson (appointed 10 November 2023)
Mr Julian Whiteley (appointed 3 December 2022)

Registered office

Taunton School
Staplegrove Road
Taunton
TA2 6AD

Independent auditor

Crowe U.K. LLP
Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR

Bankers

HSBC Bank Plc
17 North Street
Taunton
Somerset
TA1 1NA

Solicitors

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

Insurance Broker

Marsh
Capital House
1-5 Perrymount Road
Heywards Heath
West Sussex
RH16 3SY

Company Registered Number

04005803

Charity Registered Number

1081420

GOVERNORS'S REPORT

FOR THE YEAR ENDED
31 AUGUST 2023

The Board of Governors (the 'Board'), who are Directors and Trustees of Taunton School Educational Charity (the 'Charity'), present their annual report for the year ended 31 August 2023. It is in the format prescribed by the Charities Act 2011 and the Companies Act 2006.

CONSTITUTION AND OBJECTS

Taunton School (the 'School') was founded in 1847. It is constituted as a company limited by guarantee registered in England as per the details at page 1. It is governed by its Memorandum of Association and Articles of Association reviewed and amended 11 March 2016 with a further small update in December 2020 to allow for online meetings.

The objects of the Charity are 'to promote and provide for the advancement of education by the provision of a school or such other means as the Governors shall from time to time determine'. In carrying out these objects, the Charity upholds the founding principles of the School which are rooted in the Christian faith. It recognises the particular emphasis of its 'Free Church' foundation on the importance of personal responsibility in the quest for faith, and in respect of religious traditions.

Significantly, in furthering these Objects for the public benefit, the Charity provides Taunton School organisation in 5 completely co-educational parts: the Senior School (known as Taunton School), Prep School, Pre-Prep and Nursery, Taunton School International and Taunton School International Middle School. This spans an age range from Infants to 18.

The School administers assisted places (bursaries), grants, awards and other benefactions such as scholarships and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of its objects.

STRUCTURE, GOVERNANCE AND MANAGEMENT



GOVERNING BODY

The Articles of Association sets the maximum number on the Board at 17, of which one is appointed by the Churches Advisory Panel. The remaining governors are appointed by an ordinary resolution of the Members, passed at an AGM of the Charity. Henry Keeling served as Chair of the Board throughout the year.

The Governors are the Company Directors and Trustees of the Charity, and those who have been in office for all or part of the year are listed alphabetically by surname at page 1.

OFFICERS

Chief Executive Officer - Mr J Johnson

Chief Operating Officer - Mrs N Miller (Until 28th February 2023)

Chief Operating Officer - Mrs S Reynolds (appointed 15th May 2023)

Clerk to the Governors - Mrs N Miller (until 31st August 2023)

Clerk to the Governors - Mrs S Reynolds (appointed 1st September 2023)

Taunton Preparatory School Head - Mr A Edwards (until 30th June 2023)

Taunton Preparatory School Head - Mr E Burnett (appointed 8th August 2023)

Taunton Pre-Prep and Nursery Head - Mrs L Leach (until 31st August 2023)

Taunton Pre-Prep and Nursery Head - Ms R Lewis (appointed 1st September 2023)

Taunton School International - Principal Mr A Hallworth

MEMBERSHIP

The charity has an unlimited number of members. Members are former governors and pupils of the School, over the age of 18.

GOVERNOR RECRUITMENT & TRAINING

Board vacancies are considered by the Nominations Panel, which then makes recommendations to the full Board. All prospective candidates are considered in light of the skills/experience balance required at the time which will include eligibility, diversity, personal competence, specialist skills and local availability. New governors are appointed for a term of 3 years and, subject to periodic performance review, may be re-elected for a further 4 terms. All Governors will be formally appointed by the Members at the AGM.

New Governors induction into the workings of the School includes the policies and procedures of the Board through briefings by the Chairman, Head and Clerk and through comprehensive documentation that is kept updated on the Governor's secure online portal. They also attend specialist external courses on such matters as the role and responsibilities of Charity Trustees and receive the updated Charity Governance Code as part of their induction pack. Governors have access to continuous professional development run by organisations such as the Association of Governing Bodies of Independent Schools (AGBIS) to stay abreast of current issues and regulations in the Independent Sector. All Governors are subject to DBS checks and regular associated 'Safeguarding' training. A nominated Governor has responsibility for the Safeguarding Lead on the Board.

GROUP STRUCTURE

The School has 2 wholly owned non-charitable subsidiaries, Taunton School Enterprises (TSE) Limited (company number 02846335) and Taunton School Trustees Limited (company number 06706952).

The principal activity of TSE Limited is the trading activity of the School whose annual profits are donated to the School under the Gift Aid Scheme. The principal activity of Taunton School Trustees Limited is that of a corporate Trustee of the School's defined benefit pension scheme for support staff, which closed in December 2010.

ORGANISATIONAL MANAGEMENT

As the Charity Trustees and Directors, Board members, are legally responsible for the overall management and control of the School and promotion of its long term success. The Board meets at least 3 times a year. The work of implementing its policies and specific key elements is overseen by sub-groups, most of which meet at least termly and report into the Full Board as follows:

- Finance and General Purposes Committee with decision making powers, and the following Panels with advisory status
- Human Resources and Remuneration
- Health and Safety Strategy Group.
- Debtors
- Educational Advisory
- Marketing
- Churches Advisory
- Estates
- Investment
- Appeals (convened from two or three Governors as required)
- Foundation

Other specialist working groups are set up as and when required.

Day-to-day running of the Schools is delegated to the Executive Leadership Team, which is a group drawn from Key Management Personnel. The Heads and COO attend all of the meetings of the Board and most of the meetings of the sub-groups above. Remuneration policy is set by the Board, with a policy objective of encouraging enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success.

EMPLOYMENT POLICY

The School recognises that its employees are fundamental to its success. A strategic, professional and timely approach to recruitment is used to attract and appoint employees with the necessary skills and required attributes to support the School's purpose and core values to meet the School aims.

The School is committed to ensuring that the process of safer recruitment as articulated by the Government and, selection of employees is conducted in a manner that is systematic, efficient and effective and which promotes equality of opportunity.

PUBLIC BENEFIT

The Board confirms that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT

The Board has considered the Charity Commission's current guidance on public benefit carefully. They try to ensure that the School's charitable objects are carried out for the public benefit by making sure that wherever possible, education is available to all who can draw most value from it. This is irrespective of financial circumstances since our charitable activities promote the wider education of children and access is not restricted solely by the ability to pay fees. The School's facilities are also made available as far as possible to other local schools and the wider community.

The Board remains committed to providing public benefit which is, in itself, in accordance with the School's founding principles. To this end the School cooperates with local charities and educational bodies in an ongoing endeavour to widen public access to it. It also seeks to optimise the use of the School's cultural and sporting facilities and to awaken in the School's own pupils an awareness of the social context of the all-round education they receive at the School.

TAUNTON SCHOOL FOUNDATION

The Foundation continues to maintain the connection between the School and its alumni as well as raising vital funds to support capital projects and means-tested Assisted Places at Taunton School. The majority of our donations come from alumni, but we also receive funds from parents, staff and the wider community. In the 12-month period to 31 August 2023, voluntary donations totalled £441,136. Of these funds, the majority were given towards our means-tested Assisted Places, which transform the lives of children who otherwise could not attend a school like Taunton. The remainder of our donations were designated towards enabling projects for our Campus Masterplan. These included the new Green Heart, a living corridor of plants and trees that link the Prep and Senior School, and the movement of the Carrington Library to the heart of our campus. A new Sixth Form Centre was also completed, with donors choosing to sponsor specific desks and study pods, creating an academic environment where older pupils can work both independently and collaboratively.

The School did not employ any external fundraisers during the year and is not registered with the Fundraising Regulator but is committed to 'good fundraising practices'. The School is a member of the Institute of Development Professionals in Education (IDPE) and actively collaborates with professional bodies in the sector. There are no instances to report of the School failing to comply with fundraising standards and the School received no formal complaints about its fundraising activity during the year. The School adheres to the General Data Protection Regulation (GDPR) and only contacts those for whom our communication will be relevant and of interest.

GRANT MAKING POLICY

Opportunity to benefit from the School's Grants of Assisted Places (also sometimes referred to as bursaries) is not subject to geographical or other restrictions such as the ability to pay fees. Accordingly, no one is excluded from this opportunity. The Board takes the view that those pupils who attend the School and who receive financial support, contribute positively to the School community in a variety of ways. Accordingly, the benefit accrues not only to these pupils, but to the whole School ethos and inclusivity and, in some cases, to the wider community.

In the 12-month period to 31 August 2023, a total of £1,777,969 (2022: £1,727,635) was spent on means-tested assisted places/bursaries. This is the equivalent of 81 full Senior School-day fees and 5.6% of gross fee income. 213 pupils (2022: 232) received assistance with school fees. In the current academic year (2023/2024), it is estimated that 230 pupils will receive assisted places bursaries totalling £1,836,549.

GRANT MAKING POLICY (CONTINUED)

The School's assisted places/bursary expenditure is summarised below:

	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
Assisted Places/Bursary recipients	213	232	292	258	252	233
Value of awards	£1,777,969	£1,712,287	£1,866,726	£1,701,122	£1,638,089	£1,348,710
Average value (£)	£8,346	£7,380	£6,393	£6,606	£6,500	£5,788
Average value (%)	38.1%	35.4%	31.8%	32.9%	33.5%	30.0%



STRATEGIC REPORT OBJECTIVES AND ACTIVITIES

CHARITABLE OBJECTS

The Objects of the School are in the Articles of Association dated 4 December 2020.

Principally:

To promote and provide for the advancement of education by the provision of a school or such other means as the Governors shall from time to time determine provided always that:

- In admitting pupils to the School, the Governors must exercise (all other things being equal) a preference in favour of sons and daughters of members of the free Churches; and
- In carrying out its objects, the Charity shall uphold the founding principles of the School which are rooted in the Christian faith and recognise the particular emphasis on its Free Church foundation and the importance of personal responsibility in the quest for faith, and respect for all religious traditions.

To these ends the School:

- Provides an education for children aged 0 to 18 years;
- Provides substantial financial support towards fee remission;
- Has a continuous programme of maintenance, building and technology refurbishment and development;
- Allows controlled access by the public to its grounds, buildings and facilities generally;
- Holds a variety of religious services on weekdays and on Sundays in the Chapel;
- Provides a wide range of sporting and cultural facilities, many of which are available to children from other local schools and which are also made available to members of the public where appropriate;
- Supports the wider community by 'community service' and other activities; and
- Demonstrates significant public benefit through its academic and other activities as described in paragraphs (i) to (vii) above.

AIMS AND TARGETS

Within these objects the School aims to meet its publicly stated purpose by providing outstanding and innovative teaching and developing a culture which uses technology to drive forward teaching and learning.

Pupil and staff well-being is central to all that we do and the School aims to encourage, train and develop confident, enthusiastic and well-rounded young people who are able to form meaningful relationships with others in an international arena, irrespective of circumstance.

The School has identified its strategic objectives for the present and coming years as:

- Continuous investment in our facilities and infrastructure to provide the best possible opportunity to 'find your exceptional' and to secure Taunton School's place as a school of choice, both in the UK and Worldwide, for generations to come.
- Continue to deliver public benefit through partnerships and assisted places.
- Maintain a secure financial position;
- Deliver the next stages of the School's estate master plan.
- Prepare the Taunton School Final Salary Pension Scheme for buyout;
- Continue to develop the digital strategy;
- Increasing non-fee generated income through commercial activities;
- Reducing costs where they do not add value to the educational journey, pastoral needs and opportunities for our young people;
- Develop a plan to achieve Net Zero by 2050, starting with fully understanding the School's emissions and setting sustainable goals.

RISK MANAGEMENT

PRINCIPAL RISKS AND UNCERTAINTIES

The Head and Chief Operating Officer, under the oversight of the Chair of Governors, are responsible for the identification and management of the risks faced by the School. A formal review of the School's risk management appetite and processes is made annually. The Board consider the present economic impact of the crisis in Ukraine and the current ongoing inflationary cost of living crisis to be the principal risks faced by the School. Other risks that may carry significant impact include the possibility of VAT on school fees and the likely removal of Business rates relief for independent schools. Pupil safeguarding as well as health, safety and security are an ever-present significant area for risk management that are monitored astutely.

Through its internal management structures, the School has carried out a wide-ranging examination of the risks in the principal areas of the School's operations and other activities. The Board has reviewed these critically and satisfied itself that the major risks identified have been mitigated to a level as low as reasonably practical commensurate with available resources.

Key controls used by the Charity in the whole area of Risk Management include:

- Well-publicised policies and procedures, as required by law for the safeguarding and protection of children, including procedures for the safer recruiting and vetting of staff, volunteers and contractors;
- Clear health and safety policies overseen by an active committee;
- Formal agendas for all Committees, Panels and Board of Governors activities;
- Detailed Terms of Reference for all Committees and Panels;
- Comprehensive strategic planning, budgeting and management accounting;
- Fully documented roles and responsibilities of the Governors, Head and TPS Head and other members of senior management;
- Formal written policies, processes and procedures that are subject to audit;
- Clear written delegation in authorisation and approval levels.

All of the above are subjected to periodic staff and Governor Review to maintain their currency.



STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Board is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and UK Generally Accepted Accounting Practice (UK GAAP). Company Law requires financial statements to be prepared for each financial year.

Under Company Law, the Board must only approve the financial statements if they are satisfied that they give a true and fair view of the state of affairs of the Charity and the group and of the incoming resources and the application of resources. This includes the income and expenditure of the charitable group, for that period.

In preparing the financial statements, the Board has met its requirements to:

- Select the most suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments 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; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

And its responsibility for:

- Keeping adequate accounting records that are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable the Board to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Charity's constitution.
 - Safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- Having done so, and, insofar as each of the Governors, as members of the Board is aware, at the date of approval of this report, there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each member of the Board has taken all the steps that he or she should have taken in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.



ACHIEVEMENTS AND PERFORMANCE

STAKEHOLDER ENGAGEMENT AND SECTION 172 STATEMENT

The Governors consider that they have fulfilled their duties in accordance with section 172 of the U.K. Companies Act 2006 and have acted in a way in which is most likely to promote the long-term success of the School for the benefit of its stakeholders as a whole in the following ways.

ACADEMIC RESULTS

Taunton School continues to offer three pathways of Sixth Form study: A levels, International Baccalaureate Diploma Programme and two BTEC courses (Extended Diploma in Sport and Exercise Sciences and Diploma in Business). We firmly believe that this allows us to find the right academic pathway for the students in our care. Student tracking against baseline data is a critical part of our goal to add significant value to every student. This year was the first year of public exams, with the usual grade profile distribution, since 2019.

66%

of all grades in the Sixth Form were at the equivalent of A*-B (A level), 5-7 (IB Higher Level) or Distinction*.

Distinction (BTEC Diploma)

52%

of GCSE grades were 9-7, and the pass rate (grades 9-4) was 95%.

As a non-selective school, we are extremely proud of all students' attainments, not just those achieving top grades.

The School careers advice offered to the students is a particular strength. With a very diverse student body, bespoke guidance on course and country requirements is tailored and offered on an individual basis. The vast majority of students achieve the grades that they need to take up their place at their first choice of University, 75% in 2023.

Our academic programme extends beyond the classroom and students have enjoyed a full range of presentations, lectures and trips, which have enhanced their learning. Friday morning scholars' talks, open to everybody, are a particular highlight and often discuss challenging existential topics, as do Friday night Burke debates for senior students.



Taunton Prep School is all about breadth. Academically, it continues to offer a broad range of subjects which are underpinned by modern approaches to teaching and learning. Up to year 5 a creative curriculum is followed and from year 6, pupils then move into specialist teaching groups. Since 2021-22 we have underpinned this with a whole school digital strategy which ensures a consistent pathway of apps and platforms which are used. With staff increasingly at ease with these benefits we are now seeing the consistent use of devices to enhance teaching and learning. Digital learning platforms need to be used alongside more traditional methods of learning so the move to 60 minute lessons at the start of September 2023 has made it easier to use a hybrid approach in class. 60 minute lessons have also allowed the school to increase curriculum time. In 2022-23 we commented on the significant benefits seen from a Maths curriculum review which focused further on the development of problem-solving and reasoning skills. In Maths, the standardised test results over the past three years put the average Year 8 pupil in the top 16% in the country, and the results also indicated that over half of the pupils are on track to obtain a 7, 8 or 9 at GCSE. This year we are going through the same process with the English curriculum as we build on the literacy review in conjunction with the Literacy Tree last year.

A key role of the prep school is to ensure they are ready to thrive in the senior school. The Year 8 Summer exams provide our pupils with a 'gold standard' to aim for which, if attained, puts them right at the top of National Prep School standards. In 2023 the results from the year 8 exams showed a continued

improvement from 2022 and we are now in touching distance of 50% of all year 8 exams being graded between 7-9. These results show a significant level of added value.

In the wider spheres of personal development the pupils have an incredible array of co-curricular opportunities to enjoy and to learn from: breadth and character development remain very much at the heart of the Prep School experience. This year we have launched a bespoke leadership programme which links pupil development to the Taunton values of humility, engagement and kindness. All year 7s and 8s use regular diary entries and self-reflection to learn and develop their leadership skills, a process which eschews the principles of the IB diploma core curriculum and the importance of an inquiry based approach to learning.

At the prep school we firmly believe that what happens outside the class is as important as what happens inside the class (and that the two complement and enhance one another). With over 70 different clubs and activities during the year the pupils are able to 'find their exceptional'. Finding the thing you love, that shapes you and builds your sense of identity and self-confidence comes from the skill and commitment of the staff who have ensured excellence through inclusion – for example, the school has 84 sports teams, 904 fixtures during the year with every pupil consistently representing the school – and excellence through achievement with 6 European medals, 7 national titles, 15 national medallists and 12 county cup winners.



ACADEMIC RESULTS

Pre-Prep and Nursery continues to be an exciting learning environment for children. The performing arts curriculum has been developed to great effect. The arts café is a particular highlight, giving children the opportunity to perform in front of an audience and develop their love for dance, music, speech and drama.

Forest School provision continues to progress for all year groups, promoting teamwork, developing resilience and fostering a love for the outdoors and nature. CPD remains a priority in enabling staff to facilitate the very best learning opportunities. Nursery staff attended the Nursery World Exhibition in London where they accessed training in risky play and storytelling. This has been shared with the wider staff body back at school and implemented into our provision. Pupil numbers in nursery remain high with a waiting list in operation for NI-N3.

Taunton School International offers 3 academic programmes; a one- and two-year GCSE/pre-IB programme (for 14 – 16 year olds), a Pre-Foundation Year in Business, Economics and Maths (for 16 – 17 year olds) and an International Foundation Year in Business, Economics, Maths and EAP (for 17 – 18 year olds). The School is a market leader in its one-year GCSE provision, having offered this particular course for over 25 years. In August 2023, TSI achieved an 80% GCSE pass rate (9-4) with 40% of the total grades at 9-7. Students are able to select from more than 20 different subjects at GCSE level.

In 2019, TSI introduced a one- or two-year Business Foundation Programme and this year, we saw several of our students securing places at Russell Group universities including Bristol and Manchester. All students at TSI are taught in small classes, enabling them the extensive teacher support that is required on such intensive academic programmes. TSI has a spread of nationalities with over 25 countries represented, approximately 10% of the cohort being British passport holders.

Taunton School International Middle School provides international students between the age of 7 and 14 years with the appropriate and relevant education, co-curricular and pastoral support they need to enter Taunton Prep School, Senior School or TSI, depending on their age and level of English. Those not entering another section of Taunton School are ideally equipped to go to another British independent school. Specialist teachers offer an extensive curriculum, which is closely linked to the curricula at the Senior School, Prep School and TSI in order to facilitate the transfer of students from one section of the School to another.

GROUP FINANCES

The principal funding sources for the Charity are school fees and income generated by many other educational and non-educational activities. The latter are carried out by the Charity's trading company, Taunton School Enterprises Ltd (TSE) which, as described above, passes all its profits to the School. The year's expenditure has continued to support the Charity's key objectives by operating the School and investing in its development.

The Group's finances remain strong with total incoming resources of £29.2m (2022: £25.3m), net incoming resources of £169.1k, (2022 net incoming resources: £1516k); and total reserves of £20.7m (2022: £19.2m) after making capital additions of £1.5m (2022: £2.5m). The Charity continued to invest significantly in the site, with the majority of expenditure on a new Sixth Form centre and library that opened in September 2022.

We have prepared a number of scenarios that consider our cash position, sources of income and planned expenditure. These scenarios consider reduced pupil numbers, delayed fee payment, reduced fees and potential bad debts as well as impact on costs from the measures taken so far. Sensitivity around these assumptions has also been considered in our forecasting. Results of this cash flow and sensitivity analysis indicate that the cash reserves of the Charity are adequate to meet the Charity's obligations as they fall due.

Correspondingly, the trustees consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

INVESTMENT POLICIES, OBJECTIVES AND PERFORMANCE

The Investment Panel advises on the investments and monitors the performance of funds on behalf of the School, the Foundation and the Evans-Lombe Fund. At the year end the total funds invested were £51m (2022: £5.2m).

The Investment Panel reports to the Board of Governors and the Trustees of the Evans-Lombe Fund, having taken appropriate and professional advice. The Board and Trustees have set a target of 5% income and fund growth to sustain the value of the capital. The School also holds some restricted funds in recognised charitable investment funds with CCLA and some on deposit awaiting investment. The Board is satisfied with the return on these funds in the prevailing financial climate.



SECR ENERGY USE AND CARBON EMISSIONS DISCLOSURE

Taunton School Educational Charity disclose our energy use and greenhouse gas emissions that Taunton School are responsible for in line with the requirements of the Companies Act 2006 (Strategic and Directors' Reports) Regulations 2013 and latest 2018 regulations.

	Energy Use (kWh)				Carbon Emissions (tCO2e)				
	2022-23 (Current)	2021-22	2020-21	2019-20 (Baseline)	2022-23 (Current)	2021-22	2020-21	2019-20 (Baseline)	Change (Baseline - Current)
Electricity	1,862,819	2,328,774	365.74	450.34	676.15	364.24	676.15	676.15	-43%
Gas	3,273,430	5,128,089	598.81	923.06	1,014.94	1,014.94	917.45	917.45	-35%
Transport Fuels	1,030,610	944,863	246.43	228.34	116.89	116.89	115.37	115.37	114%
Gross Annual Total	6,166,859	8,401,726	1,230.98	1,601.74	1,496.07	1,496.07	1,708.97	1,708.97	-28%
Intensity Metric (No of Pupils)	1166	1270	1166	1270	1195	1195	1156	1156	1%
Total tCO2e/Pupils	0.73	1.26	0.73	1.26	1.25	1.25	1.48	1.48	-51%
Qualifying Green Tariff	-	-	385.74	-	-	-	-	-	-
Net Annual Total	6,185,885	8,401,726	849.85	1,601.74	1,496.07	1,496.07	1,708.97	1,708.97	-50%

Table 1: Primary Statement for the Financial Year ending 31st August 2023.

Baseline Year

This is the fourth year of GHG reporting. 2020/2021 was the baseline year which fell during the COVID-19 pandemic and as such comparisons to this and future years may be skewed.

Targets

Carbon targets have not been developed for the current reporting period but are currently in development.

Intensity Measurement

The intensity metric chosen is average pupil numbers as at the 31 August 2023. This metric was chosen as the organisation's carbon emissions are closely linked to pupil activity

Carbon Offset

Taunton School now have qualifying carbon offsets during this financial period and procure qualifying green or renewable tariffs for the supply of electricity or gas.

FUTURE PLANS

The School's strategy is to maintain a strong financial position by delivering clear evidence of a consistently first- class education matched with demonstrably outstanding pastoral support.

To do this, it is building a healthy recruitment pipeline, controlling costs and using the facilities for the public benefit year on year. This generates sufficient resources to invest in the School's infrastructure, supporting the strategy of building on existing resources and foundations and making every penny count directly towards the School's purpose and its non- selective basis.

Accordingly, the priorities for resource allocation agreed by the Board are based on improving and enhancing the existing infrastructure estate and the objectives are to:

- Be an outstanding School of choice by evidence of its educational and pastoral experience for all pupils;
- Continue a strong financial performance to fully resource the operation of the School and its development and continuance of long term success;
- Increase and plough back investment in maintenance and new facilities over the next three years;
- Always be compliant with legislation and best practice wherever it may be identified to provide a safe, happy and purposeful education;
- Invest in staff training and development to attract and retain the best staff.

The School is reviewing its needs and opportunities to continue to develop its estate to maximise advantage. As the strategy is reviewed, more projects will be considered by the Board in due course.

Approved by order of the members of the board of Governors and signed on their behalf by:

Mr Richard Kennedy
Treasurer



Date: 29th April 2024



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
TAUNTON SCHOOL
EDUCATIONAL
CHARITY



OPINION

We have audited the financial statements of Taunton School Educational Charity (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 August 2023 and of the Group's 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Governors' 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 Group's or the parent 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 Governors 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 Governors 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 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 this gives rise to 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- The information given in the Governors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- The Governors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of 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 Governors' Report including the Strategic Report.

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

- The parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Governors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.





RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Governors' responsibilities statement, the Governors (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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the Group's and the parent 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 Governors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so. ShapeAuditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, together with the Charities SORP (FRS 102) and employment legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and Safety legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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of management, and the Finance and General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed non-compliance our audit in accordance with auditing standards. For example, the further removed with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Non-compliance We are not responsible for preventing non-compliance and cannot be expected to detect with all laws and regulations.

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. This description forms part of our Auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members 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.


Guy Biggin

Crowe U.K. LLP Statutory Auditor

St James House, St James Square Cheltenham GL50 3PR

Date: 31/05/2024

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING
INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED
31 AUGUST 2023





	Note	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2023	Total funds 2022
		2023	2023	2023	£000	£000
Donations and legacies	6	-	441.3	-	441.3	208.7
Charitable activities:	4					
School fees		25,705.8	-	-	25,705.8	22,612.6
Other educational income		1,776.4	-	-	1,776.4	1,362.8
Other ancillary trading income		3.2	-	-	3.2	28.5
Other trading activities	7	1,158.0	-	-	1,158.0	1,031.8
Investments	8	-	105.3	-	105.3	63.6
Total income and endowments		28,643.4	546.6	-	29,190.0	25,328.0
		Expenditure on:				
Raising funds:	9,10					
Non-ancillary trading expenses		585.8	-	-	585.8	434.0
Financing costs		146.0	-	-	146.0	119.1
Charitable activities:	11					
Education and grant making		26,839.1	-	-	26,839.1	23,258.7
Total expenditure		27,570.9	-	-	27,570.9	23,811.8
Net income before net gains/(losses) on investments		1,072.5	546.6	-	1,619.1	1,516.2
Net gains/(losses) on investments		678	-	(870)	(19.2)	(227.8)
Net movement in funds		1,140.3	546.6	(870)	1,599.9	1,288.4
		Reconciliation of funds:				
Total funds brought forward		12,894.7	4,396.6	1,902.2	19,193.5	17,905.1
Net movement in funds		1,140.3	546.6	(870)	1,599.9	1,288.4
Total funds carried forward		14,035.0	4,943.2	1,815.2	20,793.4	19,193.5

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 46 to 76 form part of these financial statements.

CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2023

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:

Mr Richard Kennedy

Treasurer

Date: 29th April 2024



The notes on pages 46 to 76 form part of these financial statements.

	Note	2023 £000	2022 £000
		Fixed Assets	
Tangible assets	14	26,212.4	25,940.9
Investments	15	5,065.9	5,152.5
Total	-	31,278.3	31,093.4
		Current assets	
Stocks	16	199.2	168.0
Debtors	17	1,036.5	966.4
Cash at bank and in hand		2,722.9	793.4
Total		3,958.6	1,927.8
Creditors: amounts falling due within one year	18	(10,361.4)	(9,982.8)
Net current liabilities		(6,402.8)	(8,055.0)
Total assets less current liabilities		24,875.5	23,038.4
Creditors: amounts falling due within one year	19	(4,082.1)	(3,844.9)
Total net assets		20,793.4	19,193.5
		Charity funds	
Endowment funds	22	1,815.2	1,902.2
Restricted funds	22	4,943.2	4,396.6
Unrestricted funds	22	14,035.0	12,894.7
Total		20,792.6	19,193.5

COMPANY BALANCE SHEET

AS AT 31
AUGUST 2023





COMPANY BALANCE SHEET AS AT 31 AUGUST 2023

The Company's net movement in funds for the year was £1,600 (2022 -£1,286).

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:

Mr Richard Kennedy
Treasurer
Date:

The notes on pages 46 to 76 form part of these financial statements.

	Note	2023 £000	2022 £000
		Fixed Assets	
Tangible assets	14	26,199.7	25,936.2
Investments	15	5066.0	5,152.6
Total	-	31,265.7	31,088.8
		Current assets	
Stocks	16	187.9	155.0
Debtors	17	1,008.1	958.6
Cash at bank and in hand		2,699.6	764.0
Total		3,895.6	1,877.6
Creditors: amounts falling due within one year	18	(10,264.0)	(9,906.2)
Net current liabilities		(6,368.4)	(8,028.6)
Total assets less current liabilities		24,897.3	23,060.2
Creditors: amounts falling due within one year	19	(4,082.1)	(3,844.9)
Total net assets		20,815.2	19,215.3
		Charity funds	
Endowment funds	22	1,902.2	1,902.2
Restricted funds	22	4,877.2	4,396.6
Unrestricted funds	22	14,035.8	12,916.5
Total funds		20,815.2	19,215.3

CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31
AUGUST 2023



CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Net cash used in operating activities	25	2,771.6	5,330.3
Cash flows from operating activities			
Dividends, interests and rents from investments		39.3	63.6
Proceeds from the sale of tangible fixed assets		197.1	-
Purchase of tangible fixed assets		(1,587.4)	(2,500.4)
Proceeds from sale of investments		490.2	2,393.4
Purchase of investments		(422.8)	(2,462.9)
Net cash used in investing activities		(1,283.6)	(2,506.3)
Cash flows from financing activities			
Cash inflows from new borrowing		6,075	450.0
Repayments of borrowing		(20.0)	(186.9)
Finance costs paid		(146.0)	(119.1)
Net cash provided by financing activities		4,415	143.0
Change in cash and cash equivalents in the year		1,929.5	2,967.0
Cash and cash equivalents at the beginning of the year		793.4	(2,173.6)
Cash and cash equivalents at the end of the year	26	2,722.9	793.4

The notes on pages 46 to 76 form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR
ENDED 31
AUGUST 2023



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1. GENERAL INFORMATION

Taunton School Educational Charity (the 'School') was incorporated in England and Wales as a company limited by guarantee (registered no. 04005803) on 1 June 2000 and has no share capital. The School is also registered with the Charity Commission (registered no. 1081420). The registered and principal office of the School is Taunton School, Taunton, Somerset, TA2 6AD.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Taunton School Educational Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line-by-line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

2.2 GOING CONCERN

The School depends on its existing bank facilities to meet its day to day working capital requirements. Current forecasts indicate that the School expects to be able to operate within these facilities for the whole of the foreseeable future. These facilities are renewed annually and are not guaranteed for the period covered by the going concern review. The Trustees are not aware, however, of any circumstances that may adversely affect the renewal of these facilities.

2.3 TANGIBLE FIXED ASSETS AND DEPRECIATION

The Charity's Land and Buildings are vested in Taunton School Trust, a restricted fund.

Tangible fixed assets are stated at historical cost and subsequently depreciated to their estimated net realisable value over their useful lives. Even so, the School operates a formal programme of maintenance that includes routine building work written off in the Statement of Financial Activities in the period concerned. Land is not depreciated.

Major items of expenditure on buildings and assets over £1,000 are capitalised. To the extent that refurbishment work is considered to improve and thus add a commensurate value to the building, such refurbishment costs are also capitalised and depreciated as appropriate.

Depreciation is provided on the following bases:

- Buildings, improvements and extensions: 5 - 50 years
- Furniture and equipment: 3 - 25 years

2.4 INVESTMENTS

Fixed Asset Investments are stated at market value. Income from Fixed Asset Investments and the related tax credit are recognised in the Statement of Financial Activities in the period to which they relate. Where the market value of investments differs from the historic cost, the difference is recognised as an unrealised gain/loss in the Statement of Financial Activities. Where the investment has been sold, this is recognised as a realised gain/loss. The investment in the subsidiary is held at cost.



2.5 STOCKS

Stocks are valued at the lower of cost or net realisable market value.

2.6 INCOME

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the Charity against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Charity is considered probable. Voluntary income for the Charity's general purposes is accounted for as unrestricted. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.7 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of

2.8 GOVERNANCE COSTS

Governance costs comprise the expenses of running the charity, including the support for the Governors, induction, training and meetings. The costs include associated legal advice and the audit costs.

2.9 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight-line basis over the lease term.

2.10 FINANCE LEASES

Assets held under finance leases and the related lease obligation are included at the fair value of the leased assets at the inception of the lease. Depreciation on leased assets is calculated to write off this amount on a straight line basis over the shorter lease term and the useful life of the asset. Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligation for future amounts payable so that the charge for each accounting period is a constant percentage of the remaining balance of the capital sum outstanding.

2.11 TAXATION

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.12 PENSIONS

The Teachers' Pension Scheme is a multi-employer pension scheme. It is not possible to identify the Schools' share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The Schools' contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The charity contributes to the Pensions Trust Growth Plan for certain of its employees. This is in most respects a money purchase arrangement, but does not include certain guaranteed benefit elements. The Plan is a multi-employer scheme as it is not possible in the normal course of events to identify the share of underlying assets belonging to the individual participating employers and accordingly, in accordance with FRS 102, is accounted for as a defined contribution scheme with contributions being recorded as they become payable.

The Taunton School Final Salary Pension Scheme is a defined benefit scheme. The defined benefit pension scheme current service costs are charged to the Statement of Financial Activities within staff costs. The expected return on the scheme assets less the scheme interest costs are credited within other interest. The scheme actuarial gains and losses are recognised immediately as other recognised gains and losses. The defined benefit scheme assets are measured at fair value at the Balance Sheet date. The scheme liabilities are measured on an actuarial basis at the Balance Sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the Balance Sheet.

The School operates a defined contribution pension scheme, for teaching staff, managed by The Royal London, as an alternative to Teachers' Pension Scheme. The employer's contribution is either 8% or 16.48%.

2.13 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.



resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2. ACCOUNTING POLICIES (CONTINUED)

2.14 COMMITMENTS

Capital expenditure contracted for by the year end, for which no services or goods have been received, is disclosed by way of a note but no provision is made in the financial statements for such amounts.

2.15 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds and Endowed funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs 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.

Investment income, gains and losses are allocated to the appropriate fund.

2.16 REDUNDANCY

Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy has been made.

2.17 FINANCIAL INSTRUMENTS

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts

for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

2.18 SIGNIFICANT ESTIMATES AND JUDGEMENTS

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of tangible fixed assets

The annual amortisation and depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 16 and 17 for the carrying amount of the tangible assets and note 2.3 for the useful lives for each class of asset.

Impairment of debtors

The School 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 18 for the net carrying amount of the debtors and associated impairment provision.



3. INCOME FROM SCHOOL FEES

	2023 £000	2022 £000
The School's fee income comprised:		
Gross fees	31,450.5	28,305.6
Less: Total bursaries, grants and allowances	(5,834.8)	(5,798.9)
Add back: Scholarships, grants and bursaries from restricted and endowed funds	90.1	105.9
Total	25,705.8	22,612.6

In 2023 and 2022, of the total income from School fees all were unrestricted

4. INCOME FROM OTHER EDUCATIONAL CHARITABLE ACTIVITIES

	2023 £000	2022 £000
Entrance and registration fees	58.9	73.0
Other charges to pupils	560.8	515.2
Courses and sub-lettings	1,156.7	794.6
Total	1,776.4	1,382.8

In 2023 and 2022, of the total income from other educational charitable activities receivable all were unrestricted.

5. INCOME FROM OTHER ANCILLARY TRADING ACTIVITIES

	2023 £000	2022 £000
Other Income	3.2	28.5
Total	3.2	28.5

In 2023 and 2022, of the total income from other ancillary trading activities all were unrestricted.

6. INCOME FROM DONATIONS AND LEGACIES

	Restricted Funds 2023 £000	Total Funds 2023 £000	Total Funds 2022 £000
Donations	441.3	441.3	208.7
Total 2022	208.7	208.7	

7. INCOME FROM OTHER TRADING ACTIVITIES INCOME FROM NON ANCILLARY TRADING ACTIVITIES

	Unrestricted Funds 2023 £000	Total Funds 2023 £000	Total Funds 2022 £000
Taunton School Enterprises Limited	275.5	275.5	231.3
School shop	451.0	451.0	416.1
Swim school	320.1	320.1	256.1
Fees in lieu	111.4	111.4	128.3
Total	1,158.0	1,158.0	1,031.8
Total 2022	1,031.8	1,031.8	

8. INVESTMENT INCOME

	Restricted Funds 2023 £000	Total Funds 2023 £000	Total Funds 2022 £000
Interest received	105.3	105.3	63.6
Total 2022	63.6	63.6	

9. EXPENDITURE ON RAISING FUNDS NON-ANCILLARY TRADING EXPENSES

	Unrestricted Funds 2023 £000	Restricted Funds 2023 £000	Total Funds 2023 £000	Total Funds 2022 £000
Trading expenses	583.6	-	583.6	432.1
Trading expenses - depreciation	2.2	-	2.2	1.9
Total	585.8	-	585.8	434.0
Total 2022	323.0	111.0	434.0	

10. INVESTMENT MANAGEMENT COSTS

	Unrestricted Funds 2023 £000	Total Funds 2023 £000	Total Funds 2022 £000
Loan interest payable	146.0	146.0	119.1
Total 2022	119.1	119.1	

11. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES SUMMARY BY EXPENDITURE TYPE

	Staff Costs 2023 £000	Depreciation 2023 £000	Other Costs 2023 £000	Total 2023 £000	Total 2022 £000
Teaching	12,380.5	-	906.7	13,287.2	11,920.8
Premises	1,526.2	1,118.8	2,733.2	5,378.2	4,738.1
Welfare	1,542.3	-	1,163.9	2,706.2	2,403.3
Support costs of schooling and governance costs	2,240.2	-	3,137.2	5,377.4	4,090.6
Grants and awards	-	-	90.1	90.1	105.9
Total	17,689.2	1,118.8	8,031.1	26,839.1	23,258.7
Total 2022	15,877.5	1,047.1	6,334.1	23,258.7	

11. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES GOVERNANCE INCLUDED IN SUPPORT COSTS

	Total Funds 2023 £000	Total Funds 2022 £000
Staff costs	216.0	153.5
Governors liability insurance	0.7	0.6
Auditor's remuneration	31.4	27.4
Auditor's remuneration - non audit services	16.0	5.6
Office costs	5.2	4.1
Total	269.3	191.2

11. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES SUMMARY BY FUND TYPE

	Unrestricted Funds 2023 £000	Restricted Funds 2023 £000	Total Funds 2023 £000	Total Funds 2022 £000
Teaching	13,287.2	-	13,287.2	11,920.8
Premises	5,378.2	-	5,378.2	4,738.1
Welfare	2,706.2	-	2,706.2	2,403.3
Support costs of schooling and governance costs	5,377.4	-	5,377.4	4,090.6
Grants and awards	90.1	-	90.1	105.9
Total	26,839.1	-	26,839.1	23,258.7
Total 2022	23,190.7	66.0	23,256.7	

12. STAFF COSTS

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Wages and salaries	14,525.2	13,008.5	14,525.2	13,008.5
Social security costs	1,331.6	1,221.4	1,331.6	1,221.4
Contribution to pension schemes	1,832.4	1,647.6	1,832.4	1,647.6
Total	17,689.2	15,877.5	17,689.2	15,877.5

During the year there were redundancy or termination payments made which amounted to £73.4k (2022: £18.2k).

The average number of persons employed by the Company during the year was as follows:

	Group 2023 No.	Group 2022 No.
Wages and salaries	354	316
Contribution to pension schemes	274	251
Total	628	567

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	9	7
In the band £70,001 - £80,000	6	1
In the band £80,001 - £90,000	-	3
In the band £90,001 - £100,000	2	1
In the band £110,001 - £120,000	1	1
In the band £120,001 - £130,000	1	-
In the band £140,001 - £150,000	1	-
In the band £170,001 - £180,000	-	1



13. GOVERNORS' REMUNERATION AND EXPENSES

During the year, no Governors received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, expenses totalling £14.5k were reimbursed or paid directly to Governors for expenditure such as travel and subsistence for all of the trustees (2022: 4.8k).



14. TANGIBLE FIXED ASSETS GROUP

	Freehold property £000	Equipment £000	Assets under construction £000	Total £000
At 1 st September 2022	31,656.6	3,819.5	436.3	35,912.4
Additions	153.2	40.8	1,196.4	1,390.4
Transfers between classes	971.7	68.7	(1,040.4)	-
At 31 st August 2023	32,781.5	3,929.0	592.3	37,302.8
			Depreciation	
At 1 st September 2022	6,966.4	3,005.2	-	9,971.6
Charge for the year	889.8	229.0	-	1,118.8
At 31 st August 2023	7,856.2	3,234.2	-	11,090.4
			Net book value	
At 31 st August 2023	24,925.3	694.8	592.3	26,212.4
At 31 st August 2022	24,690.2	814.4	456.3	25,940.9

14. TANGIBLE FIXED ASSETS COMPANY

	Land and buildings £000	Equipment £000	Assets under construction £000	Total £000
At 1 st September 2022	31,644.9	3,555.9	436.3	35,637.1
Additions	153.2	30.6	1,196.4	1,380.2
Transfers between classes	971.7	68.7	(1,040.4)	-
At 31 st August 2023	32,769.8	3,655.2	592.3	37,017.3
			Depreciation	
At 1 st September 2022	6,954.7	2,746.2	-	9,700.9
Charge for the year	889.8	226.9	-	1,116.7
At 31 st August 2023	7,844.5	2,973.1	-	10,817.6
			Net book value	
At 31 st August 2023	24,925.3	682.1	592.3	26,199.7
At 31 st August 2022	24,690.2	809.7	436.3	25,956.2

15. FIXED ASSETS INVESTMENTS GROUP

	Other fixed asset investments £000	Cost or valuation	Net book value
At 1 st September 2022		5,152.5	5,065.9
Additions		422.8	5,065.9
Disposals		(490.2)	5,065.9
Revaluations		(19.2)	5,065.9
At 31 st August 2023		5,065.9	5,065.9
At 31 st August 2023			5,065.9
At 31 st August 2022			5,152.5

15. FIXED ASSETS INVESTMENTS COMPANY

	Investments in subsidiary companies £000	Other investments £000	Total £000
At 1 st September 2022	0.1	5,152.5	5,152.6
Additions	-	422.8	422.8
Disposals	-	(490.2)	(490.2)
Revaluations	-	(19.2)	(19.2)
At 31 st August 2023	0.1	5,065.9	5,066.0
		Net book value	
At 31 st August 2023	0.1	5,065.9	5,066.0
At 31 st August 2022	0.1	5,152.5	5,152.6

15. FIXED ASSETS INVESTMENTS ANALYSIS OF FIXED ASSET INVESTMENTS

	2023 £000	2022 £000
Quoted investments at market value	4,966.2	4,961.4
Cash at brokers	99.7	191.1
Total	5,065.9	5,152.5

Historical cost of quoted investments was £3,547.5k.

15. FIXED ASSETS INVESTMENTS PRINCIPLE SUBSIDIARIES

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Class of shares	Holding
Taunton School Enterprises Limited	02846335	Taunton School, Staplegrove Limited Road, Taunton, TA2 6AD	£1 Ordinary	100%
Taunton School Trustees Limited	06706952	Taunton School, Staplegrove Limited Road, Taunton, TA2 6AD	£1 Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income	Expenditure £000	Profit/(Loss) / Surplus/ (Deficit) for the year £000	Net assets £000
Taunton School Enterprises Limited	1,017.0	923.3	93.7	-
Taunton School Trustees Limited	-	-	-	0.1

Taunton School Trustees Limited is dormant.

Taunton School Enterprises Limited was formed to support the School's charitable aims through letting of its facilities when not required for educational purposes. It donates its annual profits to the School by Gift Aid - £93,700 (2022 - 66,300).

Included in the turnover of Taunton School Enterprises Limited is £772k (2022: £772k) of intercompany sales to Taunton School. Costs of sales of £566k (2022: £391k) were paid to Taunton School and a management fee of £3k (2022: £3k). At the year end £50.7k (2022: £66.6k) was owed by the subsidiary.

16. STOCKS

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Consumable materials	94.8	62.4	94.8	62.4
School shop and materials for sale	104.4	105.6	93.1	92.6
Total	199.2	168.0	187.9	155.0

17. DEBTORS

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
		Due within one year		
Fee Debtors	241.9	303.0	241.9	303.0
Amounts owed by group undertakings	-	-	79.0	66.6
Trade and other debtors	463.2	328.2	415.0	287.3
Prepayments and accrued income	331.4	335.2	272.2	301.7
Total	1,036.5	966.4	1,008.1	958.6

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Bank loans	64.9	19.6	64.9	19.6
Trade creditors	660.7	569.3	600.9	506.4
Other taxation and social security	378.2	342.3	378.2	342.3
Pension creditor use	280.7	261.6	280.7	261.6
Other creditors and accruals	1,363.8	952.7	1,326.2	939.0
Fee deposits use	1,079.1	896.2	1,079.1	896.2
Advanced fees scheme (note 20)	524.0	504.8	524.0	504.8
Fees received in advance of term	6,010.0	6,436.3	6,010.0	6,436.4
Total	10,361.4	9,982.8	10,264.0	9,906.2



19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Bank loans	1,136.8	594.6	1,136.8	594.6
Fee deposits	2,289.0	2,477.9	2,289.0	2,477.9
Advanced fees scheme (note 20)	656.3	772.4	656.3	772.4
Total	4,082.1	3,844.9	4,082.1	3,844.9

Included within the above are amounts falling due as follows:

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Bank loans	1,049.7	493.4	1,049.7	493.4
		Between two and five years		
		Over five years		
Bank loans	871	101.2	871	101.2

The School has three bank loans with HSBC plc. The loans are secured by a legal charge over the School's properties Greenway Road and The Grange.



20. ADVANCE FEES

Parents may pay to the School tuition fees in advance. Assuming pupils remain in the advance fee scheme, payments will be applied to offset the fees as follows:

	2023 £000	2022 £000
Within one year	524.0	504.8
Within one to two years	286.4	345.9
Within two to five years	369.9	391.1
Over five years	-	35.4
Total	1,180.3	1,277.2
Balance at 1 st September 2021	1,277.2	1,134.0
New contracts	490.3	720.7
Amounts utilised in payment fees	(594.5)	(483.2)
Capital repaid	(13.7)	(109.9)
Discounts applied	21.0	15.6
Balance at 31 st August 2022	1,180.3	1,277.2

21. FINANCIAL INSTRUMENTS

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Financial assets measured at fair value	4,966.2	4,961.4	4,966.2	4,961.4
		Financial assets		

Financial assets measured at fair value includes assets held as investments less cash held.

22. STATEMENT OF FUNDS STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 st September 2022 £000	Income £000	Expenditure £000	Gains/(Losses) £000	Balance at 31 st August 2023 £000
			Unrestricted funds		
General Funds - all funds	12,894.7	28,643.4	(27,570.9)	678	14,035.0
			Endowment funds		
Ian Evans-Lombe Scholarship Fund	1,902.2	-	-	(870)	1,815.2
			Restricted funds		
Taunton School Foundation	1,026.9	480.6	-	-	1,507.5
Parental Funds	105.3	-	-	-	105.3
Taunton School Trust - Land & Buildings	1,959.8	-	-	-	1,959.8
Haynes Fund	100.7	-	-	-	100.7
Ian Evans-Lombe Scholarship Fund	38.4	66.0	-	-	104.4
Gerrard Memorial Bursary	998.1	-	-	-	998.1
Taunton School Scholarship and Bursary Fund	112.6	-	-	-	112.6
Other Restricted Funds	54.8	-	-	-	54.8
Total restricted funds	4,396.6	546.6	-	-	4,943.2
Total of funds	19,193.5	29,190.0	(27,570.9)	(19.2)	20,793.4

Endowment funds:

The Ian Evans-Lombe Scholarship Fund forms part of the Foundation Funds. The gift was made by the Trustees of Mr Evans-Lombe with the objective to advance the education of children who could not otherwise afford the School's education by providing for scholarships to be awarded to two pupils starting in the Lower Sixth each year.

Restricted funds:

Taunton School Foundation (TSF) - The trust is administered by a Foundation Board, who work with the Governors to promote and provide for the development of the educational facilities and activities of the School.

Parental funds — This fund is to provide academic, sporting and co-curricular facilities for pupils and is directly managed by the Headmaster.

Taunton School Trust - The fund represents the land and property and restricted funds held by Taunton School Trust on incorporation.

Haynes Fund - The Fund was set - up by the will of the late J K Haynes. The income is to provide a scholarship for pupils of Taunton School studying Electrical, Mechanical or Civil Engineering at London University.

Ian Evans-Lombe Scholarship Fund - The Ian Evans-Lombe Scholarship Fund forms part of the Foundation Funds. The gift was made by the Trustees of Mr Evans-Lombe with the objective to advance the education of children who could not otherwise afford the School's education by providing for scholarships to be awarded to two pupils starting in the Lower Sixth each year.

Gerrard Memorial Bursary - The Fund was set-up to provide a scholarship for sporting achievements.

Taunton School Scholarship and Bursary Fund - This fund is to provide scholarships and bursaries for pupils attending Taunton School.

Other Restricted Funds - includes smaller funds supporting a range of activities in the School.

22. STATEMENT OF FUNDS STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 st September 2021 £000	Income £000	Expenditure £000	Gains/(Losses) £000	Balance at 31 st August 2022 £000
			Unrestricted funds		
General Funds - all funds	11,539.6	25,055.7	(23,632.8)	(678)	12,894.7
			Endowment funds		
Ian Evans-Lombe Scholarship Fund	2,062.2	-	-	(160.0)	1,902.2
			Restricted funds		
Taunton School Foundation	929.2	208.7	(111.0)	-	1,026.9
Parental Funds	105.3	-	-	-	105.3
Taunton School Trust - Land & Buildings	1,959.8	-	-	-	1,959.8
Haynes Fund	100.7	-	-	-	100.7
Ian Evans-Lombe Scholarship Fund	42.8	63.6	(68.0)	-	38.4
Gerrard Memorial Bursary	998.1	-	-	-	998.1
Taunton School Scholarship and Bursary Fund	112.6	-	-	-	112.6
Other Restricted Funds	54.8	-	-	-	54.8
Total restricted funds	4,303.3	272.3	(179.0)	-	4,396.6
Total of funds	17,905.1	25,328.0	(23,811.8)	(27.8)	19,193.5

23. SUMMARY OF FUNDS SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 st September 2022 £000	Income £000	Expenditure £000	Gains/(Losses) £000	Balance at 31 st August 2023 £000
General Funds	12,894.7	28,643.4	(27,570.9)	678	14,035.0
Endowment funds	1,902.2	-	-	(870)	1,815.2
Restricted funds	4,396.6	546.6	-	-	4,943.2
	19,193.5	29,190.0	(27,570.9)	(19.2)	20,793.4

23. SUMMARY OF FUNDS SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 st September 2021 £000	Income £000	Expenditure £000	Gains/(Losses) £000	Balance at 31 st August 2022 £000
General Funds	11,539.6	25,055.7	(23,632.8)	(678)	12,894.7
Endowment funds	2,062.2	-	-	(160.0)	1,902.2
Restricted funds	4,303.3	272.3	(179.0)	-	4,396.6
	17,905.1	25,328.0	(23,811.8)	(227.8)	19,193.5

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Endowment funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	22,398.9	1,998.3	1,815.2	26,212.4
Fixed asset investments	5,065.9	-	-	5,065.9
Current assets	1,013.7	2,944.9	-	3,958.6
Creditors due within one year	(10,361.4)	-	-	(10,361.4)
Creditors due in more than one year	(4,082.1)	-	-	(4,082.1)
Total	14,035.0	4,943.2	1,815.2	20,793.4

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Endowment funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	22,040.4	1,998.3	1,902.2	25,940.9
Fixed asset investments	5,152.5	-	-	5,152.5
Current assets	(470.5)	2,398.3	-	1,927.8
Creditors due within one year	(9,982.8)	-	-	(9,982.8)
Creditors due in more than one year	(3,844.9)	-	-	(3,844.9)
Total	12,894.7	4,396.6	1,902.2	19,193.5



25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2023 £000	Group 2022 £000
Net income for the year (as per Statement of Financial Activities)	1,599.9	1,288.4
Depreciation charges	1,118.8	1,048.1
Finance cost	146.0	119.1
Investment income	(39.3)	(65.6)
Loss on the sale of fixed assets	-	141.6
Increase in stocks	(31.2)	(25.8)
Increase in debtors	(70.2)	(73.4)
Increase in creditors	131.3	337.4
(Decrease)/increase in fees in advance and parent's deposits	(102.9)	2,330.7
Loss on investment	19.2	227.8
Net cash provided by operating activities	2,771.6	5,330.3

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023 £000	Group 2022 £000
Cash in hand	2,722.9	793.4
Total cash and cash equivalents	2,722.9	793.4

27. ANALYSIS OF CHANGES IN NET DEBT

	At 1 st September 2022 £000	Cash flows £000	Other non-cash changes £000	At 31 st August 2023 £000
Cash at bank and in hand	793.4	1,929.5	-	2,722.9
Debt due within 1 year	(19.6)	20.0	(65.3)	(64.9)
Debt due after 1 year	(594.6)	(607.5)	65.3	(1,136.8)
	179.2	1,342.0	-	1,521.2

28. CAPITAL COMMITMENTS

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Contracted for and not provided for	-	102.2	-	102.2

29. PENSION COMMITMENTS

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 £1,190,961 (2022: £1,078,639) and at the year-end £147,400 (2022: £136,000) 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 Group operates a defined benefit pension scheme.

Support Staff

The School operates a defined benefit pension scheme for its support staff, The Taunton School Final Salary Scheme, which is managed on its behalf by JLT. The scheme is funded and is contracted into the state scheme. The scheme closed to new entrants on 1 October 2001. The last formal valuation of the scheme was performed in 2021 and showed an actuarial deficit so a recovery plan has been put in place, subject to review at future funding assessments. The position at the end of 2022 is set out on the following page.

29. PENSION COMMITMENTS (CONTINUED)

The financial assumptions used to calculate Scheme liabilities are as follows:

	At 31 st August 2023 (%)	At 31 st August 2022 (%)
Inflation	3.1	3.3
Rate of increase in salaries	0	0
Rate of increase of pensions in payment and deferred pensions	3	3.1
Discount rate	5.4	4.3

The actuarial assumptions for life expectancy in years, assuming a retirement age of 65 are:

	At 31 st August 2023 (Years)	At 31 st August 2022 (Years)
For a male retiring now	26.4	26.2
At 65 for a male aged 45 now	28.0	27.3
For a female retiring now	28.8	28.3
At 65 for a female aged 45 now	30.0	29.6

The Group's share of the assets in the scheme was:

	At 31 st August 2023 £000	At 31 st August 2022 £000
Bonds	5,060.0	6,144.0
Cash	73.0	67.0
Total fair value of assets	5,133.0	6,211.0

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2023 £000	2022 £000
Actual return less expected return on assets	(1,186.0)	(1,217.0)
Experience losses on the liabilities	514.0	(534.0)
Change in assumptions	-	2,247.0
Unrecognised surplus	547.0	(496.0)
Total amount recognised in the Consolidated Statement of Financial Activities	(125.0)	-

29. PENSION COMMITMENTS (CONTINUED)

Movements in the present value of the defined benefit obligation were as follows:

	2023 £000
Opening defined benefit obligation	5,428.0
Interest cost	-
Actuarial gains	(514.0)
Benefits paid	(281.0)
Interest cost	227.0
Closing defined benefit obligation	4,860.0

Movements in the fair value of the Group's share of scheme assets were as follows:

	2023 £000
Opening fair value of scheme assets	6,211.0
Interest income	264.0
Actuarial gains	-
Contributions by scheme participants	-
Contributions by employer	125.0
Benefits paid	(281.0)
Return on assets less interest income	(1,186.0)
Closing fair value of scheme assets	5,133.0

The School also operates a defined contribution pension scheme managed by The Royal London, which non-teaching staff are eligible to join. The assets of the scheme are separately from the School. The employer's contributions matches that of the employee within the region of 5-12.5%. The cost for the year represents the School's contribution to the Scheme of £310,276 (2022: £272,426).

The School operates a defined contribution pension scheme, for teaching staff, managed by The Royal London, as an alternative to Teachers' Pension Scheme. The employers contribution is either 3%, 8% or 16.48%. As at 31 August 2023 there were 47 members and the cost for the year represents the School's contribution to the scheme of £293,493 (2022: £293,493).

30. OPERATING LEASE COMMITMENTS

At 31 August 2023 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Not later than 1 year	261.0	273.4	10.5	7.4
Later than 1 year and not later than 5 years	539.9	796.3	14.7	16.2
Later than 5 years	220.6	193.3	-	1.9
Total	1,021.5	1,263.0	25.2	25.5

The following lease payments have been recognised as an expense in the Statement of financial activities:

	Group 2023 £000	Group 2022 £000
Operating lease rentals	277.1	276.0

31. RELATED PARTY TRANSACTIONS

Two (2022 - two) Governors pay for children at the School. School fees incurred by the Governors are paid on a commercial arms' length basis.

Governors' remuneration and expenses are disclosed in note 13 and key management personal remuneration is disclosed in note 12.

There are no other related party transactions to note.



EXCEPTIONAL TOGETHER



TAUNTON
— SCHOOL —

Taunton School, Staplegrove Road, Taunton, Somerset TA2 6AD

Telephone: +44 (0) 1823 703703 Email: registrar@tauntonschool.co.uk

www.tauntonschool.co.uk

TAUNTON SCHOOL EDUCATIONAL CHARITY

England & Wales - Charity number 1081420

Accounts

TAUNTON SCHOOL EDUCATIONAL CHARITY

REPORT OF THE CHARITY TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

Taunton School Educational Charity is a Company Limited by Guarantee Registration Number 4005803

Registered Office: Clerk to the Governors Taunton School, Staplegrove Road, Taunton TA2 6AD.

Registered Charity Number 1081420

**TAUNTON SCHOOL EDUCATIONAL CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

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**TAUNTON SCHOOL EDUCATIONAL CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022
GOVERNORS, OFFICERS AND ADVISERS**

Charity Details

Taunton School Educational Charity is a Company Limited by Guarantee with Company Registration Number 4005803 and Charity Registration Number 1081420.

Registered Office and
Principal Address:

Clerk's Office
Taunton School
Staplegrove Road
Taunton
Somerset
TA2 6AD

Telephone:

01823 703128

Email:

Nicola.miller@tauntonschool.co.uk

Website:

www.tauntonschool.co.uk

Governors

The Governors and Officers of the Charity who held office for all or part of the year are shown on Pages 3 and 4 of this report.

Professional Advisers

Banker: HSBC Bank Plc

17 North Street, Taunton, Somerset TA1 1NA

Solicitor: Veale Wasbrough Vizards

Narrow Quay House, Narrow Quay, Bristol BS1 4QA

Independent Auditor: Crowe UK

4th Floor, St James House, St James' Square,
Cheltenham GL50 3RP

Insurance Broker: Marsh

Capital House, 1 -5 Perrymount Road, Haywards
Heath, West Sussex RH16 3SY

**TAUNTON SCHOOL EDUCATIONAL CHARITY
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2022**

DIRECTORS' REPORT

The Board of Governors (the 'Board'), who are the Directors and Trustees of Taunton School Educational Charity (the 'Charity'), present their annual report for the year ended 31 August 2022. It is in the format prescribed by the Charities Act 2011 and the Companies Act 2006.

CONSTITUTION AND OBJECTS

Taunton School (the 'School') was founded in 1847. It is constituted as a company limited by guarantee registered in England, No. 4005803. It is also registered as a Charity with the Charity Commission under Charity No. 1081420. The School is governed by its Memorandum of Association and Articles of Association that were updated and amended on 11 March 2016. These were further updated in December 2020 to allow for online meetings.

The objects of the Charity are *'to promote and provide for the advancement of education by the provision of a school or such other means as the Governors shall from time to time determine.'* In carrying out these objects, the Charity upholds the founding principles of the School which are rooted in the Christian faith. It recognises the particular emphasis of its 'Free Church' foundation on the importance of personal responsibility in the quest for faith, and in respect of religious traditions.

Significantly, in furthering these Objects for the public benefit, the Charity provides Taunton School for boys and girls in five parts; the Senior School (known as Taunton School), Prep School, Pre-Prep and Nursery, Taunton School International and Taunton School International Middle School. This spans an age range from Infants to 18.

The School administers assisted places (bursaries), grants, awards and other benefactions such as scholarships and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of its objects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Body

The Articles of Association sets the maximum number on the Board at 17, of which one is appointed by the Churches Advisory Panel. The remaining governors are appointed by an ordinary resolution of the Members, passed at an AGM of the Charity. Henry Keeling served as Chair of the Board throughout the year.

The Governors are the company directors and trustees of the Charity, and those who have been in office for all or part of the year are listed alphabetically by surname below:

Mr Henry Keeling, **Chairman**
Mr Robert Aldrich
Mr Christopher Butters
Mr Philip Cooper
Mrs Ruth Frett (Resigned 25 January 2022)
Brigadier (Retired) Mark Hallas
Mr Tim Hayden
Mr David Hebditch
Dr Ian Kelham
Mr Richard Kennedy, **Treasurer**

Reverend Nigel Manges
Rear Admiral Ian Moncrieff
Mr Keith Moore (Resigned 11 March 2022)
Mrs Hilary Quantick
Mrs Elaine Waymouth **Deputy Chairman**
Mrs Sheila Wheeler

Officers

The principal executive officers of the Charity for all or part of the year were:

Chief Executive Officer	Mr L C Glaser (resigned 31 August 2022) Mr J Johnson (appointed 1 September 2022)
Chief Operating Officer	Mrs N M Miller
Clerk to the Governors	Mrs N M Miller
Taunton Preparatory School Head	Mr A Edwards
Taunton School International Principal	Mr A Hallworth

Membership

The charity has an unlimited number of members. Members are former governors and pupils of the School, over the age of 18.

Governor Recruitment & Training

Board vacancies are considered by the Nominations Committee, which then makes recommendations to the full Board. All prospective candidates are considered in light of the skills/experience balance required at the time which will include eligibility, diversity, personal competence, specialist skills and local availability. New governors are appointed for a term of 3 years and, subject to periodic performance review, may be re-elected for a further 4 terms. All Governors will be formally appointed by the Members at the AGM.

New Governors induction into the workings of the Schools includes the policies and procedures of the Board through briefings by the Chairman, Head and Clerk and through comprehensive documentation. They also attend specialist external courses on such matters as the role and responsibilities of Charity Trustees. Governors attend on-going training run by organisations such as the Association of Governing Bodies of Independent Schools (AGBIS), to stay abreast of current issues and regulations in the Independent Sector. All Governors are subject to DBS checks and associated 'Safeguarding' training. Governors reviewed the updated Charity Governance Code this year and new governors receive the code itself as part of their induction pack.

Organisational management

As the Charity Trustees, Board members, are legally responsible for the overall management and control of the School and promotion of its long term success. The Board meets at least 3 times a year. The work of implementing its policies and specific key elements is overseen by Committees and Panels, most of which meet at least termly and report into the Full Board as follows:

- Educational Advisory Panel
- Finance and General Purposes Committee
- Marketing Panel
- Churches Advisory Panel
- Estates Panel
- Investment Panel
- Foundation Panel
- Nominations Panel

- Human Resources and Remuneration Panel
- Debtors Panel
- Risk Management Panel
- Appeals Panel (convened as required)

Other specialist working groups are set up as and when required.

Day-to-day running of the Schools is delegated to the Senior Policy Committee which is a group drawn from the Key Management Personnel. The Heads and COO attend all of the meetings of the Board and most of the meetings of the Committees and Panels above. Remuneration policy is set by the Board, with a policy objective of encouraging enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success.

Group Structure

The School has 2 wholly owned non-charitable subsidiaries, Taunton School Enterprises Limited (TSE) (company number 02846335) and Taunton School Trustees Limited (company number 06706952).

The principal activity of TSE is the trading activity of the School whose annual profits are donated to the School under the Gift Aid Scheme. The principal activity of Taunton School Trustees Limited is that of a corporate Trustee of the School's defined benefit pension scheme for support staff, which closed to further accrual in December 2010.

Employment Policy

The School is an equal opportunities employer, committed to supporting and promoting a culture of equality, diversity and inclusion in all its practices. We recognise that providing equality of opportunity, valuing diversity and promoting a culture of inclusion are vital to our success through the breadth of skills and experience that underpin the success and career satisfaction of our staff.

Communication with employees takes place through normal management channels in a variety of forms and through exceptional channels to appraise staff of specific issues. With regards to School decision making that is likely to impact staff and/or their interests, consultation with them and/or their representatives is made at all levels through comprehensive channels.

Public Benefit

The Board confirms that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

How our activities deliver public benefit

The Board has considered the Charity Commission's current guidance on public benefit carefully. They try to ensure that the School's charitable objects are carried out for the public benefit by making sure that wherever possible, education is available to all who can draw most value from it. This is irrespective of financial circumstances since our charitable activities promote the wider education of children and access is not restricted solely by the ability to pay fees. The School's facilities are also available as far as possible to other local schools and the wider community.

The Board remains committed to providing public benefit which is, in itself, in accordance with the School's founding principles. To this end the School cooperates with local charities and educational bodies in an ongoing endeavour to widen public access to the School. It also seeks to optimise the use of the School's cultural and sporting facilities and to awaken in the School's own pupils an awareness of the social context of the all-round education they receive at the School.

Grant making policy

Opportunity to benefit from the School's Grants (assisted places also sometimes known as bursaries) is subject to neither geographical nor other restrictions such as the ability to pay fees. Accordingly, no one is excluded from this opportunity. The Board takes the view that those pupils who attend the School and who receive financial support contribute to the School community in a variety of ways, and so the benefit is not purely to these pupils, but to the whole School ethos and inclusivity and, in some cases, to the wider community.

In the 12-month period to 31 August 2022, a total of £1,712,287 (2021: £1,871,743) was spent on means-tested assisted places/bursaries. This is the equivalent of 83 full Senior School day fees and 6.2% of gross fee income. 232 pupils (2021: 292) received assistance with school fees, including 1 for full fees. In the current academic year (2022/2023), it is estimated that 213 pupils will receive assisted places bursaries totalling £1,777,969.

The School's assisted places/bursary expenditure is summarised below:

	2021/22	2020/21	2019/20	2018/19	2017/18
Assisted Place/Bursary recipients	232	292	258	252	233
Value of awards	£1,712,287	£1,866,726	£1,701,122	£1,638,089	£1,348,710
Average value					
- £	£7,380	£6,393	£6,606	£6,500	£5,788
- % of Senior School day fee	35.4%	31.8%	32.9%	33.5%	30.0%

Taunton School Foundation

The Foundation continues to maintain the connection between the School and its alumni as well as raising vital funds to support capital projects and means-tested Assisted Places at Taunton School. The majority of our donations come from alumni, but we also receive funds from parents, staff and the wider community. In the 12-month period to 31 August 2022, voluntary donations totalled **£208.7k**.

The School did not employ any external fundraisers during the year and is not registered with the Fundraising Regulator but is committed to 'good fundraising practices'. The School is a member of the Institute of Development Professionals in Education (IDPE) and actively collaborates with professional bodies in the sector. There are no instances to report of the School failing to comply with fundraising standards and the School received no formal complaints about its fundraising activity during the year. The School adheres to the General Data Protection Regulation (GDPR) and only contacts those for whom our communication will be relevant and of interest.

STRATEGIC REPORT

OBJECTIVES AND ACTIVITIES

Charitable Objects

The Objects of the School are in the Articles of Association dated 4 December 2020. Principally:

To promote and provide for the advancement of education by the provision of a school or such other means as the Governors shall from time to time determine provided always that:

- a. In admitting pupils to the School, the Governors must exercise (all other things being equal) a preference in favour of sons and daughters of members of the Free Churches; and*
- b. In carrying out its objects, the Charity shall uphold the founding principles of the School which are rooted in the Christian faith and recognise the particular emphasis on its Free Church foundation and the importance of personal responsibility in the quest for faith, and respect for all religious traditions.*

To these ends the School:

- i. Provides an education for boys and girls aged 0 to 18 years;*
- ii. Provides substantial financial support towards fee remission;*
- iii. Has a continuous programme of maintenance, building and technology refurbishment and development;*
- iv. Allows controlled access by the public to its grounds, buildings and facilities generally;*
- v. Holds a variety of religious services on weekdays and on Sundays in the Chapel;*
- vi. Provides a wide range of sporting and cultural facilities, many of which are available to children from other local schools and which are also made available to members of the public where appropriate;*
- vii. Supports the wider community by 'community service' and other activities; and*
- viii. Demonstrates significant public benefit through its academic and other activities as described in paragraphs (i) to (vii) above.*

Aims and Targets

Within these objects the School aims to meet its publicly stated purpose by providing outstanding and innovative teaching and developing a culture which uses technology to drive forward teaching and learning. Pupil and staff well-being is central to all that we do and the School aims to encourage, train and develop confident, enthusiastic and well-rounded young people who are able to form meaningful relationships with others in an international arena, irrespective of circumstance.

The School has identified its strategic objectives for the present and coming years as:

- Develop a plan to achieve Net Zero by 2050, starting with fully understanding the School's emissions and setting sustainable goals.
- Continue to deliver public benefit through partnerships and assisted places.
- Deliver the next stages of the School's estate master plan.
- Further refine the School's digital strategy and creation of a whole school plan.
- Maintain a secure financial position;
- Prepare the Taunton School Final Salary Pension Scheme for buyout in 2023

Ukraine response

The School is an international community and many of its members have been affected by the situation in Ukraine. Students are encouraged to share their views of the conflict and to talk openly about their views and feelings on the crisis. Additional pastoral and counselling support has been made available to all. The School has very little investment exposure in Russia and all current and prospective families are screened using proprietary sanctions software to ensure compliance with sanctions and anti-money laundering regulations.

RISK MANAGEMENT

Principal risks and uncertainties

The Head and Chief Operating Officer, under the oversight of the Chair of Governors, are responsible for the identification and management of the risks faced by the School. A formal review of the School's risk

management appetite and processes is made annually. The Board consider the economic impact of the crisis in Ukraine and the current cost of living crisis to be the principal risks faced by the School. Other risks that may carry significant impact include the possibility of VAT on school fees and the likely removal of Business rates relief for independent schools. Pupil safeguarding as well as health, safety and security are an ever present significant area for risk management that are monitored astutely.

Through its internal management structures, the School has carried out a wide-ranging review of the risks facing the organisation and continues to drive these risks down to as low as is reasonably practical. The Board has examined the principal areas of the School's operations and other activities and considered the major risks in each of those areas. The Board has satisfied itself that the major risks identified have been mitigated to the lowest reasonably practical level based on our understanding, expertise and available resources.

Key controls used by the Charity in the whole area of Risk Management include:

- well publicised policies and procedures, as required by law for the safeguarding and protection of children, including procedures for the vetting of staff, volunteers and contractors;
- a clear health and safety policy overseen by an active committee;
- formal agendas for all Committees, Panels and Board of Governors activities;
- detailed terms of reference for all Committees and Panels;
- comprehensive strategic planning, budgeting and management accounting;
- additional bank financing to cover any financial turbulence caused by COVID-19;
- fully documented roles and responsibilities of the Governors, Head and TPS Head and other members of senior management;
- formal written policies, processes and procedures that are subject to audit;
- clear written delegation in authorisation and approval levels.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Board is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and UK Generally Accepted Accounting Practice (UK GAAP). Company Law requires financial statements to be prepared for each financial year.

Under Company Law, the Board must only approve the financial statements if they are satisfied that they give a true and fair view of the state of affairs of the Charity and the group and of the incoming resources and the application of resources. This includes the income and expenditure of the charitable group, for that period.

In preparing the financial statements the Board is required to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable the Board to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Charity's constitution.

The Board is also responsible for safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Governors, as members of the Board is aware, at the date of approval of this report, there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each member of the Board has taken all the steps that he or she should have taken in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

ACHIEVEMENTS AND PERFORMANCE

EDUCATION

Stakeholder Engagement and Section 172 Statement

The Governors consider that they have fulfilled their duties in accordance with section 172 of the U.K. Companies Act 2006 and have acted in a way in which is most likely to promote the long-term success of Taunton School for the benefit of its stakeholders as a whole in the following ways:

Academic Results

Taunton School continues to offer three pathways of Sixth Form study: A levels, International Baccalaureate Diploma Programme and two BTEC courses (Extended Diploma in Sport and Exercise Sciences and Diploma in Business). Our timetable allows students to study a 'mixed economy' programme, borrowing elements from different pathways, and student tracking against baseline data and predicted grades goes from strength to strength as part of our goal to add value to every student. This year was the first year of public exams since 2019 and we saw 72% of all grades in the Sixth Form at the equivalent of A*-B (A level), 5-7 (IB Higher Level) or Distinction*-Distinction (BTEC Diploma). For GCSE, 43% of grades were 9-7, and the pass rate (grades 9-4) was 92%. As a non-selective school, extreme pride extends to all students' attainments, not just those achieving top grades. The School careers advice offered to the students is a particular strength. With a very diverse student body bespoke guidance on course and country requirements is tailored and offered on an individual basis. The majority of students achieve the grades that they need to take up their place at their first choice of University. Our academic programme extends beyond the classroom and students have enjoyed presentations, lectures, trips and various other stimulating activities, which have enhanced their learning. Friday morning scholars' talks, open to everybody, are a particular highlight and often discuss challenging existential topics, as do Friday night debates for senior students.

Taunton Prep School continues to offer a range of subjects and activities and during 2021-22 a whole school digital strategy was put in place, including a consistent pathway of apps and platforms to be used, with staff being upskilled on the pedagogic use of devices to enhance teaching and learning. A whole school pathway of both pupil and teacher digital literacy core skills was mapped and all pupils will soon have designated managed devices for learning in all of their lessons. A new Maths curriculum was implemented across the whole school, focussing on strengthening further the development of problem-solving and reasoning skills. The development of reading has been improved further by extending the use of the Accelerated Reading programme down to younger learners, whilst intervention strategies for literacy have been monitored for effectiveness and adapted where beneficial to do so. We have continued to challenge our pupils in all year groups in their academic work and the expectations are high for all of our pupils in terms of independence, completion of excellent homework, and their attitudes to learning. This ensures that our pupils are fully prepared when they move on to the Senior School at the start of Year 9. The Year 8 Summer exams provide our pupils with a 'gold standard' to aim for which, if attained, puts them right at the top of National Prep School standards. A good number of pupils did achieve this, whilst the standards achieved across the whole cohort were very high. In Maths, for example, the standardised test results over the past three years put the average Year 8 pupil in the top 16% in the country, and the results also indicated that over half of the pupils are on track to obtain a 7, 8 or 9 at GCSE. It is a similar picture in other subjects and other year groups.

Pre-Prep and Nursery continues to thrive and has evolved their EYFS provision in line with the new EYFS guidance. The setting has benefited from an investment in technology, which, along with additional staff training has improved pupil outcomes. Staff remain focused on numeracy, literacy and pupil wellbeing, which has translated to increased pupil numbers this year.

Taunton School International offers British and International students an intensive and comprehensive one-year and two-year GCSE/pre-IB programme. The School is a market leader in its academic provision and achieved a 90% GCSE pass rate (9-4) in August 2021, with 49% of the total grades at 9-7. Students are able to select from more than 20 different subjects at GCSE level and are taught in small classes. This allows students to focus on areas that are relevant to them and affords them the extensive teacher support that is required on such an intensive academic programme. In September 2019, TSI introduced a Business Foundation programme where students study four modules – Business Studies, Economics, Mathematics and EAP (English for Academic Purposes) – and upon successful completion of the course have a guaranteed place in one of over 50 universities in the UK and around the world. Again this year, all students on the IFY achieved places at their first-choice universities. TSI has a spread of nationalities with 28 countries represented, approximately 5% of whom were first language English speakers.

Taunton School International Middle School provides international students between the age of 7 and 14 years with the appropriate and relevant education, co-curricular and pastoral support they need to enter Taunton Prep School, Senior School or TSI, depending on their age and level of English. Those not entering another section of Taunton School are ideally equipped to go to another British independent school. Specialist teachers offer an extensive curriculum, which is closely linked to the curricula at the Senior School, Prep School and TSI in order to facilitate the transfer of students from one section of the School to another.

Group Finances

The principal funding sources for the Charity are school fees and income generated by many other educational and non-educational activities. The latter are carried out by the Charity's trading company, Taunton School Enterprises Ltd which, as described earlier, passes all its profits to the School. The year's expenditure has continued to support the Charity's key objectives by operating the School and investing in its development.

The Group's finances remain strong with total incoming resources of £25.3m (2021: £22.2m); net incoming resources of £1,516k, (2021 net outgoing resources: £97k); and total reserves of £19.2m (2021: £17.9m) after making capital additions of £2.5m (2021: £0.6m). The Charity continued to invest significantly in the site, with the majority of expenditure on a new sixth form centre and library opened in September 2022.

We have prepared a number of scenarios that consider our cash position, sources of income and planned expenditure. These scenarios consider reduced pupil numbers, delayed fee payment, reduced fees and potential bad debts as well as impact on costs from the measures taken so far. Sensitivity around these assumptions has also been considered in our forecasting. Results of this cash flow and sensitivity analysis indicate that the cash reserves of the Charity are adequate to meet the Charity's obligations as they fall due. Correspondingly, the trustees consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Investment policies, objectives and performance

The Investment Panel advises on the investments and monitors the performance of funds on behalf of the School, the Foundation and the Evans-Lombe Fund. At the year end the total funds invested were £5.2m (2021: £5.3m). The Investment Panel reports to the Board of Governors and the Trustees of the Evans-Lombe Fund, having taken appropriate and professional advice. The Board and Trustees have set a target of 5% income and fund growth to sustain the value of the capital. The School also holds some restricted funds in recognised charitable investment funds with CCLA and some on deposit awaiting investment. The Board is satisfied with the return on these funds in the prevailing financial climate.

Reserves level and policy

The Board has examined the financial risks and challenges faced by the Charity closely over the short and medium term. The Charity has invested its reserves in the provision of the educational facilities to meet its objectives and consequently, like many well-established independent schools, has negative free reserves. The Board is satisfied that the financial plans and forecasts give them comfort that the Charity is able to meet all its foreseeable commitments.

The School's total reserves of £19.2m at the period end include £1.9m endowment capital, £4.4m of unspent restricted income and £12.9m unrestricted income.

SECR Energy Use and Carbon Emissions Disclosure

Taunton School Educational Charity disclose our energy use and greenhouse gas emissions that Taunton School are responsible for in line with the requirements of the Companies Act 2006 (Strategic and Directors' Reports) Regulations 2013 and latest 2018 regulations.

	2021-22 kWh	2021-22 TCO2e	2020-21 TCO2e	2019-20 TCO2e	Change (%)
Electricity	2,328,774	450.34	364.24	676.15	-46%
Gas	5,128,089	923.06	1,014.94	917.45	11%
Transport Fuels	944,863	228.34	116.89	115.37	1%
Gross Annual Total	8,401,726	1,601.74	1,496.07	1,708.97	-12%
Intensity Metric (pupil numbers)	1,270		1,195	1,156	3%
Total TCO2e/pupil	1.26		1.25	1.48	-15%
Qualifying Green Tariffs		-	-	-	0%
Net Annual Total	8,401,726	1,601.74	1,496.07	1,708.97	-12%

Table 1: Primary Statement for the Financial Year ending 31st August 2022.

Baseline Year This is the second year of GHG reporting. 2020 / 2021 was the baseline year which fell during the COVID-19 pandemic and as such comparisons to this and future years may be skewed.

Targets

Carbon targets have not been developed for the current reporting period but are currently in development.

Intensity Measurement

The intensity metric chosen is average pupil numbers as at the 31 August 2022. This metric was chosen as the organisation's carbon emissions are closely linked to pupil activity.

Carbon Offset

Taunton School have no qualifying carbon offsets during this financial period and do not currently procure any qualifying green or renewable tariffs for the supply of electricity or gas.

FUTURE PLANS

The School's strategy is to maintain a strong financial position by delivering clear evidence of a consistently first-class education matched with demonstrably outstanding pastoral support. To do this it is building a healthy recruitment pipeline, controlling costs and using the facilities for the public benefit year on year. This generates sufficient resources to invest in the School's infrastructure, supporting the strategy of building on existing resources and foundations and making every penny count directly towards the School's purpose and its non-selective basis.

Accordingly, the priorities for resource allocation agreed by the Board are based on improving and enhancing the existing infrastructure estate and the objectives are to:

- be an outstanding School of choice by evidence of its educational and pastoral experience for all pupils;
- continue a strong financial performance to fully resource the operation of the School and its development and continuance of long term success;
- increase and plough back investment in maintenance and new facilities over the next three years;
- always be compliant with legislation and best practice wherever it may be identified to provide a safe, happy and purposeful education;
- invest in staff training and development to attract and retain the best teachers.

The School is reviewing its needs and opportunities to continue to develop its estate to maximise advantage. As the strategy is reviewed, more projects will be considered by the Board in due course.

This Annual Report was approved by the Board on 03 February 2023 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Mr H C V Keeling
Chairman of Governors
Date: 3rd February 2023

Independent Auditor's Report to the Members of Taunton School Educational Charity

Opinion

We have audited the financial statements of Taunton School Educational Charity for the year ended 31 August 2022 which comprise the consolidated Statement of Financial Activities, the consolidated and charity Balance Sheets, the consolidated 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2022 and of the group's 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 group 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 trustee's 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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 this gives rise to 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 our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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:

- the parent company has not kept adequate accounting records; or
- the parent company 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.

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 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 frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, together with the Charities SORP (FRS 102) and employment legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and Safety legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.


We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: 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.



Guy Biggin

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Fourth Floor

St James House

St James Square

Cheltenham

GL50 3PR

Date: 09 March 2023

TAUNTON SCHOOL EDUCATIONAL CHARITY
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022
(Incorporating an Income and Expenditure Account)

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	Endowed Funds £000's	2022 Total £000's	2021 Total £000's
Income and endowments from:						
Charitable activities						
School fees	3	22,612.6	-	-	22,612.6	18,959.4
Other educational income	5	1,382.8	-	-	1,382.8	1,072.5
Other ancillary trading income	5	28.5	-	-	28.5	263.6
Other trading activities						
Non-ancillary trading income	5	1,031.8	-	-	1,031.8	490.2
Investments						
Investment Income	5	-	63.6	-	63.6	198.2
Voluntary sources						
Donations and bequest	14b	-	208.7	-	208.7	196.3
Total income		25,055.7	272.3	-	25,328.0	21,180.2
Expenditure on:						
Raising funds						
Non-ancillary trading expenses	6	323.0	111.0	-	434.0	379.1
Fundraising and development	6	-	-	-	-	0.2
Financing Costs	6	119.1	-	-	119.1	117.0
		442.1	111.0	-	553.1	496.3
Charitable activities:						
Education and grant making	6	23,190.7	68.0	-	23,258.7	20,780.6
Total expenditure		23,632.8	179.0	-	23,811.8	21,276.9
Net (outgoing)/incoming funds from operations before investment gains/(losses)		1,422.8	93.3	-	1,516.2	(96.7)
Gains/(Losses) on investments		(67.8)	-	(160.0)	(227.8)	708.7
Net (outgoing)/incoming resources and surpluses/deficits for the year		1,355.0	93.3	(160.0)	1,288.4	612.0
Transfers between funds		-	-	-	-	-
Other recognised losses:						
Pension scheme actuarial gain /(losses)	19	-	-	-	-	290.0
Net movement in funds in year		1,355.0	93.3	(160.0)	1,288.4	902.0
Funds balances at 1 September 2021		11,539.6	4,303.3	2,062.2	17,905.1	17,003.1
Fund balances at 31 August 2022		12,894.7	4,396.6	1,902.2	19,193.5	17,905.1

The statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 21 to 34 form part of these financial statement

TAUNTON SCHOOL EDUCATIONAL CHARITY
(REGISTERED COMPANY NUMBER 4005803)
BALANCE SHEET AS AT 31 AUGUST 2022

	Notes	CONSOLIDATED		SCHOOL	
		2022 £000's	2021 £000's	2022 £000's	2021 £000's
FIXED ASSETS					
Tangible Fixed Assets	7,8	25,940.9	24,630.2	25,936.2	24,627.9
Investments	9	5,152.5	5,310.8	5,152.6	5,310.9
		<u>31,093.4</u>	<u>29,941.0</u>	<u>31,088.8</u>	<u>29,938.8</u>
CURRENT ASSETS					
Stocks	10	168.0	142.2	155.0	136.7
Debtors	11	966.4	893.0	958.6	902.1
Cash		793.4	295.6	764.0	284.1
		<u>1,927.8</u>	<u>1,330.8</u>	<u>1,877.6</u>	<u>1,322.9</u>
CURRENT LIABILITIES					
Creditors: due within one year	12	(10,681.9)	(10,653.2)	(10,605.2)	(10,619.1)
NET CURRENT LIABILITIES		<u>(8,754.1)</u>	<u>(9,322.4)</u>	<u>(8,727.6)</u>	<u>(9,296.2)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>22,339.3</u>	<u>20,618.6</u>	<u>22,361.2</u>	<u>20,642.6</u>
LONG-TERM LIABILITIES					
Creditors: due after more than one year	12	(3,145.8)	(2,713.5)	(3,145.8)	(2,713.5)
NET ASSETS		<u>19,193.5</u>	<u>17,905.1</u>	<u>19,215.3</u>	<u>17,929.1</u>
CAPITAL FUNDS:					
Permanent endowed funds	14a	1,902.2	2,062.2	1,902.2	2,062.2
Restricted funds	14b	4,396.6	4,303.3	4,396.6	4,303.3
Unrestricted funds		12,894.7	11,539.6	12,916.5	11,563.6
TOTAL FUNDS	15	<u>19,193.5</u>	<u>17,905.1</u>	<u>19,215.3</u>	<u>17,929.1</u>

The surplus for the financial year dealt with in the financial statements of the School was £1,286k (2021: £924.8k).

The financial statements were approved and authorised for issue by the Board of Governors on 3rd February 2023 and signed on its behalf by;


 Mr H Keeling
 Chairman


 Mr R Kennedy
 Treasurer

The notes on pages 21 to 34 form part of these financial statements.

TAUNTON SCHOOL EDUCATIONAL CHARITY
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2022

	2022 £000's	2021 £000's	
Reconciliation of net incoming resources to net cash inflow from operating activities			
Net (outgoing)/incoming resources from operations	1,516.2	(96.7)	
Elimination of non-operating cash flows:			
Investment income	(63.6)	(198.2)	
Finance costs	119.1	117.0	
Depreciation charge	1,048.1	1,042.8	
Loss on disposal of fixed assets	141.6	-	
Decrease/(increase) in stock	(25.8)	(8.6)	
(Increase)/Decrease in debtors	(73.4)	(285.8)	
(Decrease)/increase in creditors (excluding fees in advance and deposits)	337.4	(848.5)	
Increase/(Decrease) in fees in advance and parent's deposit	2,330.7	1,120.6	
	<u>5,330.3</u>	<u>842.6</u>	
Cash flows used in investing activities:			
Payments for tangible fixed assets	(2,500.4)	(607.0)	
Proceeds from the sale of tangible fixed assets	-	-	
Additions to securities investments portfolios	(2,462.9)	(522.2)	
Withdrawals from securities investments portfolios	2,393.4	444.0	
Investment income and bank interest received	63.6	198.2	
Net cash used in investing activities	<u>(2,506.3)</u>	<u>(486.9)</u>	
Cash flows used in financing activities:			
Finance costs paid	(119.1)	(117.0)	
Repayment of secured loans	(187.9)	(1,301.9)	
New bank loans	450.0	-	
Net cash used in finance activities	<u>143.0</u>	<u>(1,418.9)</u>	
Change in cash and cash equivalents in the year	2,967.0	(1,063.2)	
Cash and cash equivalents at the beginning of the year	(2,173.6)	(1,110.4)	
Cash and cash equivalents at the end of the year	<u>793.4</u>	<u>(2,173.6)</u>	
ANALYSIS OF CASH AND CASH EQUIVALENTS	2022	2021	
	£000s	£000s	
Cash in hand	793.4	295.6	
Bank Overdraft	-	(2,469.2)	
	<u>793.4</u>	<u>(2,173.6)</u>	
ANALYSIS OF CASH AND CASH EQUIVALENTS	As at 01.09.21	Cashflow	As at 31.08.22
	£000s	£000s	£000s
Cash in hand	295.6	497.8	793.4
Bank Overdraft	(2,469.2)	2,469.2	-
	<u>(2,173.6)</u>	<u>2,967.0</u>	<u>793.4</u>

The notes on pages 21 to 34 form part of these financial statements.

1. BASIS OF ACCOUNTING

Basis of Accounting

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 on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements have been prepared under historical cost convention, modified to include the revaluation of investments. Taunton School Educational Charity meets the definition of a public benefit entity under FRS 102.

These financial statements present the consolidated Statement of Financial Activities (SOFA), the consolidated Cash Flow Statement and the consolidated and Charity Balance Sheets comprising the consolidation of the Charity and its wholly-owned subsidiary, Taunton School Enterprises Limited. The Charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

No separate SOFA has been presented for the School alone, as permitted by Section 408 of the Companies Act 2006.

2. STATEMENT OF ACCOUNTING POLICY

The principal accounting policies adopted in the preparation of the financial statements are as follows:

Legal Status of the Charity

Taunton School Educational Charity (the 'School') was incorporated in England and Wales as a company limited by guarantee (registered no. 04005803) on 1 June 2000 and has no share capital.

The School is also registered with the Charity Commission (registered no. 1081420).

Registered and principal office

The registered and principal office of the School is Taunton School, Taunton, Somerset, TA2 6AD.

Going Concern

The School depends on its existing bank facilities to meet its day to day working capital requirements. Current forecasts indicate that the School expects to be able to operate within these facilities for the whole of the foreseeable future. These facilities are renewed annually and are not guaranteed for the period covered by the going concern review. The Trustees are not aware, however, of any circumstances that may adversely affect the renewal of these facilities.

Tangible Fixed Assets

The Charity's Land and Buildings are vested in Taunton School Trust, a restricted fund.

Tangible fixed assets are stated at historical cost and subsequently depreciated to their estimated net realisable value over their useful lives. Even so, the School operates a formal programme of maintenance that includes routine building work written off in the Statement of Financial Activities in the period concerned. Land is not depreciated.

Major items of expenditure on buildings and assets over £1,000 are capitalised. To the extent that refurbishment work is considered to improve and thus add a commensurate value to the building, such refurbishment costs are also capitalised and depreciated as appropriate.

The rates of depreciation applied are as follows:

Buildings, improvements and extensions	5 - 50 years
Furniture and equipment	3 - 25 years

Depreciation on additions is charged for a full year regardless of the date of acquisition.

Fixed Asset Investments

Fixed Asset Investments are stated at market value. Income from Fixed Asset Investments and the related tax credit are recognised in the Statement of Financial Activities in the period to which they relate. Where the market value of investments differs from the historic cost, the difference is recognised as an unrealised gain/loss in the Statement of Financial Activities. Where the investment has been sold, this is recognised as a realised gain/loss. The investment in the subsidiary is held at cost.

Stock

Stock has been valued at the lower of cost or net realisable market value.

Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the Charity against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary incoming resources

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Charity is considered probable. Voluntary income for the Charity's general purposes is accounted for as unrestricted. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates. Grants awarded are expensed as soon as they become legal or operational commitments. Intra-group sales and charges between the Charity and its subsidiary are excluded from trading income and expenditure.

Governance costs

Governance costs comprise the expenses of running the charity, including the support for the Governors, induction, training and meetings. The costs include associated legal advice and the audit costs.

Operating Leases

Costs in respect of operating leases are charged in the Statement of Financial Activities on a straight line basis over the term of the lease.

Finance Leases

Assets held under finance leases and the related lease obligation are included at the fair value of the leased assets at the inception of the lease. Depreciation on leased assets is calculated to write off this amount on a straight line basis over the shorter lease term and the useful life of the asset. Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligation for future amounts payable so that the charge for each accounting period is a constant percentage of the remaining balance of the capital sum outstanding.

Taxation

The School is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Pensions

The Teachers' Pension Scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The charity contributes to the Pensions Trust Growth Plan for certain of its employees. This is in most respects a money purchase arrangement, but does not include certain guaranteed benefit elements. The Plan is a multi-employer scheme as it is not possible in the normal course of events to identify the share of underlying assets belonging to the individual participating employers and accordingly, in accordance with FRS 102, is accounted for as a defined contribution scheme with contributions being recorded as they become payable.

The Taunton School Final Salary Pension Scheme is a defined benefit scheme. The defined benefit pension scheme current service costs are charged to the Statement of Financial Activities within staff costs. The expected return on the scheme assets less the scheme interest costs are credited within other interest. The scheme actuarial gains and losses are recognised immediately as other recognised gains and losses. The defined benefit scheme assets are measured at fair value at the Balance Sheet date. The scheme liabilities are measured on an actuarial basis at the Balance Sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the Balance Sheet.

The School operates a defined contribution pension scheme, for teaching staff, managed by The Royal London, as an alternative to Teachers' Pension Scheme. The employer's contribution is either 8% or 16.48%.

Recognition of Liabilities

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 funds 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 amount after allowing for any discounts due.

**TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

Commitments

Capital expenditure contracted for by the year end, for which no services or goods have been received, is disclosed by way of a note but no provision is made in the financial statements for such amounts.

Funds

Unrestricted Funds are those that are available for the Charity to spend as required. Restricted and Endowed Funds have been given to the Charity for specific purposes.

Redundancy

Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy has been made.

Financial Instruments

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

Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of tangible fixed assets

The annual amortisation and depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 7 and 8 for the carrying amount of the tangible assets and note 2 for the useful lives for each class of asset.

Impairment of debtors

The School 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 11 for the net carrying amount of the debtors and associated impairment provision.

3. SCHOOL FEES

	2022 £000's	2021 £000's
The School's fee income comprised:		
Gross Fees	28,305.6	24,917.4
Less: Total Bursaries, Grants and Allowances	(5,798.9)	(6,236.9)
Add back: Scholarships, grants and bursaries from restricted and endowed funds	105.9	278.9
	<u>22,612.6</u>	<u>18,959.4</u>

4. SUBSIDIARY

Taunton School Enterprises Limited was incorporated in England and Wales as a company limited by shares (registered no. 02846335) and is 100% owned by the Charity. The subsidiary was formed to support the School's charitable aims through letting of its facilities when not required for educational purposes. It donates its annual profits to the School by Gift Aid. The address of its registered office is Taunton School, Staplegrave Road, Taunton, Somerset, TA2 6AD.

	Taunton School Enterprises Limited	
	2022 £000's	2021 £000's
Turnover	894.3	605.0
Cost of Sales	(818.6)	(619.5)
Gross Profit	75.7	(14.5)
Administration Expenses	(6.4)	(6.5)
Taunton School Educational Charity Management Fee	(3.0)	(3.0)
Gift to Taunton School Educational Charity	(66.3)	-
Profit/(loss) on Ordinary Activities after Taxation	<u>-</u>	<u>(24.0)</u>

**TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

4. SUBSIDIARY (CONTINUED)

Included in turnover is £722k (2021: £540k) of intercompany sales to Taunton School. Similarly included in costs of sales and administration expenses are £391k and £3k (2021: £244k and £3k) paid to Taunton School. These transactions were all eliminated on consolidation. At the period end, £66.6k (2021: £73k) was owed from the subsidiary.

5. OTHER INCOME

	2022 £000's	2021 £000's
Other educational charitable activities		
Entrance and registration fees	73.0	63.5
Other charges to pupils	515.2	347.8
Courses and sub-lettings	794.6	661.2
	<u>1,382.8</u>	<u>1,072.5</u>
Other ancillary activities		
Other income	28.5	3.0
Government grant income	0.0	260.6
	<u>28.5</u>	<u>263.6</u>
Non ancillary trading activities		
Taunton School Enterprises Limited (Note 4)	231.3	65.2
Swim school	256.1	100.2
School shop	416.1	317.6
Fees in lieu	128.3	7.2
	<u>1,031.8</u>	<u>490.2</u>
Investment Income		
Other interest received	63.6	198.2

6. ANALYSIS OF EXPENDITURE

	Staff Costs £000's	Other Costs £000's	Depreciation £000's	2022 Total £000's	2021 Total £000's
Raising funds:					
Interest payable	-	119.1	-	119.1	117.0
Fund-raising for voluntary resources	-	-	-	-	0.2
Total for Charity	<u>-</u>	<u>119.1</u>	<u>-</u>	<u>119.1</u>	<u>117.2</u>
Trading expenses	<u>-</u>	<u>432.1</u>	<u>1.9</u>	<u>434.0</u>	<u>379.1</u>
Total for Group	<u>-</u>	<u>551.2</u>	<u>1.9</u>	<u>553.1</u>	<u>496.3</u>
Charitable activities					
Teaching	11,092.5	828.1	-	11,920.6	11,280.8
Welfare	1,394.1	1,009.2	-	2,403.3	1,243.6
Premises	1,419.9	2,271.2	1,047.1	4,738.2	4,071.9
Support costs of schooling and governance costs	1,971.0	2,119.8	-	4,090.8	3,905.4
	<u>15,877.5</u>	<u>6,228.3</u>	<u>1,047.1</u>	<u>23,152.9</u>	<u>20,501.7</u>
Grants and Awards	-	105.9	-	105.9	278.9
Total	<u>15,877.5</u>	<u>6,334.2</u>	<u>1,047.1</u>	<u>23,258.8</u>	<u>20,780.6</u>
Total expenditure - Charity	<u>15,877.5</u>	<u>6,453.2</u>	<u>1,047.1</u>	<u>23,377.9</u>	<u>20,897.8</u>
Total expenditure - Group	<u>15,877.5</u>	<u>6,885.4</u>	<u>1,049.0</u>	<u>23,811.9</u>	<u>21,276.9</u>

**TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

6. ANALYSIS OF EXPENDITURE (CONTINUED)

	2022	2021
	£000's	£000's
STAFF COSTS:		
Wages and salaries	13,008.5	12,339.1
Employer's national insurance contributions	1,221.4	1,092.4
Employer's pension contributions	1,647.6	1,551.6
	<u>15,877.5</u>	<u>14,983.1</u>

Average number of staff employed

	Head count	
	2022	2021
	Nos.	Nos.
Teaching staff	316	297
Support staff	251	257
	<u>567</u>	<u>554</u>

Number of Staff whose Emoluments Exceed £60,000 pa

£60,001 - £70,000	7	5
£70,001 - £80,000	1	3
£80,001 - £90,000	3	3
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
£171,000 - £180,000	1	-
£181,000 - £190,000	-	1

Contributions to the Teachers' Pension Scheme were made for four (2021: four) higher paid employees. Pension contributions in respect of these employees were £62,753 (2021: £62,500). In addition, the School made contributions to a defined contribution scheme for nine (2021: eight) higher paid employees of £72,221(2021: £63,803).

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2021: £nil). During the year Expenses totalling £4.8k were reimbursed or paid to 14 Governors for expenditure such as travel and subsistence for all of the trustees (2021: £1.3k).

The total employee benefits of the key management personnel were £706.1k (2021: £671.8k).

During the year there were redundancy or termination payments made which amounted to £18.2k (2021: £15k).

Net income is stated after charging:

	2022	2021
	£000's	£000's
Interest Payable		
Bank loans	119.1	117.0
Amounts paid under operating leases		
Hire of vehicles	257.1	231.0
Hire of other assets	18.9	65.3
	<u>276.0</u>	<u>296.3</u>

	2022	2021
	£000's	£000's
Governance included in support costs		
Staff costs	153.5	148.7
Governors liability insurance	0.6	0.5
Auditor's remuneration	27.4	31.0
Auditor's remuneration - non audit services	5.6	3.2
Office costs	4.1	3.1
	<u>191.2</u>	<u>186.5</u>

TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

7. TANGIBLE FIXED ASSETS - SCHOOL

	Land and buildings £000's	Equipment £000's	Assets under construction £000's	TOTAL £000's
COST:				
<i>Balance at 1 September 2021</i>	29,702.3	3,305.9	273.5	33,281.7
Additions at cost	-	181.3	2,315.7	2,497.0
Transfers	1,942.6	68.7	(2,011.3)	-
Disposals	-	-	(141.6)	(141.6)
Balance at 31 August 2022	31,644.9	3,555.9	436.3	35,637.1
ACCUMULATED DEPRECIATION:				
<i>Balance at 1 September 2021</i>	6,112.8	2,541.0	-	8,653.8
Charge for year	841.9	205.2	-	1,047.1
Eliminated on disposal	-	-	-	-
Balance at 31 August 2022	6,954.7	2,746.2	-	9,700.9
Net Book Value at 31 August 2022	24,690.2	809.7	436.3	25,936.2
<i>Net Book Value at 31 August 2021</i>	<i>23,589.5</i>	<i>764.9</i>	<i>273.5</i>	<i>24,627.9</i>

8. TANGIBLE FIXED ASSETS - CONSOLIDATED

	Land and buildings £000's	Equipment £000's	Assets under construction £000's	TOTAL £000's
COST:				
<i>Balance at 1 September 2021</i>	29,714.0	3,566.2	273.5	33,553.7
Additions at cost	-	184.7	2,315.7	2,500.4
Transfers	1,942.6	68.7	(2,011.3)	-
Disposals	-	-	(141.6)	(141.6)
Balance at 31 August 2022	31,656.6	3,819.6	436.3	35,912.5
ACCUMULATED DEPRECIATION:				
<i>Balance at 1 September 2021</i>	6,125.5	2,798.0	-	8,923.5
Charge for year	842.0	206.1	-	1,048.1
Eliminated on disposal	-	-	-	-
Balance at 31 August 2022	6,967.5	3,004.1	-	9,971.6
Net Book Value at 31 August 2022	24,689.1	815.5	436.3	25,940.9
<i>Net Book Value at 31 August 2021</i>	<i>23,588.5</i>	<i>768.2</i>	<i>273.5</i>	<i>24,630.2</i>

TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. FIXED ASSET INVESTMENTS

	CONSOLIDATED		SCHOOL	
	2022 £000's	2021 £000's	2022 £000's	2021 £000's
Balance on 1 September 2021	5,310.8	4,523.9	5,310.8	4,523.9
Less: Disposal of Investments	(2,393.4)	(444.0)	(2,393.4)	(444.0)
Add: (Loss)/Gain on revaluation	(227.8)	708.7	(227.8)	708.7
Add: additions	2,462.9	522.2	2,462.9	522.2
Balance at 31 August 2022	<u>5,152.5</u>	<u>5,310.8</u>	<u>5,152.5</u>	<u>5,310.8</u>
Investment in subsidiary company	-	-	0.1	0.1
	<u>5,152.5</u>	<u>5,310.8</u>	<u>5,152.6</u>	<u>5,310.9</u>

The investment in subsidiary company consists 100% share holding in Taunton School Enterprises Limited and Taunton School Trustees Limited, both companies incorporated in England and Wales. The aggregate share capital and reserves of Taunton School Enterprises Limited and Taunton School

ANALYSIS OF FIXED ASSET INVESTMENTS

	CONSOLIDATED		SCHOOL	
	2022 £000's	2021 £000's	2022 £000's	2021 £000's
Quoted Investments at market value	4,961.3	5,212.6	4,961.3	5,212.6
Cash at brokers	191.1	98.2	191.1	98.2
Investment in subsidiary company	-	-	0.1	0.1
Total fixed asset investments at 31 August	<u>5,152.5</u>	<u>5,310.8</u>	<u>5,152.6</u>	<u>5,310.9</u>
Historical cost of quoted investments	<u>3,547.5</u>	<u>3,547.5</u>	<u>3,547.5</u>	<u>3,547.5</u>

10. STOCKS

	CONSOLIDATED		SCHOOL	
	2022 £000's	2021 £000's	2022 £000's	2021 £000's
School shop and materials for sale	105.6	81.7	92.6	76.2
Consumable materials	62.4	60.5	62.4	60.5
	<u>168.0</u>	<u>142.2</u>	<u>155.0</u>	<u>136.7</u>

11. DEBTORS

	CONSOLIDATED		SCHOOL	
	2022 £000's	2021 £000's	2022 £000's	2021 £000's
Fee Debtors	303.0	231.3	303.0	231.3
Prepayments	335.2	404.9	301.7	377.0
Trade and other debtors	328.2	256.8	287.3	221.5
Subsidiary company	-	-	66.6	72.3
	<u>966.4</u>	<u>893.0</u>	<u>958.6</u>	<u>902.1</u>

TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

12. CREDITORS	CONSOLIDATED		SCHOOL	
	2022 £000's	2021 £000's	2022 £000's	2021 £000's
DUE WITHIN ONE YEAR				
Bank overdraft	-	2,469.2	-	2,469.2
Bank loans	19.6	188.3	19.6	188.3
Trade creditors	569.3	487.5	506.4	462.5
Payroll taxes and social security	342.3	292.5	342.3	292.5
Employee pension funds	261.6	222.1	261.6	222.1
Fees received in advance of term	6,436.3	4,252.5	6,436.3	4,252.5
Fee deposits	1,595.3	1,516.1	1,595.3	1,516.1
Other creditors and accruals	952.7	786.2	938.9	777.1
	<u>10,177.1</u>	<u>10,214.4</u>	<u>10,100.4</u>	<u>10,180.3</u>
Advance fees scheme (see below)	504.8	438.8	504.8	438.8
	<u>10,681.9</u>	<u>10,653.2</u>	<u>10,605.2</u>	<u>10,619.1</u>
DUE AFTER MORE THAN ONE YEAR				
Bank loans	594.6	164.1	594.6	164.1
Fee deposits	1,778.8	1,854.2	1,778.8	1,854.2
Advance fees scheme	772.4	695.2	772.4	695.2
	<u>3,145.8</u>	<u>2,713.5</u>	<u>3,145.8</u>	<u>2,713.5</u>

The School has three bank loans with HSBC plc. The bank loans are secured by a legal charge on the School's properties Greenway Road and The Grange.

ANALYSIS OF DEBT MATURITY	CONSOLIDATED		SCHOOL	
	2022 £000's	2021 £000's	2022 £000's	2021 £000's
In one year or less on demand:				
Bank loans	19.6	188.3	19.6	188.3
Between two and five years:				
Bank loans	493.4	51.2	493.4	51.2
Over five years:				
Bank loans	101.2	113.2	101.2	113.2
	<u>614.2</u>	<u>352.7</u>	<u>614.2</u>	<u>352.7</u>

Parents may pay to the School tuition fees in advance. Assuming pupils remain in the advance fee scheme, payments will be applied to offset the fees as follows:

ADVANCE FEE PAYMENTS	CONSOLIDATED		SCHOOL	
	2022 £000's	2021 £000's	2022 £000's	2021 £000's
Within one year	504.8	438.8	504.8	438.8
Within one to two years	345.9	289.8	345.9	289.8
Within two to five years	391.1	354.2	391.1	354.2
Over five years	35.4	51.2	35.4	51.2
	<u>1,277.2</u>	<u>1,134.0</u>	<u>1,277.2</u>	<u>1,134.0</u>

	CONSOLIDATED		SCHOOL	
	2022 £000's	2021 £000's	2022 £000's	2021 £000's
Balance at 1 September 2021	1,134.0	1,437.3	1,134.0	1,437.3
New contracts	720.7	408.7	720.7	408.7
Amounts utilised in payment of fees	(483.2)	(617.0)	(483.2)	(617.0)
Capital repaid	(109.9)	(120.0)	(109.9)	(120.0)
Discounts applied	15.6	25.0	15.6	25.0
Balance at 31 August 2022	<u>1,277.2</u>	<u>1,134.0</u>	<u>1,277.2</u>	<u>1,134.0</u>

TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

13. FINANCIAL INSTRUMENTS

	CONSOLIDATED		SCHOOL	
	2022 £000s	2021 £000s	2022 £000s	2021 £000s
Financial assets measured at fair value	4,961.3	5,212.6	4,961.4	5,212.6

Financial assets at fair value includes assets held as investments less cash held.

14a. PERMANENT ENDOWED FUNDS

Current year movement

	Balance at 01.09.21 £000's	Donations £000's	Incoming Funds £000's	Expenditure £000's	Investment losses £000's	Balance at 31.08.22 £000's
Ian Evans-Lombe Scholarship Fund	2,062.2	-	-	-	(160.0)	1,902.2

Prior year movement

	Balance at 01.09.20 £000's	Donations £000's	Incoming Funds £000's	Expenditure £000's	Investment gains £000's	Balance 31.08.21 £000's
Ian Evans-Lombe Scholarship Fund	1,799.6	-	-	(0.2)	262.8	2,062.2

The Ian Evans-Lombe Scholarship Fund forms part of the Foundation Funds . The gift was made by the Trustees of Mr Evans-Lombe with the objective to advance the education of children who could not otherwise afford the School's education by providing for scholarships to be awarded to two pupils starting in the Lower Sixth each year.

14b. RESTRICTED FUNDS

Current year movement

	Balance at 01.09.21 £000's	Incoming Funds £000's	Expenditure £000's	Investment Gains £000's	Transfers £000's	Balance at 31.08.22 £000's
Taunton School Foundation	929.2	208.7	(111.0)	-	-	1,026.9
Parental Funds	105.3	-	-	-	-	105.3
Taunton School Trust - Land & Buildings	1,959.8	-	-	-	-	1,959.8
Taunton School Trust - Other Funds:						
Haynes Fund	100.7	-	-	-	-	100.7
Ian Evans-Lombe Scholarship Fund	42.8	63.6	(68.0)	-	-	38.4
Gerrard Memorial Bursary	998.1	-	-	-	-	998.1
Taunton School Scholarship and Bursary Fund	112.6	-	-	-	-	112.6
Other Restricted Funds	54.8	-	-	-	-	54.8
	4,303.3	272.3	(179.0)	-	-	4,396.6

Prior year movement

	Balance at 01.09.20 £000's	Incoming Funds £000's	Expenditure £000's	Investment Gains £000's	Transfers £000's	Balance at 31.08.21 £000's
Taunton School Foundation	931.7	196.3	(198.8)	-	-	929.2
Dining Room Redevelopment Project	100.0	-	-	-	(100.0)	-
Parental Funds	105.3	-	-	-	-	105.3
Taunton School Trust - Land & Buildings	1,959.8	-	-	-	-	1,959.8
Taunton School Trust - Other Funds:						
Haynes Fund	85.6	-	-	15.1	-	100.7
Ian Evans-Lombe Scholarship Fund	6.6	116.3	(80.1)	-	-	42.8
Gerrard Memorial Bursary	847.9	-	-	150.2	-	998.1
Taunton School Scholarship and Bursary Fund	95.7	-	-	16.9	-	112.6
Other Restricted Funds	49.3	-	-	5.5	-	54.8
	4,181.9	312.6	(278.9)	187.7	(100.0)	4,303.3

14b. RESTRICTED FUNDS (CONTINUED)

The terms of the most significant Funds are summarised below:

Taunton School Foundation (TSF) - The trust is administered by a Foundation Board, who work with the Governors to promote and provide for the development of the educational facilities and activities of the School.

Dining Room Redevelopment Project – This fund is to provide support towards the cost of a new dining room facility in the heart of the school campus.

Parental funds – This fund is to provide academic, sporting and co-curricular facilities for pupils and is directly managed by the Headmaster.

Other Funds:

Taunton School Trust - The fund represents the land and property and restricted funds held by Taunton School Trust on incorporation.

Haynes Fund - The Fund was set-up by the will of the late J K Haynes. The income is to provide a scholarship for pupils of Taunton School studying Electrical, Mechanical or Civil Engineering at London University.

Gerrard Memorial Bursary - The Fund was set-up to provide a scholarship for sporting achievements.

Taunton School Scholarship and Bursary Fund - This fund is to provide scholarships and bursaries for pupils attending Taunton School.

Other Restricted Funds - includes smaller funds supporting a range of activities in the School.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year movement

	Fixed Assets £000's	Net Current Assets/ (Liabilities) £000's	Long Term (Liabilities) £000's	Pension Liability £000's	Fund Balances £000's
Pension Scheme Reserve	-	-	-	-	-
Taunton School Trust	1,959.8	-	-	-	1,959.8
Taunton School Foundation	-	1,026.9	-	-	1,026.9
Other Restricted Funds	38.4	1,371.4	-	-	1,409.8
Endowed Funds	1,902.2	-	-	-	1,902.2
Unrestricted Funds	27,188.4	(11,125.9)	(3,145.8)	-	12,916.6
Charity	31,088.8	(8,727.6)	(3,145.8)	-	19,215.3
Subsidiary's Reserves	4.6	(26.4)	-	-	(21.8)
Group	31,093.4	(8,754.0)	(3,145.8)	-	19,193.5

Prior year movement

	Fixed Assets £000's	Net Current Assets/ (Liabilities) £000's	Long Term (Liabilities) £000's	Pension Liability £000's	Fund Balances £000's
Pension Scheme Reserve	-	-	-	-	-
Taunton School Trust	1,959.8	-	-	-	1,959.8
Taunton School Foundation	-	929.9	-	-	929.9
Other Restricted Funds	1,389.0	24.6	-	-	1,413.6
Endowed Funds	2,062.2	-	-	-	2,062.2
Unrestricted Funds	24,527.8	(10,250.7)	(2,713.5)	-	11,563.6
Charity	29,938.8	(9,296.2)	(2,713.5)	-	17,929.1
Subsidiary's Reserves	2.2	(26.2)	-	-	(24.0)
Group	29,941.0	(9,322.4)	(2,713.5)	-	17,905.1

16. CAPITAL COMMITMENTS

	CONSOLIDATED		SCHOOL	
	2022 £000's	2021 £000's	2022 £000's	2021 £000's
Contracted for and not provided for	<u>102.2</u>	<u>73.2</u>	<u>102.2</u>	<u>73.2</u>

17. FINANCIAL COMMITMENTS

At 31 August 2022 the School was committed to making the following total payments under non-cancellable operating leases:

	CONSOLIDATED		SCHOOL	
	2022 £000's	2021 £000's	2022 £000's	2021 £000's
Within 1 year	273.4	168.6	85.4	23.5
Within 2 to 5 years	796.3	394.5	250.1	21.5
More than 5 years	193.3	261.2	1.9	-
	<u>1,263.0</u>	<u>824.3</u>	<u>337.4</u>	<u>45.0</u>

18. RELATED PARTY TRANSACTIONS

Two (2021 - two) Governors pays for children at the School. School fees incurred by the Governors are paid on a commercial arms' length basis.

See Note 4 for details of the transactions which took place between the Charity and its wholly owned subsidiary, Taunton School Enterprises Limited, in the year and any amounts outstanding at the period end.

19. PENSION COSTS

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,078,639 (2021: £1,064,715) and at the year-end £Nil (2021 - £Nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme 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. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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

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

TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. PENSION COSTS (CONTINUED)

Support Staff

The School operates a defined benefit pension scheme for its support staff, The Taunton School Final Salary Scheme, which is managed on its behalf by JLT. The scheme is funded and is contracted into the state scheme. The scheme closed to new entrants on 1 October 2001. The last formal valuation of the scheme was performed in 2021 and showed an actuarial deficit so a recovery plan has been put in place, subject to review at future funding assessments. The position at the end of 2022 is set out below.

The actuarial assumptions for life expectancy in years, assuming a retirement age of 65 are:	2022	2021
	Years	Years
For a male retiring now	26.2	26.2
At 65 for a male member aged 45 now	27.3	27.3
For a female retiring now	28.3	28.3
At 65 for a female member aged 45 now	29.6	29.6

The financial assumptions used to calculate Scheme liabilities are as follows:	2022	2021
	%pa	%pa
Inflation	3.3	3.2
Rate of increase in salaries	N/A	N/A
Rate of increase of pensions in payment and deferred pensions	3.1	3.1
Discount rate	4.3	1.7

Scheme assets and expected rate of return:	2022		2021	
	Fair Value	Split	Fair Value	Split
	£000'	%	£000'	%
Equities	-	-	2,728	36
Bonds	6,144	99	4,829	63
Cash	67	1	85	1
Total	6,211		7,642	

Components of defined benefit cost:	2022	2021
	£000's	£000's
Analysis of amounts charged to operating profit:		
Interest on pension scheme liabilities	-	-
Net charge to the SOFA	-	-

The actuarial gains shown in the Statement of Financial Activities comprised:	2022	2021
	£000's	£000's
Gain on scheme assets amount (£000)	(1,217.0)	827.0
% of scheme assets at end of year	-19.6%	10.8%
Experience gain/(loss) on scheme liabilities amount (£000)	(534.0)	56.0
% of scheme liabilities at end of year	-9.8%	0.8%
Total actuarial gain recognised in SOFA amount (£000)	-	290.0
% of scheme liabilities at end of year	0.0%	0.0%

Reconciliation to the balance sheet	2022	2021
	£000's	£000's
Market value of assets	6,211.0	7,642.0
Value of accrued liabilities	(5,428.0)	(7,360.0)
Unrecognised surplus	(783.0)	(282.0)
Net Pension Surplus/(Deficit) in the scheme	-	-

Analysis of the movement in deficit in the scheme during the year	2022	2021
	£000's	£000's
Unrecognised Asset/Recognised (Deficit) in the scheme at beginning of year	282.0	(290.0)
Net interest income/(cost)	5.0	(5.0)
Other finance (expense)/income	-	-
Actuarial (loss)/gain	496.0	577.0
Unrecognised surplus	(783.0)	(282.0)
Recognised scheme asset / (liabilities) at end of year	-	-

**TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

19. PENSION COSTS (CONTINUED)

Analysis of the amount recognised in the Statement of Financial Activities	2022	2021
	£000's	£000's
Actual return less expected return on assets	(1,217.0)	827.0
Experience gains/(losses) on the liabilities	(534.0)	56.0
Change in assumptions	2,247.0	(306.0)
Unrecognised surplus	(496.0)	(282.0)
Actuarial gain/(loss) recognised in SOFA	-	295.0
	<u>-</u>	<u>295.0</u>
Change in the present benefit obligation		
	2022	2021
	£000's	£000's
Opening defined benefit obligation	7,360.0	7,257.0
Interest cost	122.0	121.0
Actuarial losses/(gains)	(1,713.0)	250.0
Benefits paid	(341.0)	(268.0)
Closing defined benefit obligations	<u>5,428.0</u>	<u>7,360.0</u>
Change in the fair value of scheme assets		
	2022	2021
	£000's	£000's
Opening fair value of plan assets	7,642.0	6,967.0
Interest income	127.0	116.0
Actuarial gains	(1,217.0)	827.0
Contributions	-	-
Benefits paid	(341.0)	(268.0)
Closing fair value of plan assets	<u>6,211.0</u>	<u>7,642.0</u>

The School also operates a defined contribution pension scheme managed by the Pension Trust, which non-teaching staff are eligible to join. The assets of the scheme are separately from the School. The employer's contributions matches that of the employee within the region of 2-12.5%. The cost for the year represents the School's contribution to the Scheme of £272,426 (2021: £246,924).

The School operates a defined contribution pension scheme, for teaching staff, managed by The Royal London, as an alternative to Teachers' Pension Scheme. The employers contribution is either 8% or 16.48%. As at 31/08/22 there were 46 members and the cost for the year represents the School's contribution to the scheme of £293,493.

TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

20. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES - COMPARATIVE FIGURES BY FUND TYPE
(Incorporating an Income and Expenditure Account)

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	Endowed Funds £000's	2021 Total £000's	2020 Total £000's
Income and endowments from:						
Charitable activities						
School fees	3	18,959.4	-	-	18,959.4	18,135.5
Other educational income	5	1,072.5	-	-	1,072.5	916.0
Other ancillary trading income	5	263.6	-	-	263.6	897.0
Other trading activities						
Non-ancillary trading income	5	490.2	-	-	490.2	587.5
Investments						
Investment Income	5	81.9	116.3	-	198.2	231.5
Voluntary sources						
Donations and bequest	14b	-	196.3	-	196.3	164.5
Total income		20,867.6	312.6	-	21,180.2	20,932.0
Expenditure on:						
Raising funds						
Non-ancillary trading expenses	6	379.1	-	-	379.1	228.2
Fundraising and development	6	-	-	0.2	0.2	31.7
Financing costs	6	117.0	-	-	117.0	89.1
		496.1	-	0.2	496.3	349.0
Charitable activities:						
Education and grant making	6	20,501.7	278.9	-	20,780.6	21,336.7
Total expenditure		20,997.8	278.9	0.2	21,276.9	21,685.7
Net Incoming/(outgoing) funds from operations before investment gains		(130.2)	33.7	(0.2)	(96.7)	(753.7)
Gains/(losses) on investments		258.2	187.7	262.8	708.7	(86.7)
Net (outgoing)/incoming resources		128.0	221.4	262.6	612.0	(840.4)
Transfers between funds		100.0	(100.0)	-	-	-
Other recognised losses:						
Pension scheme actuarial (losses)	19	290.0	-	-	290.0	(290.0)
Net movement in funds in year		518.0	121.4	262.6	902.0	(1,130.4)
Funds balances at 1 September 2020		11,021.6	4,181.9	1,799.6	17,003.1	18,133.5
Fund balances at 31 August 2021		11,539.6	4,303.3	2,062.2	17,905.1	17,003.1

TAUNTON SCHOOL EDUCATIONAL CHARITY

England & Wales - Charity number 1081420

Accounts



**TAUNTON
SCHOOL**

**TAUNTON SCHOOL
EDUCATIONAL CHARITY**

**REPORT OF THE CHARITY TRUSTEES
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

**Taunton School Educational Charity is a Company Limited by Guarantee Registration Number 4005803
Registered Office: Clerk to the Governors Taunton School, Staplegrove Road, Taunton TA2 6AD.
Registered Charity Number 1081420
Company registration number: 4005803**

**TAUNTON SCHOOL EDUCATIONAL CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

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**TAUNTON SCHOOL EDUCATIONAL CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021
GOVERNORS, OFFICERS AND ADVISERS**

Charity Details

Taunton School Educational Charity is a Company Limited by Guarantee with Company Registration Number 4005803 and Charity Registration Number 1081420.

Registered Office and
Principal Address:

Clerk's Office
Taunton School
Staplegrove Road
Taunton
Somerset
TA2 6AD

Telephone:

01823 703128

Email:

Nicola.miller@tauntonschool.co.uk

Website:

www.tauntonschool.co.uk

Governors

The Governors and Officers of the Charity who held office for all or part of the year are shown on Pages 4 and 5 of this report.

Professional Advisers

Banker: HSBC Bank Plc

17 North Street, Taunton, Somerset TA1 1NA

Solicitor: Veale Wasbrough Vizards

Orchard Court, Orchard Lane, Bristol BS1 5WS

Independent Auditor: Crowe UK

4th Floor, St James House, St James' Square,
Cheltenham GL50 3RP

Insurance Broker: Marsh

Capital House, 1 -5 Perrymount Road, Haywards
Heath, West Sussex RH16 3SY

**TAUNTON SCHOOL EDUCATIONAL CHARITY
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2021**

DIRECTORS' REPORT

The Board of Governors (the 'Board'), who are the Directors and Trustees of Taunton School Educational Charity (the 'Charity'), present their annual report for the year ended 31 August 2021. It is in the format prescribed by the Charities Act 2011 and the Companies Act 2006.

CONSTITUTION AND OBJECTS

Taunton School was founded in 1847. It is constituted as a company limited by guarantee registered in England, No. 4005803. It is also registered as a Charity with the Charity Commission under Charity No. 1081420. The School is governed by its Memorandum of Association and Articles of Association that were updated and amended on 11 March 2016. These were updated in December 2020 to allow for online meetings.

The objects of the Charity are *'to promote and provide for the advancement of education by the provision of a school or such other means as the Governors shall from time to time determine.'* In carrying out these objects, the Charity upholds the founding principles of the School which are rooted in the Christian faith. It recognises the particular emphasis of its 'Free Church' foundation on the importance of personal responsibility in the quest for faith, and in respect of religious traditions.

Significantly, in furthering these Objects for the public benefit, the Charity provides Taunton School for boys and girls in five parts; the Senior School (known as Taunton School), Prep School, Pre-Prep and Nursery, Taunton School International and Taunton School International Middle School. This spans an age range from Infants to 18.

The School administers assisted places (bursaries), grants, awards and other benefactions such as scholarships and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of its objects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Body

The Articles of Association sets the maximum number on the Board at 17, of which one is appointed by the Churches Advisory Panel. The remaining governors are appointed by an ordinary resolution of the Members, passed at an AGM of the Charity. Henry Keeling served as Chairman of the Board throughout the year.

The Governors are the company directors and trustees of the Charity, and those who have been in office for all or part of the year are listed alphabetically by surname below:

Mr Henry Keeling, **Chairman**
Mr Robert Aldrich
Mr Christopher Butters
Mr Philip Cooper
Mrs Ruth Frett (elected June 2021)
Brigadier (Retired) Mark Hallas
Mr Tim Hayden
Mr David Hebditch
Dr Ian Kelham
Mr Richard Kennedy, **Treasurer**

Reverend Nigel Manges
Rear Admiral Ian Moncrieff
Mr Keith Moore
Mrs Hilary Quantick
Mrs Elaine Waymouth, **Deputy Chairman**
Mrs Sheila Wheeler

Officers

The principal executive officers of the Charity for all or part of the year were:

Head of Senior School and Chief Executive Officer	Mr L C Glaser
Chief Operating Officer	Mrs N M Miller
Clerk to the Governors	Mrs N M Miller
Taunton Preparatory School Head	Mr A Edwards
Taunton School International Principal	Mr A Hallworth

Membership

The charity has an unlimited number of members. Members are former governors and pupils of the School, over the age of 18.

Governor Recruitment & Training

Board vacancies are considered by the Nominations Committee, which then makes recommendations to the full Board. All prospective candidates are considered in light of the skills/experience balance required at the time which will include eligibility, diversity, personal competence, specialist skills and local availability. New governors are appointed for a term of 3 years and, subject to periodic performance review, may be re-elected for a further 4 terms. All Governors will be formally appointed by the Members at the AGM.

New Governors induction into the workings of the Schools includes the policies and procedures of the Board through briefings by the Chairman, Head and Clerk and through comprehensive documentation. They also attend specialist external courses on such matters as the role and responsibilities of Charity Trustees. Governors attend on-going training run by organisations such as the Association of Governing Bodies of Independent Schools (AGBIS), to stay abreast of current issues and regulations in the Independent Sector. All Governors are subject to DBS checks and associated 'Safeguarding' training. Governors will be asked to review the updated Charity Governance Code this year and new governors will receive the code itself as part of their induction pack.

Organisational management

As the Charity Trustees, Board members, are legally responsible for the overall management and control of the School and promotion of its long term success. The Board meets at least 3 times a year. The work of implementing its policies and specific key elements is overseen by Committees and Panels, most of which meet at least termly and report into the Full Board as follows:

- Educational Advisory Panel
- Finance and General Purposes Committee
- Marketing Panel
- Churches Advisory Panel
- Estates Panel
- Investment Panel
- Foundation Panel
- Nominations Panel
- Human Resources and Remuneration Panel

- Debtors Panel
- Risk Management Panel
- Appeals Panel (convened as required)

Other specialist working groups are set up as and when required.

Taunton School comprises 5 schools; Taunton School (day/boarding age 13-18), Taunton Prep School (day/boarding age 7-13), Taunton School Pre-Prep and Nursery (day age 0-7 years), Taunton School International (boarding age 14-16 years) and Taunton School International Middle School (boarding age 7-14 years). The Head of the Senior School is the person appointed by the Governors as Chief Executive Officer to lead and manage the group of 5 schools. He is responsible to the Board for all activities carried out by the School and is supported by the Chief Operating Officer who is also the Clerk to the Governors, as well as the Taunton Prep School (TPS) and Taunton School International School (TSI) Heads. All of these CEO 'Direct Reports' are appointed by the governors and ultimately report to them through the CEO.

Day-to-day running of the Schools is delegated to the Senior Policy Committee. This group is drawn from the Key Management Personnel. The Heads and COO attend all of the meetings of the Board and most of the meetings of the Committees and Panels above. Remuneration policy is set by the Board, with a policy objective of encouraging enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success. Approval of this is a matter reserved solely to the Board. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools and wider benchmarking. This is to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

Group Structure

The School has 2 wholly owned non-charitable subsidiaries, Taunton School Enterprises Limited (TSE) (company number 02846335) and Taunton School Trustees Limited (company number 06706952).

The principal activity of TSE is the trading activity of the School whose annual profits are donated to the School under the Gift Aid Scheme. The principal activity of Taunton School Trustees Limited is that of a corporate Trustee of the School's defined benefit pension scheme for support staff, which closed to new entrants in 2021 and to further accrual in 2010.

Employment Policy

The School is an equal opportunities employer, committed to supporting and promoting a culture of equality, diversity and inclusion in all its practices. We recognise that providing equality of opportunity, valuing diversity and promoting a culture of inclusion are vital to our success through the breadth of skills and experience that underpin the success and career satisfaction of our staff.

We advertise all of our job vacancies widely using an Applicant Tracking system (ATS), online social media sources, online national platforms, and various local sources. The School also has a 'Refer a Friend' Policy which encourages 'word of mouth' recommendations for vacancies. Full and fair consideration is given to job applications from all backgrounds and appropriate support and assistance is given to those who require it during the application and selection process. Equal opportunities data is collected from all job applicants and recorded and monitored in order to understand the demographic and characteristics of job applicants to the School.

The School's workforce is diverse and is presently 61% male, 39% female, and <1% non-binary. All Staff can access and benefit from a range of family friendly policies and access to flexible working practices.

The School adheres strictly to safer recruitment guidelines and its Recruitment and Selection Policy is built around this. Every recruitment panel has to have at least 1 safer recruitment trained staff member. All

recruiting managers are safer recruitment trained and the School ensures that this is refreshed every 3 years. In addition, they can access up to date online resources with regards to recruitment and selection practices.

Appropriate pre-employment checks are undertaken for all new staff and a comprehensive Single Central Register is maintained by the HR department. All new staff go through an induction process that includes child protection, safeguarding, equality, diversity and inclusion, dignity at work, data protection, and health & safety updates, as well as an introduction to, and overview of, the School. These are refreshed for existing staff at appropriate intervals.

To ensure that our staff have equal promotional opportunities, everyone has access to regular reviews and can participate in an appraisal process. The School encourages internal promotion as much as possible, and all job vacancies are advertised internally as well as externally.

Day to day communication with employees takes place through normal management channels in a variety of forms and also through exceptional channels to appraise staff of specific issues. With regards to School decision making that is likely to impact staff and/or their interests, consultation with them and/or their representatives is made at all levels through comprehensive channels.

The School holds the Investors in People Gold Accreditation; most recently reaffirmed in 2019.

Public Benefit

The Board confirms that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

How our activities deliver public benefit

The Board has considered the Charity Commission's current guidance on public benefit carefully. They try to ensure that the School's charitable objects are carried out for the public benefit by making sure that wherever possible, education is available to all who can draw most value from it. This is done irrespective of financial circumstances since our charitable activities promote the wider education of children and access is not restricted solely by the ability to pay fees. The School's facilities are also made available as far as possible to other local schools and the wider community.

The Board remains committed to providing public benefit which is in itself, in accordance with the School's founding principles. To this end the School cooperates with local charities and educational bodies in an ongoing endeavour to widen public access to the School. It also seeks to optimise the use of the School's cultural and sporting facilities and to awaken in the School's own pupils an awareness of the social context of the all-round education they receive at the School. A detailed summary of this year's activities for the wider public benefit is on the publicly discoverable Schools Together website <https://www.schoolstogether.org> and is included in the strategic report below.

Grant making policy

Opportunity to benefit from the School's Grants (assisted places also sometimes known as bursaries) is subject to neither geographical nor other restrictions such as the ability to pay fees. Accordingly, no one is excluded from this opportunity. The School's underlying and publicly stated purpose is to "Challenge, Nurture and Inspire" young people to succeed in and contribute to a global community. The Board takes the view that those pupils who attend the School and who receive financial support contribute to the School community in a variety of ways, and so the benefit is not purely to these pupils, but to the whole School ethos and inclusivity and, in some cases, to the wider community.

In the 12-month period to 31 August 2021, a total of £1,871,743 (2020: £1,701,122) was spent on means-tested assisted places/bursaries. This is the equivalent of 93 full Senior School day fees and 7.4% of gross fee

income. 292 pupils (2020: 258) received assistance with school fees, including 1 for full fees. In the current academic year (2021/2022), it is estimated that 237 pupils will receive assisted places bursaries totalling £1,656,381.

The School's assisted places/bursary expenditure is summarised below:

	2021/22	2020/21	2019/20	2018/19	2017/18
Assisted Place/Bursary recipients	237	292	258	252	233
Value of awards	£1,656,381	£1,866,726	£1,701,122	£1,638,089	£1,348,710
Average value					
- £	£6,989	£6,393	£6,606	£6,500	£5,788
- % of Senior School day fee	33.5%	31.8%	32.9%	33.5%	30%

Taunton School Foundation

The Foundation is at the heart of the School's stated charitable purpose above. Its donations come from the School's alumni, parents, staff and friends. The majority of donations are given to supporting means-tested assisted places, bursaries and the improvement of facilities to the benefit of all students at Taunton School. In the 12-month period to 31 August 2021, voluntary donations totalled £196,325.

Last year a number of donations were also provided to help those struggling with the impact of COVID-19. This included gifts of over £10,000 from former pupils to enable the School to supply food boxes to Musgrove Park Hospital to support frontline NHS staff. Over the course of the pandemic over 7,000 meal boxes were prepared by the School's in-house catering team and provided nutritious meals to the key workers at Somerset's largest acute hospital. In addition to this a gift of £75,000 was given by a single donor and used to support COVID-19 additional precautions, cleaning and testing costs in the School.

The School did not employ any external fundraisers during the year but did appoint a new Foundation Director who joined the School in September 2021. The School is not registered with the Fundraising Regulator but is committed to 'good fundraising practices'. The School is a member of the Institute of Development Professionals in Education (IDPE) and actively collaborates with professional bodies in the sector. There are no instances to report of the School failing to comply with fundraising standards and the School received no formal complaints about its fundraising activity during the year. The School adheres to the General Data Protection Regulation (GDPR) and only contacts those for whom our communication will be relevant and of interest.

STRATEGIC REPORT

OBJECTIVES AND ACTIVITIES

Charitable Objects

The Objects of the School are in the Memorandum of Association dated 11 March 2016. Principally:

To promote and provide for the advancement of education by the provision of a school or such other means as the Governors shall from time to time determine provided always that:

- a. In admitting pupils to the School, the Governors must exercise (all other things being equal) a preference in favour of sons and daughters of members of the Free Churches; and*
- b. In carrying out its objects, the Charity shall uphold the founding principles of the School which are rooted in the Christian faith and recognise the particular emphasis on its Free Church foundation and the importance of personal responsibility in the quest for faith, and respect for all religious traditions.*

To these ends the School:

- i. *Provides an education for boys and girls aged 0 to 18 years which is internationally recognised as adding academic value at every stage;*
- ii. *Provides substantial financial support towards fee remission;*
- iii. *Has a continuous programme of maintenance, building and technology refurbishment and development;*
- iv. *Allows controlled access by the public to its grounds, buildings and facilities generally;*
- v. *Holds a variety of religious services on weekdays and on Sundays in the Chapel;*
- vi. *Provides a wide range of sporting and cultural facilities, many of which are available to children from other local schools and which are also made available to members of the public where appropriate;*
- vii. *Supports the wider community by 'community service' and other activities; and*
- viii. *Demonstrates significant public benefit through its academic and other activities as described in paragraphs (i) to (vii) above.*

Aims and Targets

Within these objects the School aims to meet its publicly stated purpose mentioned earlier. To this purpose the 5 schools operate as one school group and ensure that value is added at every stage of a pupil's education. This is achieved by providing outstanding and innovative teaching and developing a culture which uses technology to drive forward teaching and learning. Pupil and staff well-being is central to all that we do and the School aims to encourage, train and develop confident, enthusiastic and well-rounded young people who are able to form meaningful relationships with other people and consideration for others in an international arena, irrespective of circumstance.

The School has identified its strategic objectives for the present and coming years in formal consideration with the Board and its supporting Committees and Panels, both at regular meetings and in an annual Management Day. This is supplemented by input from the management's Senior Policy Committee who review objectives in a systematic way. Current objectives include:

- Further refinement of the School's digital strategy with a specific target of improving online security. A supplementary task is to prepare for the introduction of 1:1 digital devices for teachers in September 2021;
- Maintaining a secure financial position and controlling costs;
- Reviewing the master plan for the estate and developing a green heart at the centre of the School;
- Delivering a continuing programme of investment to modernise the estate; and
- Continuing to develop income generating activities which align with the School's educational ethos.

COVID-19 Response

The School switched again to remote learning in January 2021 for a 7 week period. During this time academic lessons and co-curricular activities were delivered by teachers working from home using Microsoft Teams. Some 50 boarders and 150 children of key workers remained on site during this lockdown and they were supported throughout by ancillary staff, while teaching staff continued to deliver lessons remotely from home. Most pupils returned to school for 3 weeks of face-to-face learning in March before the Easter recess.

A small number of staff went on furlough during the lockdown, but significantly less than during the first national lockdown due to the number of pupils on site and the continuation of maintenance and other projects. Time and money was spent creating on site COVID-19 isolation facilities as well as preparing all teaching and other spaces across the estate to be COVID-19 safe. This included the installation of screens, signage, hand sanitiser stations and ozonated water generating plants to facilitate the enhanced cleaning response regimes required in the pandemic.

The School continued to make use of its Samba II testing capability and this, combined with lateral flow testing, helped contain the onward transmission of COVID-19 throughout the community. Confirmed infections among both the staff and student body have remained relatively low during the year.

The Board are mindful of the global and national uncertainty created by the pandemic and in response they secured an additional £5m revolving credit facility to cover any unforeseen eventualities. It is pleasing to note that the additional headroom created by this facility has not been needed to date.

The pandemic has highlighted the cyber security threats faced by the School and there is to be a significant investment in technology upgrades and continuous professional development to provide a bulwark against this risk.

COVID-19 and the closure of the School site during 7 of the 10 weeks of the Spring Term 2021 and for the whole of the Summer Term 2020, led to significant losses in the Enterprise Company and had the following financial impacts on the School:

	19/20	20/21
	£'000	£'000
Remote learning discount	(1,100)	(450)
TSI & TSIMS Summer school	(360)	(350)
Events & Residentials loss	(385)	(220)
Additional costs - Covid related	(109)	(217)
Site savings - Utilities etc	465	102
Furlough received	400	200
	<u>(1,089)</u>	<u>(935)</u>

Broadening Access

The Chairman and Board have a clear intent to widen access to the School for those who would benefit from its educational offering by granting means tested financial support (assisted places/bursaries) as described in our Grant Making Policy above. The Board's approach to achieving this is to increase the number of philanthropic donations and to create a legacy. They remain committed to ensuring that a first-class education is available to a range of pupils regardless of financial circumstance and to ensure that the School continues to benefit from a broad and inclusive mix of children with different social and economic backgrounds.

Academic Excellence

The School is non-selective with a commitment to its publicly stated purpose. Pupils are encouraged to develop their full potential, through a robust pastoral system and with a clear commitment to the investment and use of digital technology. Academic value added is key and pupils continue to be offered a wide variety of extra-curricular and sporting opportunities.

Pupil Recruitment

The School continues to focus on attracting boarding and day pupils across all age groups at local, national and international levels. This focus is supported by a whole-school marketing team and a new website has been developed. Numbers are strong and enquiries are higher than normal for next year.

Estate Development and Capital Works

The new dining room was opened for use in September 2020 and 'ceremonially' by HRH The Princess Royal in November 2020 when she also took the opportunity to meet a wide cross section of staff and students and to see the work to promote STEM amongst girls in particular. The resultant additional space in the new dining room and its supporting kitchen made COVID-19 pupil management an easier task than it would have been under previous arrangements. Now that the project is completed, the School is moving to the next

stage in the Estates Development plan and a number of schemes are being developed including a new 6th Form Centre, relocation of the library and the provision of EAL classrooms. A new car park will be installed on Fairwater Green as well as works to properly landscape the area that forms Phase 1 of the “Green Heart of the School” and creates a pedestrian precinct at the centre of the school. The Estates Master Plan development also includes significant improvements to the external amenity space of the Prep and Pre-Prep area of the campus.

Other work this year has focused on staying abreast of planned maintenance and cyclical classroom refurbishments and improvements. Major roof repairs and improvements to insulation have been made to the sports hall, Centenary Hall, Whittaker, Clark Centre and the CCF/Shop roof pitches. Roof repairs and external decorations were also carried out on the Main School building. Additionally the installation of a new mezzanine floor has added over 60 sq m of new space in Marshall House.

A comprehensive review of the Estate Condition Survey was commissioned (last done in 2014) and the outcomes will be part of an action plan in the 10-year planned maintenance programme.

Elsewhere, work has continued with Fire safety elements, sports facility improvements, office refurbishments, plant and other service asset replacements. CCTV coverage has been reviewed and upgraded across the site and work is ongoing with security advisors to address further practical ways in which the security and safety of the estate can be improved.

Wider use of facilities for community use and mutual benefit

The Board is keen to ensure that the facilities are available for use by the wider community when not in use by the School. This use is offered on a commercial basis and any surplus made is reinvested back into the School to support the Assisted Places programme. Such initiatives include the operation of a swim school for local children, a sports club which enables members to make use of the fitness suite and other sports facilities, events and hospitality using the new dining room outside of school hours and other conferencing facilities and residential lettings during the school holidays.

RISK MANAGEMENT

Principal risks and uncertainties

The Headmaster and Chief Operating Officer, under the oversight of the Chairman of Governors, are responsible for the identification and management of the risks faced by the School. A formal review of the School’s risk management appetite and processes is made annually. The Board consider the economic impact of COVID-19 and the uncertainty it has created for the independent sector, to be the principal risk faced by the School. Other risks that may carry significant impact include BREXIT, the possibility of VAT on school fees and the likely removal of Business rates relief for independent schools. Pupil safeguarding as well as health, safety and security are an ever present significant area for risk management that are monitored astutely. The School has responded actively to issues relating to Mental Health.

Through its internal management structures, the School has carried out a wide-ranging review of the risks facing the organisation and continues to drive these risks down to as low as is reasonably practical. The Board has examined the principal areas of the School’s operations and other activities and considered the major risks in each of those areas. Given its position as the current principal risk, this year there have been a series of extraordinary meetings held to consider the impacts of the pandemic. The Board has satisfied itself that the major risks identified have been mitigated to the lowest reasonably practical level based on our understanding, expertise and available resources.

Key controls used by the Charity in the whole area of Risk Management include:

- well publicised policies and procedures, as required by law for the safeguarding and protection of children, including procedures for the vetting of staff, volunteers and contractors;
- a clear health and safety policy overseen by an active committee;
- formal agendas for all Committees, Panels and Board of Governors activities;
- detailed terms of reference for all Committees and Panels;
- comprehensive strategic planning, budgeting and management accounting;
- additional bank financing to cover any financial turbulence caused by COVID-19;
- fully documented roles and responsibilities of the Governors, Head and TPS Head and other members of senior management;
- formal written policies, processes and procedures that are subject to audit;
- clear written delegation in authorisation and approval levels.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Board is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and UK Generally Accepted Accounting Practice (UK GAAP). Company Law requires financial statements to be prepared for each financial year.

Under Company Law, the Board must only approve the financial statements if they are satisfied that they give a true and fair view of the state of affairs of the Charity and the group and of the incoming resources and the application of resources. This includes the income and expenditure of the charitable group, for that period.

In preparing the financial statements the Board is required to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable the Board to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Charity's constitution.

The Board is also responsible for safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Governors, as members of the Board is aware, at the date of approval of this report, there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each member of the Board has taken all the steps that he or she should have taken in order to make himself or herself aware of the relevant audit information and to establish that the Charity's auditor is aware of that information.

ACHIEVEMENTS AND PERFORMANCE

EDUCATION

Stakeholder Engagement and Section 172 Statement

The Governors consider that they have fulfilled their duties in accordance with section 172 of the U.K. Companies Act 2006 and have acted in a way in which is most likely to promote the long-term success of Taunton School for the benefit of its stakeholders as a whole in the following ways:

Pupils

Boarding and day pupils benefit from the School's pastoral provision with staff placing as much importance on pupils' holistic personal development, lifelong friendships and camaraderie as they do on exam results. Pupils are actively encouraged to offer comments and suggestions on the operation of the School through committees, houses or tutor meetings, and this pupil voice is considered actively in decisions made by the Senior Management Team and Governors. This pupil-centric focus was especially sharp during the national lockdown and the subsequent move to remote learning and recognised the significant challenges faced by pupils during this period. Staff worked with individuals and groups of pupils to address any concerns and organised online events designed to maintain social interaction and pupil motivation. Children of key workers attended daily and 50 boarders remained on site for the duration of the January 2021 lockdown.

Staff

The School recognises that the qualities, skills and commitment of its staff plays a major role in the pupils' success. Weekly briefings keep staff informed of school wide developments, and there are opportunities for staff consultation with Governors and management, both formally and informally. Staff wellbeing is a key area of focus, and as with pupils, was monitored particularly closely during the pandemic. A good number of teaching and support staff are trained as mental health first aiders.

Parents

The School recognises the many benefits from open and transparent engagement with parents and has a two-weekly roundup of news and events in its "Courier" magazine as well as regular social media posts and letters from the Heads highlighting aspects of School life. Regular parent surveys are conducted and parents have access to both the parent section of the website and the Parent Portal which gives detailed academic and pastoral information which is specific to their own child. Current and prospective parents can discover information and answers on a range of issues and identify relevant points of contact for follow-up if required.

Community

The School is proud of its place and contribution in the local community and works consciously to offer support and assistance wherever possible by sponsoring local sports clubs and in offering opportunities for local schools and clubs to benefit from its academic and co-curricular facilities. The Outreach programme works with local charities and social organisations to identify ways in which the pupil body can best provide support and assistance. During lockdown, staff and pupils created new ways in which they could support the local community via fundraising, by offering accommodation to local NHS workers and by providing PPE and food parcels for NHS staff at Musgrove hospital.

Academic Report

Taunton School continues to offer three pathways of Sixth Form study: A levels, International Baccalaureate Diploma Programme and two BTEC courses (Extended Diploma in Sport and Exercise Sciences and Diploma in Business). Our timetable allows students to study a 'mixed economy' programme, borrowing elements from different pathways and student tracking against baseline data and predicted grades goes from strength

to strength as part of our goal to add value to each and every student. Despite the challenges of teacher-assessed grades this year, external examination results saw 72% of all grades in the Sixth Form at the equivalent of A*-B (A level), 5-7 (IB Higher Level) or Distinction*-Distinction (BTEC Diploma). For GCSE, 53% of grades were 9-7, and the pass rate (grades 9-4) was 100%. As a non-selective school, extreme pride extends to all students' attainments, not just those achieving top grades. The School careers advice offered to the students is a particular strength. With a very diverse student body bespoke guidance on course and country requirements is tailored and offered on an individual basis. The majority of students achieve the grades that they need to take up their place at their first choice of University. Our academic programme extends beyond the classroom and students have enjoyed presentations, lectures, trips and various other stimulating activities which have enhanced their learning. Saturday morning scholars' talks, open to everybody, are a particular highlight and often discuss challenging existential topics, as do Friday night debates for senior students.

Taunton School International offers British and International students an intensive and comprehensive one-year and two-year GCSE/pre-IB programme. The School is a market leader in its academic provision and achieved a pleasing 94% GCSE pass rate (9-4) in August 2021, with an outstanding 52% of the total grades at 9-7. Students are able to select from more than 20 different subjects at GCSE level and are taught in classes averaging 8 students per group. This allows students to focus on areas that are relevant to them and affords them the extensive teacher support that is required on such an intensive academic programme. In September 2019, TSI introduced a Pre-Foundation Year programme for Sixth-Form aged students and all the students on this programme achieved the necessary grades to progress to the International Foundation Year, which started for the first time in September 2021. On this intensive one-year programme, students study four modules – Business Studies, Economics, Mathematics and EAP (English for Academic Purposes) – and upon successful completion of the course have a guaranteed place in one of over 40 universities in the UK and around the world. This year, all students on the IFY achieved places at their first-choice universities. TSI has a spread of nationalities with 24 countries represented, approximately 5% of whom were first language English speakers.

Taunton School International Middle School provides international students between the age of 7 and 14 years with the appropriate and relevant education, co-curricular and pastoral support they need to enter Taunton Prep School, Senior School or TSI, depending on their age and level of English. Those not entering another section of Taunton School are ideally equipped to go to another British independent school. Specialist teachers offer an extensive curriculum which is closely linked to the curricula at the Senior School, Prep School and TSI in order to facilitate the transfer of students from one section of the School to another. Students are taught in maximum class sizes of 10 to enable each student to reach their full academic potential in the minimum amount of time.

Taunton Prep School continues to offer an excellent range of subjects and activities delivered by staff who are passionate about teaching and learning. During 2020-21, the School worked on raising further both the level of challenge for pupils in their academic work and the expectations for all of our pupils in terms of independence, completion of excellent homework, and their attitudes to learning. The outcome is that pupils are fully prepared when they move on to the Senior School at the start of Year 9. The Year 8 Summer exams were all reviewed by the Senior and Prep School Heads of Department, ensuring that there is a 'gold standard' exam at the end of the Prep School, whereby a top grade signifies a pupil who is performing right at the top of National Prep School standards. 20-21 was another year in which pupils had to be taught remotely for part of the year, but the pupils, parents and staff showed superb teamwork and ensured that the high quality standards set by the School for education and care was maintained. The standardised test results in Maths just before Easter 2021 put the average Year 8 pupil in the top 18% in the country, and the results also indicated that over half of the pupils are on track to obtain a 7, 8 or 9 at GCSE. Compared with Y8 Maths scores over the previous three years, the cohort of 20-21 performed slightly better, and it was a similar story in other subjects, and in other year groups. This is evidence that excellence was maintained in the School despite adapting to working under lockdown restrictions. The advances made during remote learning in using technology in teaching and learning have been embedded into everyday school life now that pupils are back in school. The use of key digital platforms and other digital resources is enhancing teaching and learning in all subjects in all age groups, and all pupils in the Prep School are bringing into School

their own digital device for learning in line with our BYOD policy ('Bring Your Own Device'). The digital strategy for the school continues to advance, with exciting developments due to take place during 21-22.

Pre-Prep and Nursery. We continue to review, develop and evolve the current creative curriculum in Nursery 4, Reception, Year 1 and Year 2 and this will continue throughout 2022. We also continue the implementation of new EYFS and the subsequent changes to our planning, observation and recording on Evidence me – Development Matters. The change in the Early Years Foundation Stage has also resulted in a change to our EYFS Baseline testing provider and we are also implementing a change to the White Rose Maths scheme from Reception to Year 2 along with an injection of additional Mathematics Manipulatives into Key Stage 1. This change had previously been woven into Nursery 4 throughout the previous academic year.

Pastoral Care and Well-Being

The School continues to enjoy a thriving boarding community. Boarding numbers are strong across all schools and pupils want to be fully involved in school life. This helps with the integration between boarders and day pupils. The on-going campus development has created new spaces for students which makes socialising easier. The recent changes in COVID-19 guidance has improved things for the community by allowing us to move out of bubbles and face masks: the improvement in wellbeing can be seen in falling rates of serious mental health concerns. We remain fortunate to have access to on site PCR testing facilities and this continues to help us intervene effectively should there be any close contact transmission.

Pastoral and safeguarding support continues to build on the good practice which has been recognised nationally – the School was short listed by the Times Educational Supplement in 2018 for the Wellbeing award – with on-going structural changes to ensure excellence in this area. The School's aim is 'building a culture of respect'. In so doing we hope to be able to effectively tackle the national issues around racism, misogyny and sexual violence and harassment in schools. The culture of student voice and student leadership, already embedded in the School, is vital and has already allowed the school to shape some initiatives which are already leading to change. We have a 'whole school' pathway from 0-18 which enables us to have greater impact on younger year groups where this behaviour can start to form. We have also been pushing greater parental involvement use webinars to support this. Last summer term the safeguarding team ran two such events which focused on the School's response to the OFSTED review into sexual violence in schools.

The health centre continues to be seen as 'best in class' with the sister in charge continuing to chair the South-West Independent Schools Nurses Forum. The return to School, with reduced control measures, has seen an increase in COVID cases but the School has been able to support pupil welfare with the on-going access to and use of our own PCR testing facilities (in 2020 we invested in SAMBA-II testing technology) on site.

In 2018 we invested heavily in mental health with all teachers completing the one day Youth Mental Health First Aid Award. Three years on we are planning the next tranche of training for staff who have joined in the last three years. This sits alongside training delivered by our own mental health nurses around anxiety, ADHD, suicidal ideation, eating disorders and self-harm.

Co-Curricular

Sport

We were thrilled when School Sport Magazine ranked us 7th in the country for the sporting achievements of our pupils.

Sport is an important part of the School's culture for health and wellbeing as well as performance and participation. This year has been challenging for all schools due to the pandemic but nevertheless a varied sporting programme was delivered within government guidelines. Many of the National Tournaments and Cups were stopped so the emphasis was very much on local fixtures.

In the Autumn Term (2020) only 26% of Independent Schools were actively playing fixtures with many of them only returning to school fixtures after the first half term in November. Because the summer term was missed due to the lockdown the boys followed a slightly adapted Autumn Term plan and played with cricket in September, enabling them to play competitively in a sport which had been missed in the summer and was relatively COVID-safe. They could simultaneously train for rugby to maintain overall fitness. Rugby was playing an adapted version of the game, 'Ready for Rugby', as we moved through the phased return stages under the guidance of the RFU. Girls' Hockey and Football was largely unaffected in the first term with fixtures throughout, although there were some repeat fixtures against local schools to ensure a full schedule.

The November restrictions provided a compulsory stop in inter school fixtures, but the School were able to put on a variety of inter-house sports competitions and fixtures in this time to continue with the Saturday Sport momentum. The Rugby teams split into a West Country League, with players mixing up to represent Bristol, Exeter, Bath and Gloucester and the Hockey did similar with the Senior Player's taking ownership of junior teams and officiating to gain some leadership experiences.

Whilst National competitions did not occur, individual selection and representation was still achieved by many students:

- Rugby – 26 students represented Exeter Chiefs and Bristol Bears
- Hockey – 9 Players at NAGS selection (trailing for England age group squads) and two players selected for England U18.
- Netball – 15 Players selected for Somerset County Academy, 6 players involved with Team Bath and two players trialled for England and Wales.
- Cricket – 17 players represented Somerset, 7 players represented Cornwall and 3 players represented Wiltshire. U14 Regional Champions and National semi-finalists in David English Cricket Cup and U14/U15s were County Cup finalists.
- Equestrian – Team finished 5th at National Schools Equestrian Association competition at Bicton qualifying for the Championship Plate Competition. At the Hickstead National NSEA Championships – we placed 1st Team in 80cm Show Jumping (with a 2nd and 3rd best individual) and 2nd in the 80cm Eventing Team.
- Athletics – 27 students represent the school at county Championships, and one pupil qualified for National Schools Championships for U20 javelin.
- Swimming – Taunton School won 5 trophies out of 6 in the Meade King Cup.

Prep School sport saw COVID take away the opportunity to compete in many of the usual national competitions but this did not stop some of our pupils gaining honours at the highest level. In horse-riding, our 80cm school team finished second in the National Schools Championships for Arena Eventing at Hickstead, and then won the show jumping. In pistol shooting, our pupils finished 3rd in the National Championships, having qualified as South-West winners, and, in swimming, two of our pupils were ranked first in the country in the Swim England time trials during lockdown. At a regional level, our cricketers were county finalists for U12 boys, U13 boys and U13 girls, and we had a total of 14 boys and girls in the premier Somerset squads for their age - our highest ever number. In tennis, both the boys and girls enjoyed terrific seasons with our boys unbeaten, and, in athletics, we had 18 gold medal winners in the South-West Prep Schools Championships.

Great efforts were made to keep our children active during lockdown, and large numbers of staff volunteered to run very well attended sessions during the Easter Holidays.

Music and Drama

Music continues to thrive even though many of the concerts were live streamed or recorded. The School continues to support and host the Two Moors Music Competition and we held the normal annual concerts within the school programme: the Concerto Competition, the Autumn Concert and the year finishing with a flourish with Music Festival Week and a lovely outdoor concert. The informal weekly "teatime" concerts had over 90 students perform across the year with 17 ensembles offered in order to comply with maximum

numbers set for ensembles due to COVID restrictions. Performing Arts Cafes and School Concerts took place throughout the year and were live-streamed where needed.

In Drama, the Sixth Formers put on a Christmas Pantomime of "Cinderz" which was shown remotely. With lockdown in the Spring Term, getting in the way of preparations for a large scale production, the summer term saw two smaller scale productions of *The Tempest*, performed by Year 9 and directed by Year 12 pupils. *The Crucible* was performed by the Sixth Form and was extremely well performed considering two of the cast were abroad and joining in rehearsals remotely until about three weeks before the production. Pupils in Years 4, 6 and 8 produced impressive filmed musicals, and children in all year groups continued to enjoy excellent opportunities such as our own online drama festival.

In dance, online showcases demonstrated the high levels of achievement and, in ballet, 25 children took the Royal Academy of Dance exams.

Clubs and Activities

On the wider co-curricular canvas, students made the most of excellent opportunities in Art, Design Technology, Cookery, and Computing. Around 60 clubs ran each week, with many continuing online in the Spring lockdown, and the Saturday Morning Enrichment offer for pupils in Years 3 to 6 continued to be very popular with over half of pupils in those year groups choosing to come into School on Saturday mornings.

Debating has seen increased membership and formality. The Friday evening 'Burke' debates are well attended and the motions debated are both current and evocative as we educate the students on appropriate ways to show their student voice. This year has seen a more global outlook approach to the debate topics although the World Debating Championships was cancelled due to COVID-19. The Senior and Junior House Competitions were again fiercely contended by all of the participants.

CCF

The Combined Cadet Force and Duke of Edinburgh scheme are key features of the School's co-curricular offering. All are well resourced with good take up from students. Field Day was run for Year 11 and 13 in the Autumn Term and we had 67 cadets attend a Field Training Exercise in the summer term. This was followed by Activity Week, which saw two days of CCF training followed by two days of adventurous training for all of Year 10, modified slightly for COVID-19 restrictions.

Community

Volunteering took a bit more of an individual approach this year, with many of our usual places not accepting visitors during the pandemic. Lots of students continued to take part in both community projects (particularly aimed at supporting the community through the pandemic) and their volunteering for DofE amassing a total of 3,437 hours of volunteering across the year from students within the School. We continued to be able to support outdoor community activities, like Stover Park, Cothelstone Hill and French Weir Park clearance groups, as well as Wivey Pool.

Global Outlook

With over 40 different Nationalities in the School there is justifiable pride in its global outlook and this will continue to be deepened.

Group Finances

The principal funding sources for the Charity are school fees and income generated by many other educational and non-educational activities. The latter are carried out by the Charity's trading company, Taunton School Enterprises Ltd (TSE) which, as described earlier, passes all its profits to the School. The

year's expenditure has continued to support the Charity's key objectives by operating the School and investing in its development.

The Group's finances remain relatively strong with net income of £21.2m (2020: £20.9m); and total expenditure of £21.3m (2020: £21.7m), the charity incurred a small deficit £96.7k (2020: deficit £800k) on operations but this was offset by pension and investment gains of £1m, enabling it to increase its total reserves to £17.9m (2020: £17.0m) after making capital additions of £0.6m (2020: £3.3m) and repaying £1.3m (2020: £0.3m) of bank loans in the period. The Charity continued to invest significantly in the site, with the majority of expenditure on a new dining hall which opened in September 2021. The forced closure of the School during the national lockdown and other associated COVID-19 restrictions had a negative impact on the surplus as explained on page 10.

We have prepared a number of scenarios that consider our cash position, sources of income and planned expenditure. This includes the impact of coronavirus on operations together with assumptions around recovery thereafter. These scenarios consider reduced pupil numbers, delayed fee payment, reduced fees and potential bad debts as well as impact on costs from the measures taken so far. Sensitivity around these assumptions has also been considered in our forecasting. Results of this cash flow and sensitivity analysis indicate that the cash reserves of the Charity are adequate to meet the Charity's obligations as they fall due. Correspondingly, the trustees consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. TSE has made a loss of £24,000 which is directly related to loss of income generating activities caused by the pandemic. The School has supported TSE and expects it to return to normal trading and profitability next year.

Investment policies, objectives and performance

The Investment Panel advises on the investments and monitors the performance of funds on behalf of the School, the Foundation and the Evans-Lombe Fund. At the year end the total funds invested were £5.3m (2020: £4.5m). The Investment Panel reports to the Board of Governors and the Trustees of the Evans-Lombe Fund, having taken appropriate and professional advice. The Board and Trustees have set a target of 5% income and fund growth to sustain the value of the capital. The School also holds some restricted funds in recognised charitable investment funds with CCLA and some on deposit awaiting investment. The Board is satisfied with the return on these funds in the prevailing financial climate.

Reserves level and policy

The Board has examined the financial risks and challenges faced by the Charity closely over the short and medium term. The Charity has invested its reserves in the provision of the educational facilities to meet its objectives and consequently, like many well-established independent schools, has negative free reserves. The Board is satisfied that the financial plans and forecasts give them comfort that the Charity is able to meet all its foreseeable commitments.

The School's total reserves of £17.9m at the period end include £2.1m endowment capital, £4.4m of unspent restricted income and £11.4m unrestricted income.

SECR Energy Use and Carbon Emissions Disclosure

Dell Computer Corporation Educational Charity disclose our energy use and greenhouse gas emissions that Dell Computer Corporation are responsible for in line with the requirements of the Companies Act 2006 (Strategic and Directors' Reports) Regulations 2013 and latest 2018 regulations.

	2020-21 kWh	2020-21 TCO2e	2019-20 TCO2e	Change (%)
Electricity	1,715,421	364.24	676.15	-46%
Gas	5,541,255	1,014.94	917.45	11%
Transport Fuels	500,967	116.89	115.37	1%
Gross Annual Total	7,757,643	1,496.06	1,708.97	-12%
Intensity Metric (pupil numbers)		1,195	1,156	3%
Total TCO2e/pupil		1.25	1.48	-15%
Qualifying Green Tariffs	-	-	-	0%
Net Annual Total	7,757,643	1,496.06	1,708.97	-12%

Table 1: Primary Statement for the Financial Year ending 31st August 2021.

Baseline Year This is the second year of GHG reporting, the first year was the baseline year which fell during the COVID-19 pandemic and as such comparisons to this and future years may be skewed.

Targets

Carbon targets have not been developed for the current reporting period but are currently in development.

Intensity Measurement

The intensity metric chosen is average pupil numbers (1,075 pupils at school and 120 at nursery) as at the 31 August 2021. This metric was chosen as the organisation's carbon emissions are closely linked to pupil activity.

Carbon Offset

Taunton School have no qualifying carbon offsets during this financial period and do not currently procure any qualifying green or renewable tariffs for the supply of electricity or gas.

FUTURE PLANS

The School's strategy is to maintain a strong financial position by delivering clear evidence of a consistently first-class education matched with demonstrably outstanding pastoral support. To do this it is building a healthy recruitment pipeline, controlling costs and using the facilities for the public benefit year on year. This generates sufficient resources to invest in the School's infrastructure, supporting the strategy of building on existing resources and foundations and making every penny count directly towards the School's purpose and its non-selective basis.


Accordingly, the priorities for resource allocation agreed by the Board are based on improving and enhancing the existing infrastructure estate and the objectives are to:

- be an outstanding School of choice by evidence of its educational and pastoral experience for all pupils;
- continue a strong financial performance to fully resource the operation of the School and its development and continuance of long term success;
- increase and plough back investment in maintenance and new facilities over the next three years;

- always be compliant with legislation and best practice wherever it may be identified to provide a safe, happy and purposeful education;
- invest in staff training and development to attract and retain the best teachers.

The School is reviewing its needs and opportunities to continue to develop its estate to maximise advantage. As the strategy is reviewed, more projects will be considered by the Board in due course.

This Annual Report is prepared under the Charities Act 2011 and the Companies Act 2006 and was approved by the Board on xx December 2021 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

A handwritten signature in black ink, appearing to read 'H C V Keeling', with a long horizontal flourish extending to the right.

Mr H C V Keeling
Chairman of Governors
Date: 13 March 2022

Independent Auditor's Report to the Members of Taunton School Educational Charity

Opinion

We have audited the financial statements of Taunton School Educational Charity ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2022 which comprise the consolidated Statement of Financial Activities, the consolidated and charity Balance Sheet, the consolidated Cash Flow Statements 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2021 and of the group's income and receipts of endowments 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 group 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 or the group'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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 this gives rise to 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 our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014.


Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the completeness and accuracy of non-fee income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, designing audit procedures over non-fee income, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Guy Biggin
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

4th Floor, St James House
St James Square
Cheltenham
GL50 3PR

Date: 7 April 2022

TAUNTON SCHOOL EDUCATIONAL CHARITY
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021
(Incorporating an Income and Expenditure Account)

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	Endowed Funds £000's	2021 Total £000's	2020 Total £000's
Income and endowments from:						
Charitable activities						
School fees	3	18,959.4	-	-	18,959.4	18,135.5
Other educational income	5	1,072.5	-	-	1,072.5	916.0
Other ancillary trading income	5	263.6	-	-	263.6	897.0
Other trading activities						
Non-ancillary trading income	5	490.2	-	-	490.2	587.5
Investments						
Investment Income	5	81.9	116.3	-	198.2	231.5
Voluntary sources						
Donations and bequest	14b	-	196.3	-	196.3	164.5
Total income		20,867.6	312.6	-	21,180.2	20,932.0
Expenditure on:						
Raising funds						
Non-ancillary trading expenses	6	379.1	-	-	379.1	228.2
Fundraising and development	6	-	-	0.2	0.2	31.7
Financing Costs	6	117.0	-	-	117.0	89.1
		496.1	-	0.2	496.3	349.0
Charitable activities:						
Education and grant making	6	20,501.7	278.9	-	20,780.6	21,336.7
Total expenditure		20,997.8	278.9	0.2	21,276.9	21,685.7
Net (outgoing)/incoming funds from operations before investment gains/(losses)		(130.2)	33.7	(0.2)	(96.7)	(753.7)
Gains/(Losses) on investments		258.2	187.7	262.8	708.7	(86.7)
Net incoming/(outgoing) resources and surpluses/deficits for the year		128.0	221.4	262.6	612.0	(840.4)
Transfers between funds		100.0	(100.0)	-	-	-
Other recognised gains / (losses):						
Pension scheme actuarial gain/(losses)	19	290.0	-	-	290.0	(290.0)
Net movement in funds in year		518.0	121.4	262.6	902.0	(1,130.4)
Funds balances at 1 September 2020		11,021.6	4,181.9	1,799.6	17,003.1	18,133.5
Fund balances at 31 August 2021		11,539.6	4,303.3	2,062.2	17,905.1	17,003.1

The statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

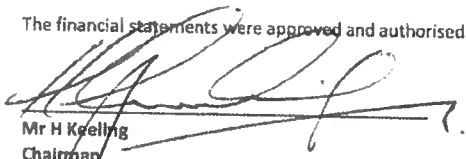
The notes on pages 27 to 40 form part of these financial statement


TAUNTON SCHOOL EDUCATIONAL CHARITY
(REGISTERED COMPANY NUMBER 4005803)
BALANCE SHEET AS AT 31 AUGUST 2021

	Notes	CONSOLIDATED		SCHOOL	
		2021 £000's	2020 £000's	2021 £000's	2020 £000's
FIXED ASSETS					
Tangible Fixed Assets	7,8	24,630.2	25,066.0	24,627.9	25,062.4
Investments	9	5,310.8	4,523.9	5,310.9	4,524.0
		<u>29,941.0</u>	<u>29,589.9</u>	<u>29,938.8</u>	<u>29,586.4</u>
CURRENT ASSETS					
Stocks	10	142.2	133.6	136.7	133.6
Debtors	11	893.0	607.2	902.1	561.0
Cash		295.6	282.7	284.1	258.1
		<u>1,330.8</u>	<u>1,023.5</u>	<u>1,322.9</u>	<u>952.7</u>
CURRENT LIABILITIES					
Creditors: due within one year	12	(10,653.2)	(10,645.1)	(10,619.1)	(10,570.8)
NET CURRENT LIABILITIES		<u>(9,322.4)</u>	<u>(9,621.6)</u>	<u>(9,296.2)</u>	<u>(9,618.1)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>20,618.6</u>	<u>19,968.3</u>	<u>20,642.6</u>	<u>19,968.3</u>
LONG-TERM LIABILITIES					
Creditors: due after more than one year	12	(2,713.5)	(2,675.2)	(2,713.5)	(2,675.2)
Pension scheme	19	-	(290.0)	-	(290.0)
NET ASSETS		<u>17,905.1</u>	<u>17,003.1</u>	<u>17,929.1</u>	<u>17,003.1</u>
CAPITAL FUNDS:					
Permanent endowed funds	14a	2,062.2	1,799.6	2,062.2	1,799.6
Restricted funds	14b	4,303.3	4,181.9	4,303.3	4,181.9
Unrestricted funds					
Unrestricted Funds before pension liability		<u>11,539.6</u>	<u>11,311.6</u>	<u>11,563.6</u>	<u>11,311.6</u>
Pension Scheme Reserve	19		(290.0)		(290.0)
Unrestricted Funds after pension liability		<u>11,539.6</u>	<u>11,021.6</u>	<u>11,563.6</u>	<u>11,021.6</u>
TOTAL FUNDS	15	<u>17,905.1</u>	<u>17,003.1</u>	<u>17,929.1</u>	<u>17,003.1</u>

The surplus for the financial year dealt with in the financial statements of the School was £926.0k (2020: deficit £846k).

The financial statements were approved and authorised for issue by the Board of Governors on 13 March 2022 and signed on its behalf by;


Mr H Keeling
Chairman


Mr R Kennedy
Treasurer

The notes on pages 27 to 40 form part of these financial statement

TAUNTON SCHOOL EDUCATIONAL CHARITY
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £000's	2020 £000's	
Reconciliation of net incoming resources to net cash inflow from operating activities			
Net (outgoing)/incoming resources from operations	(96.7)	(753.7)	
Elimination of non-operating cash flows:			
Investment income	(198.2)	(231.5)	
Finance costs	117.0	89.1	
Depreciation charge	1,042.8	877.2	
Loss on disposal of fixed assets	-	230.1	
Decrease/(increase) in stock	(8.6)	52.8	
(Increase)/Decrease in debtors	(285.8)	366.2	
(Decrease)/increase in creditors (excluding fees in advance and deposits)	(848.5)	(106.4)	
Increase/(Decrease) in fees in advance and parent's deposit	1,120.6	(1,246.6)	
	<u>842.6</u>	<u>(722.8)</u>	
Cash flows used in investing activities:			
Payments for tangible fixed assets	(607.0)	(3,277.2)	
Proceeds from the sale of tangible fixed assets	-	16.1	
Additions to securities investments portfolios	(522.2)	(415.3)	
Withdrawals from securities investments portfolios	444.0	459.1	
Investment income and bank interest received	198.2	231.5	
Net cash used in investing activities	<u>(486.9)</u>	<u>(2,985.8)</u>	
Cash flows used in financing activities:			
Finance costs paid	(117.0)	(89.1)	
Repayment of secured loans	(1,301.9)	(301.8)	
New bank loans	-	1,000.0	
Net cash used in finance activities	<u>(1,418.9)</u>	<u>609.1</u>	
Change in cash and cash equivalents in the year	(1,063.2)	(3,099.5)	
Cash and cash equivalents at the beginning of the year	(1,110.4)	1,989.1	
Cash and cash equivalents at the end of the year	<u>(2,173.6)</u>	<u>(1,110.4)</u>	
ANALYSIS OF CASH AND CASH EQUIVALENTS	2021	2020	
	£000s	£000s	
Cash in hand	295.6	282.7	
Bank Overdraft	(2,469.2)	(1,393.1)	
	<u>(2,173.6)</u>	<u>(1,110.4)</u>	
ANALYSIS OF CASH AND CASH EQUIVALENTS	As at 01.09.20	Cashflow	As at 31.08.21
	£000s	£000s	£000s
Cash in hand	282.7	12.9	295.6
Bank Overdraft	(1,393.1)	(1,076.1)	(2,469.2)
	<u>1,110.4</u>	<u>(1,063.2)</u>	<u>(2,173.6)</u>

The notes on pages 27 to 40 form part of these financial statement

1. BASIS OF ACCOUNTING

Basis of Accounting

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 on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements have been prepared under historical cost convention, modified to include the revaluation of investments. Taunton School Educational Charity meets the definition of a public benefit entity under FRS 102.

These financial statements present the consolidated Statement of Financial Activities (SOFA), the consolidated Cash Flow Statement and the consolidated and Charity Balance Sheets comprising the consolidation of the Charity and its wholly-owned subsidiary, Taunton School Enterprises Limited. The Charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

No separate SOFA has been presented for the School alone, as permitted by Section 408 of the Companies Act 2006.

2. STATEMENT OF ACCOUNTING POLICY

The principal accounting policies adopted in the preparation of the financial statements are as follows:

Legal Status of the Charity

Taunton School Educational Charity (the 'School') was incorporated in England and Wales as a company limited by guarantee (registered no. 04005803) on 1 June 2000 and has no share capital.

The School is also registered with the Charity Commission (registered no. 1081420).

Registered and principal office

The registered and principal office of the School is Taunton School, Taunton, Somerset, TA2 6AD.

Going Concern

The School depends on its existing bank facilities to meet its day to day working capital requirements. Current forecasts indicate that the School expects to be able to operate within these facilities for the whole of the foreseeable future. These facilities are renewed annually and are not guaranteed for the period covered by the going concern review. The Trustees are not aware, however, of any circumstances that may adversely affect the renewal of these facilities.

Tangible Fixed Assets

The majority of the Charity's Land and Buildings are vested in Taunton School Trust, a restricted fund.

Tangible fixed assets are stated at historical cost and subsequently depreciated to their estimated net realisable value over their useful lives. Even so, the School operates a formal programme of maintenance that includes routine building work written off in the Statement of Financial Activities in the period concerned. Land is not depreciated.

Major items of expenditure on buildings and assets over £1,000 are capitalised. To the extent that refurbishment work is considered to improve and thus add a commensurate value to the building, such refurbishment costs are also capitalised and depreciated as appropriate.

The rates of depreciation applied are as follows:

Buildings, improvements and extensions	5 - 50 years
Furniture and equipment	3 - 25 years

Fixed Asset Investments

Fixed Asset Investments are stated at market value. Income from Fixed Asset Investments and the related tax credit are recognised in the Statement of Financial Activities in the period to which they relate. Where the market value of investments differs from the historic cost, the difference is recognised as an unrealised gain/loss in the Statement of Financial Activities. Where the investment has been sold, this is recognised as a realised gain/loss. The investment in the subsidiary is held at cost.

Stock

Stock has been valued at the lower of cost or net realisable market value.

Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the Charity against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary incoming resources

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Charity is considered probable. Voluntary income for the Charity's general purposes is accounted for as unrestricted. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates. Grants awarded are expensed as soon as they become legal or operational commitments. Intra-group sales and charges between the Charity and its subsidiary are excluded from trading income and expenditure.

Governance costs

Governance costs comprise the expenses of running the charity, including the support for the Governors, induction, training and meetings. The costs include associated legal advice and the audit costs.

Operating Leases

Costs in respect of operating leases are charged in the Statement of Financial Activities on a straight line basis over the term of the lease.

Finance Leases

Assets held under finance leases and the related lease obligation are included at the fair value of the leased assets at the inception of the lease. Depreciation on leased assets is calculated to write off this amount on a straight line basis over the shorter lease term and the useful life of the asset. Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligation for future amounts payable so that the charge for each accounting period is a constant percentage of the remaining balance of the capital sum outstanding.

Taxation

The School is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Pensions

The Teachers' Pension Scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The charity contributes to the Pensions Trust Growth Plan for certain of its employees. This is in most respects a money purchase arrangement, but does not include certain guaranteed benefit elements. The Plan is a multi-employer scheme as it is not possible in the normal course of events to identify the share of underlying assets belonging to the individual participating employers and accordingly, in accordance with FRS 102, is accounted for as a defined contribution scheme with contributions being recorded as they become payable.

The Taunton School Final Salary Pension Scheme is a defined benefit scheme. The defined benefit pension scheme current service costs are charged to the Statement of Financial Activities within staff costs. The expected return on the scheme assets less the scheme interest costs are credited within other interest. The scheme actuarial gains and losses are recognised immediately as other recognised gains and losses. The defined benefit scheme assets are measured at fair value at the Balance Sheet date. The scheme liabilities are measured on an actuarial basis at the Balance Sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the Balance Sheet.

The School operates a defined contribution pension scheme, for teaching staff, managed by The Royal London, as an alternative to Teachers' Pension Scheme. The employer's contribution is either 8% or 16.48%.

Recognition of Liabilities

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 funds 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 amount after allowing for any discounts due.

**TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

Commitments

Capital expenditure contracted for by the year end, for which no services or goods have been received, is disclosed by way of a note but no provision is made in the financial statements for such amounts.

Funds

Unrestricted Funds are those that are available for the Charity to spend as required. Restricted and Endowed Funds have been given to the Charity for specific purposes.

Redundancy

Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy has been made.

Financial Instruments

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

Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of tangible fixed assets

The annual amortisation and depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 7 and 8 for the carrying amount of the tangible assets and note 2 for the useful lives for each class of asset.

Impairment of debtors

The School 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 11 for the net carrying amount of the debtors and associated impairment provision.

3. SCHOOL FEES

	2021 £000's	2020 £000's
The School's fee income comprised:		
Gross Fees	24,917.4	24,605.6
Less: Total Bursaries, Grants and Allowances	(6,236.9)	(6,806.4)
Add back: Scholarships, grants and bursaries from restricted and endowed funds	278.9	336.3
	<u>18,959.4</u>	<u>18,135.5</u>

4. SUBSIDIARY

Taunton School Enterprises Limited was incorporated in England and Wales as a company limited by shares (registered no. 02846335) and is 100% owned by the Charity. The subsidiary was formed to support the School's charitable aims through letting of its facilities when not required for educational purposes. It donates its annual profits to the School by Gift Aid. The address of its registered office is Taunton School, Staplegrave Road, Taunton, Somerset, TA2 6AD.

	Taunton School Enterprises Limited	
	2021 £000's	2020 £000's
Turnover	605.0	568.0
Cost of Sales	(619.5)	(545.7)
Gross (Loss)/Profit	(14.5)	22.3
Administration Expenses	(6.5)	(5.2)
Taunton School Educational Charity Management Fee	(3.0)	(3.0)
Gift to Taunton School Educational Charity	-	(14.1)
(Loss)/Profit on Ordinary Activities after Taxation	<u>(24.0)</u>	<u>-</u>

**TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
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4. SUBSIDIARY (CONTINUED)

Included in turnover is £540k (2020: £470k) of intercompany sales to Taunton School. Similarly included in costs of sales and administration expenses are £244k and £3k (2020: £165k and £3k) paid to Taunton School. These transactions were all eliminated on consolidation. At the period end, £73k (2020: owed to £14k) was owed from the subsidiary.

5. OTHER INCOME

	2021 £000's	2020 £000's
Other educational charitable activities		
Entrance and registration fees	63.5	55.1
Other charges to pupils	347.8	288.2
Courses and sub-lettings	661.2	572.7
	<u>1,072.5</u>	<u>916.0</u>
Other ancillary activities		
Other income	3.0	3.1
Government grant income	260.6	893.9
	<u>263.6</u>	<u>897.0</u>
Non ancillary trading activities		
Taunton School Enterprises Limited(Note 4)	65.2	98.0
Swim school	100.2	133.4
School shop	317.6	272.2
Fees in lieu	7.2	83.9
	<u>490.2</u>	<u>587.5</u>
Investment income		
Other interest received	198.2	231.5

6. ANALYSIS OF EXPENDITURE

	Staff Costs £000's	Other Costs £000's	Depreciation £000's	2021 Total £000's	2020 Total £000's
Raising funds:					
Interest payable	-	117.0	-	117.0	89.1
Fund-raising for voluntary resources	-	0.2	-	0.2	31.7
Total for Charity	<u>-</u>	<u>117.2</u>	<u>-</u>	<u>117.2</u>	<u>120.8</u>
Trading expenses	225.0	152.8	1.3	379.1	228.2
Total for Group	<u>225.0</u>	<u>270.0</u>	<u>1.3</u>	<u>496.3</u>	<u>349.0</u>
Charitable activities					
Teaching	10,537.9	742.9	-	11,280.8	10,477.7
Welfare	1,092.0	151.6	-	1,243.6	2,395.0
Premises	1,448.8	1,581.6	1,041.5	4,071.9	4,004.3
Support costs of schooling and governance costs	1,679.4	2,226.0	-	3,905.4	4,123.2
	<u>14,758.1</u>	<u>4,702.1</u>	<u>1,041.5</u>	<u>20,501.7</u>	<u>21,000.2</u>
Grants and Awards	-	278.9	-	278.9	336.5
Total	<u>14,758.1</u>	<u>4,981.0</u>	<u>1,041.5</u>	<u>20,780.6</u>	<u>21,336.7</u>
Total expenditure - Charity	<u>14,758.1</u>	<u>5,098.2</u>	<u>1,041.5</u>	<u>20,897.8</u>	<u>21,457.4</u>
Total expenditure - Group	<u>14,983.1</u>	<u>5,251.0</u>	<u>1,042.8</u>	<u>21,276.9</u>	<u>21,685.6</u>

6. ANALYSIS OF EXPENDITURE (CONTINUED)

	2021 £000's	2020 £000's
STAFF COSTS:		
Wages and salaries	12,339.1	12,098.1
Employer's national insurance contributions	1,092.4	1,033.7
Employer's pension contributions	1,551.6	1,550.8
	<u>14,983.1</u>	<u>14,682.6</u>

Average number of staff employed

	Head count	
	2021 Nos.	2020 Nos.
Teaching staff	297	303
Support staff	<u>257</u>	<u>264</u>
	554	567

Number of Staff whose Emoluments Exceed £60,000 pa

£60,001 - £70,000	5	4
£70,001 - £80,000	3	2
£80,001 - £90,000	3	-
£90,001 - £100,000	-	2
£100,001 - £110,000	1	1
£171,000 - £180,000	-	1
£181,000 - £190,000	1	

Contributions to the Teachers' Pension Scheme were made for four (2020: six) higher paid employees. Pension contributions in respect of these employees were £62,500 (2020: £86,122). In addition, the School made contributions to a defined contribution scheme for eight (2020: four) higher paid employees of £63,803 (2020: £20,896).

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2020: £nil). During the year Expenses totalling £1.3k were reimbursed or paid to third parties for expenditure such as travel and subsistence for all of the trustees (2020: £2.1k).

The total employee benefits of the key management personnel were £671.8k (2020: £743.2k).

During the year there were redundancy or termination payments made which amounted to £15k (2020: £1.5k).

Net income is stated after charging:

	2021 £000's	2020 £000's
Interest Payable		
Bank loans	<u>117.0</u>	<u>89.1</u>
Amounts paid under operating leases		
Hire of vehicles	231.0	231.0
Hire of other assets	<u>65.3</u>	<u>65.3</u>
	<u>296.3</u>	<u>296.3</u>

	2021 £000's	2020 £000's
Governance Included in support costs		
Staff costs	148.7	141.1
Governors liability insurance	0.5	0.6
Auditor's remuneration	31.0	26.0
Auditor's remuneration - non audit services	3.2	6.3
Office costs	<u>3.1</u>	<u>10.0</u>
	<u>186.5</u>	<u>184.0</u>

**TAUNTON SCHOOL EDUCATIONAL CHARITY
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7. TANGIBLE FIXED ASSETS - SCHOOL

	Land and buildings £000's	Equipment £000's	Assets under construction £000's	TOTAL £000's
COST:				
<i>Balance at 1 September 2020</i>	24,697.5	3,176.4	4,800.8	32,674.7
Additions at cost	-	119.6	487.4	607.0
Transfers	5,004.8	9.9	(5,014.7)	-
Disposals	-	-	-	-
Balance at 31 August 2021	29,702.3	3,305.9	273.5	33,281.7
ACCUMULATED DEPRECIATION:				
<i>Balance at 1 September 2020</i>	5,313.9	2,298.4	-	7,612.3
Charge for year	798.9	242.6	-	1,041.5
Eliminated on disposal	-	-	-	-
Balance at 31 August 2021	6,112.8	2,541.0	-	8,653.8
Net Book Value at 31 August 2021	23,589.5	764.9	273.5	24,627.9
<i>Net Book Value at 31 August 2020</i>	19,383.6	878.0	4,800.8	25,062.4

8. TANGIBLE FIXED ASSETS - CONSOLIDATED

	Land and buildings £000's	Equipment £000's	Assets under construction £000's	TOTAL £000's
COST:				
<i>Balance at 1 September 2020</i>	24,709.2	3,436.7	4,800.8	32,946.7
Additions at cost	-	119.6	487.4	607.0
Transfers	5,004.8	9.9	(5,014.7)	-
Disposals	-	-	-	-
Balance at 31 August 2021	29,714.0	3,566.2	273.5	33,553.7
ACCUMULATED DEPRECIATION:				
<i>Balance at 1 September 2020</i>	5,326.6	2,554.1	-	7,880.7
Charge for year	798.9	243.9	-	1,042.8
Eliminated on disposal	-	-	-	-
Balance at 31 August 2021	6,125.5	2,798.0	-	8,923.5
Net Book Value at 31 August 2021	23,588.5	768.2	273.5	24,630.2
<i>Net Book Value at 31 August 2020</i>	19,382.6	882.6	4,800.8	25,066.0

**TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. FIXED ASSET INVESTMENTS

	CONSOLIDATED		SCHOOL	
	2021 £000's	2020 £000's	2021 £000's	2020 £000's
Balance on 1 September 2020	4,523.9	4,654.4	4,523.9	4,654.4
Less: Disposal of Investments	(444.0)	(459.1)	(444.0)	(459.1)
Add: Gain on revaluation	708.7	(86.7)	708.7	(86.7)
Add: additions	522.2	415.3	522.2	415.3
Balance at 31 August 2021	<u>5,310.8</u>	<u>4,523.9</u>	<u>5,310.8</u>	<u>4,523.9</u>
Investment in subsidiary companies	-	-	0.1	0.1
	<u>5,310.8</u>	<u>4,523.9</u>	<u>5,310.9</u>	<u>4,524.0</u>

The Investment in subsidiary companies consists 100% share holding in Taunton School Enterprises Limited, a company incorporated in England and Wales. The aggregate share capital and reserves of Taunton School Enterprises Limited at 31 August 2021 were £nil (2020: £nil).

ANALYSIS OF FIXED ASSET INVESTMENTS

	CONSOLIDATED		SCHOOL	
	2021 £000's	2020 £000's	2021 £000's	2020 £000's
Quoted Investments at market value	5,212.6	4,425.7	5,212.6	4,425.7
Cash at brokers	98.2	98.2	98.2	98.2
Investment in subsidiary company	-	-	0.1	0.1
Total fixed asset investments at 31 August	<u>5,310.8</u>	<u>4,523.9</u>	<u>5,310.9</u>	<u>4,524.0</u>
Historical cost of quoted investments	<u>3,547.5</u>	<u>3,547.5</u>	<u>3,547.5</u>	<u>3,547.5</u>

Included in investments are the following which exceed 5% of the total value at the 31 August 2021:

	£000's	% of portfolio
CCLA - Charities Official Investment Fund	<u>3,152.4</u>	<u>59.4</u>

10. STOCKS

	CONSOLIDATED		SCHOOL	
	2021 £000's	2020 £000's	2021 £000's	2020 £000's
School shop and materials for sale	81.7	88.5	76.2	88.5
Consumable materials	60.5	45.1	60.5	45.1
	<u>142.2</u>	<u>133.6</u>	<u>136.7</u>	<u>133.6</u>

11. DEBTORS

	CONSOLIDATED		SCHOOL	
	2021 £000's	2020 £000's	2021 £000's	2020 £000's
Pupils' Fees	231.3	160.4	231.3	160.4
Prepayments	404.9	166.9	377.0	134.5
Accrued income	-	110.9	-	110.9
Trade and other debtors	256.8	169.0	221.5	155.2
Subsidiary company	-	-	72.3	-
	<u>893.0</u>	<u>607.2</u>	<u>902.1</u>	<u>561.0</u>

**TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
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12. CREDITORS	CONSOLIDATED		SCHOOL	
	2021 £000's	2020 £000's	2021 £000's	2020 £000's
DUE WITHIN ONE YEAR				
Bank overdraft	2,469.2	1,393.1	2,469.2	1,393.1
Bank loans	188.3	1,306.7	188.3	1,306.7
Trade creditors	487.5	417.7	462.5	335.3
Payroll taxes and social security	292.5	256.1	292.5	256.1
Employee pension funds	222.1	226.3	222.1	226.3
Fees received in advance of term	4,252.5	3,383.4	4,252.5	3,383.4
Subsidiary company	-	-	-	14.4
Fee deposits	1,516.1	1,353.8	1,516.1	1,353.8
Other creditors and accruals	786.2	1,736.6	777.1	1,730.3
	<u>10,214.4</u>	<u>10,073.7</u>	<u>10,180.3</u>	<u>9,999.4</u>
Advance fees scheme (see below)	438.8	571.4	438.8	571.4
	<u>10,653.2</u>	<u>10,645.1</u>	<u>10,619.1</u>	<u>10,570.8</u>
DUE AFTER MORE THAN ONE YEAR				
Bank loans	164.1	347.6	164.1	347.6
Fee deposits	1,854.2	1,461.7	1,854.2	1,461.7
Advance fees scheme	695.2	865.9	695.2	865.9
	<u>2,713.5</u>	<u>2,675.2</u>	<u>2,713.5</u>	<u>2,675.2</u>

The School has three bank loans with HSBC Bank plc. The bank loans are secured by a legal charge on the School's properties Greenway Road and The Grange.

ANALYSIS OF DEBT MATURITY	CONSOLIDATED		SCHOOL	
	2021 £000's	2020 £000's	2021 £000's	2020 £000's
In one year or less on demand:				
Bank loans	188.3	1,306.7	188.3	1,306.7
Between two and five years:				
Bank loans	51.2	224.6	51.2	224.6
Over five years:				
Bank loans	113.2	123.0	113.2	123.0
	<u>352.7</u>	<u>1,654.3</u>	<u>352.7</u>	<u>1,654.3</u>

Parents may pay to the School tuition fees in advance. Assuming pupils remain in the advance fee scheme, payments will be applied to offset the fees as follows:

ADVANCE FEE PAYMENTS	CONSOLIDATED		SCHOOL	
	2021 £000's	2020 £000's	2021 £000's	2020 £000's
Within one year	438.8	571.4	438.8	571.4
Within one to two years	289.8	293.6	289.8	293.6
Within two to five years	354.2	390.5	354.2	390.5
Over five years	51.2	181.8	51.2	181.8
	<u>1,134.0</u>	<u>1,437.3</u>	<u>1,134.0</u>	<u>1,437.3</u>

	CONSOLIDATED		SCHOOL	
	2021 £000's	2020 £000's	2021 £000's	2020 £000's
Balance at 1 September 2020	1,437.3	1,924.6	1,437.3	1,924.6
New contracts	408.7	197.8	408.7	197.8
Amounts utilised in payment of fees	(617.0)	(653.7)	(617.0)	(653.7)
Capital repaid	(120.0)	(70.1)	(120.0)	(70.1)
Discounts applied	25.0	38.7	25.0	38.7
Balance at 31 August 2021	<u>1,134.0</u>	<u>1,437.3</u>	<u>1,134.0</u>	<u>1,437.3</u>

**TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

13. FINANCIAL INSTRUMENTS

	CONSOLIDATED		SCHOOL	
	2021 £000s	2020 £000s	2021 £000s	2020 £000s
Financial assets measured at fair value	5,212.6	4,425.7	5,212.6	4,425.7

Financial assets at fair value includes assets held as investments.

14a. PERMANENT ENDOWED FUNDS

Current year movement

	Balance at 01.09.20 £000's	Donations £000's	Incoming Funds £000's	Expenditure £000's	Investment gains £000's	Balance at 31.08.21 £000's
Ian Evans-Lombe Scholarship Fund	1,799.6	-	-	(0.2)	262.8	2,062.2

Prior year movement

	Balance at 01.09.19 £000's	Donations £000's	Incoming Funds £000's	Expenditure £000's	Investment losses £000's	Balance 31.08.20 £000's
Ian Evans-Lombe Scholarship Fund	1,933.2	-	-	(31.7)	(101.9)	1,799.6

The Ian Evans-Lombe Scholarship Fund forms part of the Foundation Funds . The gift was made by the Trustees of Mr Evans-Lombe with the objective to advance the education of children who could not otherwise afford the School's education by providing for scholarships to be awarded to two pupils starting in the Lower Sixth each year.

14b. RESTRICTED FUNDS

Current year movement

	Balance at 01.09.20 £000's	Incoming Funds £000's	Expenditure £000's	Investment Gains £000's	Transfers £000's	Balance at 31.08.21 £000's
Taunton School Foundation	931.7	196.3	(198.8)	-	-	929.2
Dining Room Redevelopment Project	100.0	-	-	-	(100.0)	-
Parental Funds	105.3	-	-	-	-	105.3
Taunton School Trust - Land & Buildings	1,959.8	-	-	-	-	1,959.8
Taunton School Trust - Other Funds:						
Haynes Fund	85.6	-	-	15.1	-	100.7
Ian Evans-Lombe Scholarship Fund	6.6	116.3	(80.1)	-	-	42.8
Gerrard Memorial Bursary	847.9	-	-	150.2	-	998.1
Taunton School Scholarship & Bursary Fund	95.7	-	-	16.9	-	112.6
Other Restricted Funds	49.3	-	-	5.5	-	54.8
	4,181.9	312.6	(278.9)	187.7	(100.0)	4,303.3

Prior year movement

	Balance at 01.09.19 £000's	Incoming Funds £000's	Expenditure £000's	Investment Gains £000's	Transfers £000's	Balance at 31.08.20 £000's
Taunton School Foundation	1,065.8	114.7	(270.1)	21.2	-	931.6
Dining Room Redevelopment Project	100.0	-	-	-	-	100.0
Parental Funds	55.5	49.8	-	-	-	105.3
Taunton School Trust - Land & Buildings	1,989.0	-	(29.2)	-	-	1,959.8
Taunton School Trust - Other Funds:						
Haynes Fund	83.8	-	-	1.9	-	85.7
Ian Evans-Lombe Scholarship Fund	7.3	65.5	(66.2)	-	-	6.6
Gerrard Memorial Bursary	829.4	-	-	18.5	-	847.9
Taunton School Scholarship & Bursary Fund	93.6	-	-	2.1	-	95.7
Other Restricted Funds	48.6	-	-	0.7	-	49.3
	4,273.0	230.0	(365.5)	44.4	-	4,181.9

**TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

14b. RESTRICTED FUNDS (CONTINUED)

The terms of the most significant Funds are summarised below:

Taunton School Foundation (TSF) - The trust is administered by a Foundation Board, who work with the Governors to promote and provide for the development of the educational facilities and activities of the School.

Dining Room Redevelopment Project – This fund is to provide support towards the cost of a new dining room facility in the heart of the school campus.

Parental funds – This fund is to provide academic, sporting and co-curricular facilities for pupils and is directly managed by the Headmaster.

Other Funds:

Taunton School Trust - The fund represents the land and property and restricted funds held by Taunton School Trust on incorporation.

Haynes Fund - The Fund was set-up by the will of the late J K Haynes. The income is to provide a scholarship for pupils of Taunton School studying Electrical, Mechanical or Civil Engineering at London University.

Gerrard Memorial Bursary - The Fund was set-up to provide a scholarship for sporting achievements.

Taunton School Scholarship and Bursary Fund - This fund is to provide scholarships and bursaries for pupils attending Taunton School.

Other Restricted Funds - includes smaller funds supporting a range of activities in the School.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year movement

	Fixed Assets £000's	Net Current Assets/ (Liabilities) £000's	Long Term (Liabilities) £000's	Pension Liability £000's	Fund Balances £000's
Pension Scheme Reserve	-	-	-	-	-
Taunton School Trust	1,959.8	-	-	-	1,959.8
Taunton School Foundation	-	929.9	-	-	929.9
Other Restricted Funds	1,389.0	24.6	-	-	1,413.6
Endowed Funds	2,062.2	-	-	-	2,062.2
Unrestricted Funds	24,527.8	(10,250.7)	(2,713.5)	-	11,563.6
Charity	29,938.8	(9,296.2)	(2,713.5)	-	17,929.1
Subsidiary's Reserves	2.2	(26.2)	-	-	(24.0)
Group	29,941.0	(9,322.4)	(2,713.5)	-	17,905.1

Prior year movement

	Fixed Assets £000's	Net Current Assets/ (Liabilities) £000's	Long Term (Liabilities) £000's	Pension Liability £000's	Fund Balances £000's
Pension Scheme Reserve	-	-	-	(290.0)	(290.0)
Taunton School Trust	1,959.8	-	-	-	1,959.8
Taunton School Foundation	-	931.7	-	-	931.7
Other Restricted Funds	1,081.0	209.4	-	-	1,290.4
Endowed Funds	1,799.6	-	-	-	1,799.6
Unrestricted Funds	24,746.0	(10,759.2)	(2,675.2)	-	11,311.6
Charity	29,586.4	(9,618.1)	(2,675.2)	(290.0)	17,003.1
Subsidiary's Reserves	3.5	(3.5)	-	-	-
Group	29,589.9	(9,621.6)	(2,675.2)	(290.0)	17,003.1

16. CAPITAL COMMITMENTS

	CONSOLIDATED		SCHOOL	
	2021 £000's	2020 £000's	2021 £000's	2020 £000's
Contracted for and not provided for	<u>73.2</u>	<u>305.5</u>	<u>73.2</u>	<u>305.5</u>

17. FINANCIAL COMMITMENTS

At 31 August 2021 the School was committed to making the following total payments under non-cancellable operating leases:

	CONSOLIDATED		SCHOOL	
	2021 £000's	2020 £000's	2021 £000's	2020 £000's
Within 1 year	168.6	277.7	23.5	22.5
Within 2 to 5 years	394.5	455.0	21.5	10.4
More than 5 years	261.2	334.1	-	-
	<u>824.3</u>	<u>1,066.8</u>	<u>45.0</u>	<u>32.9</u>

18. RELATED PARTY TRANSACTIONS

Two (2020 - one) Governors pays for children at the School. School fees incurred by the Governors are paid on a commercial arms' length basis.

See Note 4 for details of the transactions which took place between the Charity and its wholly owned subsidiary, Taunton School Enterprises Limited, in the year and any amounts outstanding at the period end.

19. PENSION COSTS

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,064,7115 (2020: £1,291,253) and at the year end £127,421 (2020: £126,414) 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. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

19. PENSION COSTS (CONTINUED)

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 revision 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.

Support Staff

The School operates a defined benefit pension scheme for its support staff, The Taunton School Final Salary Scheme, which is managed on its behalf by JLT. The scheme is funded and is contracted into the state scheme. The scheme closed to new entrants on 1 October 2001. The last formal valuation of the scheme was performed as at 31 July 2018. At that time the actuarial surplus was £208,000 so a recovery plan is not required, subject to review at future funding assessments.

The actuarial assumptions for life expectancy in years, assuming a retirement age of 65 are:

	2021 Years	2020 Years
For a male retiring now	26.2	26.2
At 65 for a male member aged 45 now	27.3	27.3
For a female retiring now	28.3	28.2
At 65 for a female member aged 45 now	29.6	29.5

The financial assumptions used to calculate Scheme liabilities are as follows:

	2021 %pa	2020 %pa
Inflation	3.2	2.9
Rate of increase in salaries	N/A	N/A
Rate of increase of pensions in payment and deferred pensions	3.1	2.8
Discount rate	1.7	1.7

Scheme assets and expected rate of return:

	2021		2020	
	Fair Value £000'	Split %	Fair Value £000'	Split %
Equities	2,728	36	2,210	32
Bonds	4,829	63	4,676	67
Cash	85	1	81	1
Total	7,642		6,967	

Components of defined benefit cost:

	2021 £000's	2020 £000's
Analysis of amounts charged to operating profit:		
Interest on pension scheme liabilities	-	-
Net charge to the SOFA	-	-

The actuarial gains shown in the Statement of Financial Activities comprised:

	2021 £000's	2020 £000's
Gain on scheme assets amount (£000)	827.0	(126.0)
% of scheme assets at end of year	10.8%	-1.8%
Experience gain/(loss) on scheme liabilities amount (£000)	56.0	(468.0)
% of scheme liabilities at end of year	0.8%	-6.4%
Total actuarial gain/(loss) recognised in SOFA amount (£000)	290.0	(290.0)
% of scheme liabilities at end of year	0.0%	-4.0%

Reconciliation to the balance sheet

	2021 £000's	2020 £000's
Market value of assets	7,642.0	6,967.0
Value of accrued liabilities	(7,360.0)	(7,257.0)
Unrecognised surplus	(282.0)	-
Net Pension Surplus/(Deficit) in the scheme	-	(290.0)

Analysis of the movement in deficit in the scheme during the year

	2021 £000's	2020 £000's
Deficit in the scheme at beginning of year	(290.0)	-
Net interest cost	(5.0)	-
Other finance (expense)/income	-	-
Actuarial gain/(loss)	577.0	(537.0)
Unrecognised surplus	(282.0)	247.0
Scheme asset / (liabilities) at end of year	-	(290.0)

19. PENSION COSTS (CONTINUED)

Analysis of the amount recognised in the Statement of Financial Activities

	2021 £000's	2020 £000's
Actual return less expected return on assets	827.0	(126.0)
Experience gains/(losses) on the liabilities	56.0	(468.0)
Change in assumptions	(306.0)	57.0
Unrecognised surplus	(282.0)	-
Actuarial gain/(loss) recognised in SOFA	<u>295.0</u>	<u>(537.0)</u>

Change in the present benefit obligation

	2021 £000's	2020 £000's
Opening defined benefit obligation	7,257.0	6,988.0
Interest cost	121.0	123.0
Actuarial losses/(gains)	250.0	411.0
Benefits paid	(268.0)	(265.0)
Closing defined benefit obligations	<u>7,360.0</u>	<u>7,257.0</u>

Change in the fair value of scheme assets

	2021 £000's	2020 £000's
Opening fair value of plan assets	6,967.0	7,230.0
Interest income	116.0	128.0
Actuarial gains	827.0	(126.0)
Contributions	-	-
Benefits paid	(268.0)	(265.0)
Closing fair value of plan assets	<u>7,642.0</u>	<u>6,967.0</u>

The School also operates a defined contribution pension scheme managed by the Pension Trust, which non-teaching staff are eligible to join. The assets of the scheme are separately from the School. The employer's contributions matches that of the employee within the region of 2-12.5%. The cost for the year represents the School's contribution to the Scheme of £246,924 (2020: £240,744).

The School operates a defined contribution pension scheme, for teaching staff, managed by The Royal London, as an alternative to Teachers' Pension Scheme. The employer's contribution is either 8% or 16.48%. As at 31/08/21 there were 37 members and the cost for the year represents the School's contribution to the scheme of £240,024.

TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES - COMPARATIVE FIGURES BY FUND TYPE
(Incorporating an Income and Expenditure Account)

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	Endowed Funds £000's	2020 Total £000's	2019 Total £000's
Income and endowments from:						
Charitable activities						
School fees	3	18,135.5	-	-	18,135.5	18,964.6
Other educational income	5	916.0	-	-	1,082.0	2,400.6
Other ancillary trading income	5	897.0	-	-	897.0	13.7
Other trading activities						
Non-ancillary trading income	5	587.5	-	-	587.5	717.9
Investments						
Investment Income	5	166.0	65.5	-	65.5	69.0
Voluntary sources						
Donations and bequest	14b	-	164.5	-	164.5	324.6
Total income		20,702.0	230.0	-	20,932.0	22,490.4
Expenditure on:						
Raising funds						
Non-ancillary trading expenses	6	228.2	-	-	228.2	264.2
Fundraising and development	6	-	-	31.7	31.7	13.7
Financing costs	6	89.1	-	-	89.1	81.4
		317.3	-	31.7	349.0	359.3
Charitable activities:						
Education and grant making	6	20,971.2	365.5	-	21,336.7	21,644.1
Total expenditure		21,288.5	365.5	31.7	21,685.7	22,003.4
Net incoming/(outgoing) funds from operations before investment gains		(586.5)	(135.5)	(31.7)	(753.7)	487.0
(Losses)/gains on investments		(29.2)	44.4	(101.9)	(86.7)	248.8
Net (outgoing)/incoming resources		(615.7)	(91.1)	(133.6)	(840.4)	735.8
Transfers between funds		-	-	-	-	-
Other recognised losses:						
Pension scheme actuarial (losses)	19	(290.0)	-	-	(290.0)	-
Net movement in funds in year		(905.7)	(91.1)	(133.6)	(1,130.4)	(1,130.4)
Funds balances at 1 September 2018		11,927.3	4,273.0	1,933.2	18,133.5	17,397.7
Fund balances at 31 August 2020		11,021.6	4,181.9	1,799.6	17,003.1	18,133.5

TAUNTON SCHOOL EDUCATIONAL CHARITY

England & Wales - Charity number 1081420

Accounts



**TAUNTON
SCHOOL**

**TAUNTON SCHOOL
EDUCATIONAL CHARITY**

**REPORT OF THE CHARITY TRUSTEES
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

**TAUNTON SCHOOL EDUCATIONAL CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

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**TAUNTON SCHOOL EDUCATIONAL CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020
GOVERNORS, OFFICERS AND ADVISERS**

Charity Details

Taunton School Educational Charity is a Company Limited by Guarantee with Company Registration Number 4005803 and Charity Registration Number 1081420.

Registered Office and
Principal Address:

Clerk's Office
Taunton School
Staplegrove Road
Taunton
Somerset
TA2 6AD

Telephone:

01823 703128

Email:

Nicola.miller@tauntonschool.co.uk

Website:

www.tauntonschool.co.uk

Governors

The Governors and Officers of the Charity who held office for all or part of the year are shown on Pages 3 and 4 of this report.

Professional Advisers

Banker: HSBC Bank Plc

17 North Street, Taunton, Somerset TA1 1NA

Solicitor: Veale Wasbrough Vizards

Orchard Court, Orchard Lane, Bristol BS1 5WS

Independent Auditor: Crowe UK

Carrick House, Lypiatt Road, Cheltenham,
Gloucestershire GL50 2QJ

Insurance Broker: Marsh

Capital House, 1 -5 Perrymount Road, Haywards
Heath, West Sussex RH16 3SY

DIRECTORS' REPORT

The Board of Governors (the 'Board'), who are the Directors and Trustees of Taunton School Educational Charity (the 'Charity'), present their annual report, for the year ended 31 August 2020, in the standard format required by the Charities Act 2011 and the Companies Act 2006.

CONSTITUTION AND OBJECTS

Taunton School (the 'School') was founded in 1847. It is constituted as a company limited by guarantee registered in England, No. 4005803. It is also registered as a Charity with the Charity Commission under Charity No. 1081420.

The School is governed by its Memorandum of Association and Articles of Association. These were updated and amended on 11 March 2016. The objects of the Charity are 'to promote and provide for the advancement of education by the provision of a school or such other means as the Governors shall from time to time determine.' In carrying out its objects, the Charity upholds the founding principles of the School which are rooted in the Christian faith. It recognises the particular emphasis of its 'Free Church' foundation on the importance of personal responsibility in the quest for faith, and in respect of religious traditions.

In furthering these Objects for the public benefit, the Charity provides Taunton School for boys and girls in five parts; the Senior School (known as Taunton School), Prep School, Pre-Prep and Nursery, Taunton School International and Taunton School International Middle School.

The School administers bursaries, grants, awards and other benefactions and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of its objects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Body

The Governing Body of Taunton School is known as the Board of Governors and Henry Keeling served as Chairman of the Board during the year. The Articles of Association sets the maximum number of governors at 17, of which one is appointed by the Churches Advisory Panel. The remaining governors are appointed by an ordinary resolution of the Members, passed at an AGM of the Charity.

The Governors are the company directors and trustees of the Charity, and those who have been in office for all or part of the year are shown below:

Mr Henry Keeling, **Chairman**
Mr Christopher Butters, **Treasurer**
Mr Robert Aldrich
Mr Philip Cooper
Brigadier (Retired) Mark Hallas
Mr Tim Hayden
Mr David Hebditch
Dr Ian Kelham
Mr Richard Kennedy
Reverend Nigel Manges
Rear Admiral (Retired) Ian Moncrieff
Mr Keith Moore
Mrs Hilary Quantick

Mrs Marilyn Trask
Mrs Elaine Waymouth **Deputy Chairman**

Officers

The principal executive officers of the Charity for all or part of the year were:

Chief Executive Officer	Mr L C Glaser
Taunton Preparatory School Head	Mr A Edwards
Taunton School International Principal	Mr A Hallworth
Chief Operating Officer	Mrs N M Miller
Clerk to the Governors	Mrs N M Miller

Membership

The charity has an unlimited number of members. Members are former governors and pupils of the School, over the age of 18.

Recruitment and training of Governors

Vacancies on the Board are considered by the Nominations Committee, which then makes recommendations to the full Governing Body. All prospective candidates are considered in light of the skills/experience required at the time which will include eligibility, personal competence, specialist skills and local availability. New governors are appointed for a term of three years and, subject to a performance review, may be re-elected for a further four terms. Governors will be formally appointed by the Members at the AGM.

New Governors are inducted into the workings of the Schools, including the policies and procedures of the Board, through briefings by the Chairman, Head and Clerk and through comprehensive documentation. They also attend specialist external courses on such matters as the role and responsibilities of Charity Trustees. Governors attend on-going training, run by organisations such as the Association of Governing Bodies of Independent Schools, to remain abreast of current issues and regulations in the Independent Sector.

Organisational management

Board members, as the Charity Trustees, are legally responsible for the overall management and control of the School. The Board meets at least three times a year. The work of implementing its policies is overseen by Committees and Panels, most of which meet at least termly, as follows:

- Educational Advisory Panel
- Finance and General Purposes Committee
- Marketing Panel
- Churches Advisory Panel
- Estates Panel
- Investment Panel
- Nominations Panel
- Human Resources and Remuneration Panel
- Debtors Panel
- Risk Management Panel
- Appeals Panel (convened as required)

Other specialist working groups are set up as and when required.

The Head of the Senior School is the person appointed by the Governors as Chief Executive Officer to lead and manage the School. He is responsible to the Board for all activities carried out by the School and is supported by the Chief Operating Officer who is also the Clerk to the Governors, and the TPS and TSI Heads, all of whom are appointed by the governors and report to them through the CEO.

Day-to-day running of the Schools is delegated to the Senior Policy Committee. Together this group forms the Key Management Personnel. The Heads and COO attend all of the meetings of the Board and most of

the meetings of the Committees and Panels above. Remuneration policy is set by the Board, with a policy objective of encouraging enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. This year has seen the introduction of an innovative pay and rewards scheme for teachers in response to the increased cost of membership of the Teachers' Pension Scheme.

Group Structure

The School has two wholly owned non-charitable subsidiaries, Taunton School Enterprises Limited (company number 02846335) and Taunton School Trustees Limited (company number 06706952). The principal activity of Taunton School Enterprises Limited is the trading activity of the School and annual profits are donated to the School under the Gift Aid Scheme. The principal activity of Taunton School Trustees Limited is that of a corporate Trustee of the School's defined benefit pension scheme for support staff, which closed in December 2010.

The School's Structure

There are five schools within Taunton School's Educational Charity with a total capacity of 1002. Taunton School itself is a day/boarding school with current capacity for 270 boarders and 330 day pupils aged 13-18. The Prep School is also day/boarding and caters for up to 52 boarders and 244 day pupils. Both international schools cater primarily for boarders and have at least 80 students in the main school with 50 in the Middle School. This is the optimum number of pupils to support the plan to deliver high quality academic and pastoral care for all pupils

Employment Policy

The School is an equal opportunities employer. We advertise all of our recruitment vacancies widely using local and national media sources to ensure access to a wide and diverse community. Full and fair consideration is given to job applications from disabled persons in line with the Positive About Disabled People initiative. Equal opportunities data from applicants is monitored and analysed to understand the demographic and characteristics of job applicants to the School. The School adheres strictly to safer recruitment guidelines and all recruitment panel members have completed appropriate safer recruitment training. All recruiting managers can access significant online resources on fair and equal recruitment practices. Appropriate pre-employment checks are undertaken for all new staff and a comprehensive Single Central Register is maintained by the HR department. All new staff go through an induction process, which includes child protection, safeguarding and equality, diversity and inclusion updates. To ensure that our staff have equal promotional opportunities, they all have access to regular reviews and participate in the appraisal process. The School encourages internal promotion as much as possible. The School has a diverse workforce and presently 62% of staff are female and 38% are male. Staff can benefit from a range of family friendly policies and a number of flexible working practices in place across the School staff community. The School holds the Investors in People Gold Accreditation; most recently reaffirmed in 2019. Consultation with employees, or their representatives, is made at all levels to take the views of employees into account when decisions are made that are likely to affect their interests. Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to appraise staff of current issues.

Public Benefit

The Board confirms that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

How our activities deliver public benefit

The governors have considered the Charity Commission's current guidance on public benefit carefully. They try to ensure that the School's charitable objects are carried out for the public benefit by making sure, wherever possible, that such education is available to all who can draw most value from it. This is done irrespective of financial circumstances and the School's facilities are made available as far as possible to other

local schools and the wider community. Our charitable activities promote the wider education of children and access is not restricted by the ability to pay fees. The Board remains committed to providing public benefit which is in accordance with the School's founding principles. To this end the School cooperates with local charities and educational bodies in an ongoing endeavour to widen public access to the School. It also seeks to optimise the use of the School's cultural and sporting facilities and to awaken in the School's own pupils an awareness of the social context of the all-round education they receive at the School.

Public Benefit – COVID-19

Since the start of the national lockdown in March 2020, the School has provided continuous education for the children of key workers and registered its facilities for use by emergency services. The catering team, partly funded by a philanthropic donation from a member of the school community, provided meals for duty staff at Musgrove Park, the local NHS Hospital. Hospital equipment was also stored on site to free up space for spare beds. The School's DT department made PPE as part of a national programme and a hardship fund was created to help support families struggling to pay fees.

Public Benefit - Sporting Partnerships

The School continues to support numerous local community-based clubs and facilities which provide access to sporting and social opportunities. Support is given in various ways including the provision of expertise, help with projects, profile-raising and funding. Partnerships include local swimming, cricket, athletics, rugby and netball clubs along with Taunton Vale Sports Club and Wiveliscombe outdoor pool. During the summer holidays as COVID-19 restrictions eased, the School was able to offer free sports coaching opportunities for the local community to support children getting back to sport. Over 80 local children used the School facilities and benefitted from professional coaching staff in physical activities to support their health and wellbeing. A number of outreach sports competitions were held at the School by inviting local primary schools teams to play in a variety of sport. These initiatives were often set up and run by the School's Sixth Form BTEC Sports students.

Public Benefit - Academic

Children from local primary schools were invited to various events throughout the school year including some such as the Maths Challenge and STEM Festival that had been disrupted because of school closures. The School also hosts Careers Fairs with many visiting universities, colleges and industry professionals offering both university and apprenticeship programmes. These are advertised to local maintained schools and communities to give opportunity to these students beyond their educational pathways. In Modern Foreign Languages, students in the Sixth Form have supported Castle Secondary School, with language clubs within the volunteering programme, to provide support in the speaking element part of the course.

Public Benefit - Drama

Local children in Years 5 and 6 are invited to take part in 'Play in a Day' workshops where they have the chance to sing, dance and help write their own script and then perform a fully costumed, lit and staged musical production to family and friends, in our theatre. Our staff host and support the students and their teachers and share their specialist experience and knowledge. Many of our music specialists are active in the community through projects and volunteering in the local theatre and churches. Our Heads of Music also visit local schools to offer specialist lessons such as 'More Melody' a popular choral workshop. Local schools were invited to attend our production of 'The 39 Steps'.

Grant making policy

Fee assistance is awarded to current pupils, on the recommendation of the Headmaster, in exceptional cases of need. Other charitable purpose of this kind, forming the majority of our bursary provision – known as "Assisted Places" – is offered on an unfunded basis and the aim is to raise funds to support this existing initiative. Our Assisted Places programme provides means-tested financial support to new entrants who would otherwise be unable to attend the School and the Patrons' Programme which has sponsored 23 pupils through Sixth Form. Opportunity to benefit from the School's Grants is subject to neither geographical nor other restrictions such as the ability to pay fees. Accordingly, no one is excluded from this opportunity. Those pupils who attend the School and who receive financial support contribute to the School community in a

variety of ways, and so the benefit is not purely to these pupils but to the whole School and, in some cases, to the wider community.

In the 12-month period to 31 August 2020, a total of £1,701,122 (2019: £1,638,089) was spent on bursaries, the equivalent of 79 full Senior School day fees and 6.2% of gross fee income. 258 pupils (2019: 252) received assistance with school fees, including 1 for full fees. In addition, scholarships and other awards totalling £1,992,866 were given to 297 pupils (2019: 342 pupils; £1,942,455). Overall, 437 pupils received fee awards totalling £3,694,008 representing 15% of gross fee income. Staff, family, military, Foundation and COVID-19 related discounts account for a further £3,112,712 (2019: £1,713,453) giving a total for bursaries, grants and allowances of £6,806,700. In the current academic year (2020/2021), it is estimated that 258 pupils will be receiving bursaries totalling £1,775,241.

The growth in the School's bursary expenditure can be illustrated by the following summary:

	2020/21	2019/20	2018/19	2017/18
Number of pupils receiving a bursary	258	258	252	233
Total value of bursaries awarded	£1,775,241	£1,701,122	£1,638,089	£1,348,710
Average value of each bursary				
- £	£6,593	£6,606	£6,500	£5,788
- As a % of Senior School day fee	32.8%	32.9%	33.5%	30%

STRATEGIC REPORT

OBJECTIVES AND ACTIVITIES

Charitable Objects

The Objects of the School are contained within the Articles of Association dated 11 March 2016. The main objects of the Charity are as follows:

To promote and provide for the advancement of education by the provision of a school or such other means as the Governors shall from time to time determine provided always that:

- a. In admitting pupils to the School, the Governors must exercise (all other things being equal) a preference in favour of sons and daughters of members of the Free Churches; and
- b. In carrying out its objects, the Charity shall uphold the founding principles of the School which are rooted in the Christian faith and recognise the particular emphasis on its Free Church foundation and the importance of personal responsibility in the quest for faith, and respect for all religious traditions.

To these ends the School:

- i. Provides an education for boys and girls aged 0 to 18 years which is internationally recognised as adding academic value at every stage;
- ii. Provides substantial financial support towards fee remission;
- iii. Has a continuous programme of maintenance, building and technology refurbishment and development;
- iv. Allows controlled access by the public to its grounds, buildings and facilities generally;
- v. Holds a variety of religious services on weekdays and on Sundays in the Chapel;
- vi. Provides a wide range of sporting and cultural facilities, many of which are available to children from other local schools and which are also made available to members of the public where appropriate;
- vii. Supports the wider community by 'community service' and other activities; and
- viii. Demonstrates significant public benefit through its academic and other activities as described in paragraphs (i) to (vii) above.

Aims and Targets

Within these objects, the School aims to challenge, nurture and inspire young people to succeed in a global community. Taunton School operates as one school and ensures that value is added at every stage of a pupil's education by providing outstanding and innovative teaching and developing a culture which uses technology to drive forward teaching and learning. Pupil and staff well-being is central to all that we do and the School aims to encourage, train and develop confident, enthusiastic and well-rounded young people who are able to form meaningful relationships with other people in an international arena, irrespective of circumstance.

Having started the year with record numbers of pupils on the roll, the COVID-19 pandemic forced a closure of the site for the whole of the summer term. Lessons were delivered remotely during this time by teachers working from home to pupils in their homes. An accompanying and imaginative co-curricular programme was also delivered online making full use of the Microsoft Teams functionality to teach music lessons, hold choir practices and deliver sports coaching in the virtual environment. Public examinations were cancelled nationally. 240 support staff were put on furlough leave with the remaining 35 preserving the vacated site to deliver key functions of finance, ICT, statutory maintenance, housekeeping and security. As restrictions eased over the summer holidays small groups of pupils came back to site to receive sports coaching. Meanwhile teachers and support staff prepared the school for a full return of all pupils and staff for the start of the 2020 academic year. Feedback from parents has been incredibly positive and the School is well-placed to deal with a second-wave of COVID-19.

Despite the pandemic the School was able to continue with the construction of its new dining room and kitchen. Inevitably there was some delay due to the COVID-19 restrictions that limited the number of contractors on site, but the project was completed successfully over the summer and in time for the start of next term.

As part of its normal business in response to the pandemic, the School has identified its strategic objectives for the present and coming years in formal consideration with the Board of Governors and its Committees both at meetings and an annual Management Day. This is supplemented by input from the management's Senior Policy Committee who review objectives in a systematic way. Current objectives include:

- Further refinement of the School's digital strategy with a specific target of ensuring lessons can be delivered to pupils in the classroom and at home simultaneously and by teachers who are either at school or teaching from home;
- Bringing in the newly completed Kitchen and Dining Room facilities fully on line, including developing their use by third parties and the wider community;
- Supplementing the Assisted Places fundraising programme with the Patrons' Programme and the Taunton School Community initiative through the Foundation described further below;
- Maintaining a secure financial position and controlling costs;
- Reviewing the master plan for the estate and developing a green heart at the centre of the School;
- Delivering a continuing programme of investment to modernise the estate; and
- Continuing to develop income generating activities which align with the School's educational ethos.

Broadening Access

The Chairman and Governors have a clear intent to widen access to the School for those who would benefit from its educational offering by granting means tested financial support (bursaries) described in our Grant Making Policy above. The Governors' approach to achieving this is to increase the number of philanthropic donations to the School's Foundation and to continue to develop the already successful 'Patrons Programme'. Since 2016 the latter has provided 20 fully funded places for students at Sixth Form. They remain committed to ensuring that a first-class education is available to a range of pupils regardless of financial circumstance and to ensure that the School continues to benefit from a broad mix of children with different social and economic backgrounds. To this end, a new fundraising campaign to support more Assisted Places

and Sixth Form Bursaries for children throughout the School was launched in March 2020, targeting the wider Taunton School Community.

Academic Excellence

The School is non-selective with a commitment to its stated public aim of challenging, inspiring and nurturing all young people to succeed in a global community. Pupils are encouraged to develop their full potential, through a robust pastoral system and with a clear commitment to the investment and use of digital technology. Academic value added is key and pupils continue to be offered a wide variety of extra-curricular and sporting opportunities.

Pupil Recruitment

The School continues to focus on attracting boarding and day pupils across all age groups at local, national and international levels. This focus is supported by a whole-school marketing team and a new website is under construction. Numbers are strong and enquiries are higher than normal for next year.

Estate Development

Work on the new kitchen and dining spaces was carried out during the year and despite delays due to COVID-19, with the project being completed within budget and in time for the start of the new academic year. This is the largest and most significant capital investment for the school in the last 20 years. The result is a fit for purpose, state of the art facility which creates space in the heart of the School for the benefit of the whole School community. Further projects to address the key areas highlighted in the Estate Masterplan are also under discussion as the School seeks to plan for the next 10-15 years. This includes a plan to pedestrianise the centre of the campus and develop Sixth Form facilities that will establish a "Green Heart" to the School.

Capital and Other Projects

Alongside the kitchen and dining room redevelopment achieved this year, estate work has continued despite the COVID-19 restrictions. Projects include but are not limited to boiler replacements, office refurbishments, fire safety improvements, sports facility upgrades and classroom redecorations. A new fence has been installed around Greenham playing field as a result of a security review.

IT Infrastructure

An upgrade of classrooms with touch screens was started in early 2020, but subsequently paused as focus was switched to preparations for the School closure required due to COVID-19 and to position teaching and learning across a dispersed and virtual environment. Microsoft Teams was provided to all staff and pupils and virtual lessons took place remotely across all schools throughout the entire Summer Term. The Virtual Learning environment ("VLE") Environment ('VLE') platform has continued to be improved and enhanced, including extra tools provided in the nursery and pre-prep to support the younger children. Webinars were setup for virtual open mornings and live event streaming put in place to allow end of term celebrations to take place online.

Wider use of facilities for community use and mutual benefit

The Governors seek to ensure that the facilities are available for use by the wider community when not in use by the School. This use is offered on a commercial basis and any surplus made is reinvested back into the School to support the Assisted Places programme. This plan includes the operation of a swim school for local children, a sports club which enables members to make use of the fitness suite and other sports facilities, events and hospitality using the new dining room and other conferencing facilities and residential lettings during the school holidays.

RISK MANAGEMENT

Principal risks and uncertainties

The Headmaster and Chief Operating Officer, under the oversight of the Chairman of Governors, are responsible for the management of the risks faced by the School. A formal review of the School's risk

management process is undertaken on an annual basis. The Governors consider the economic impact of COVID-19 and the uncertainty it has created for the independent sector to be the principal risk faced by the School. Other risks include BREXIT, the possibility of VAT on school fees and the likely removal of Business rates relief for independent schools. Pupil safeguarding as well as health, safety and security are always a significant area for risk management. The School has responded actively to the issue of Mental Health.

Through its internal management structures, the School has carried out a wide-ranging review of the risks facing the organisation and continues to monitor those risks. The Governors have examined the principal areas of the School's operations and other activities and considered the major risks in each of those areas. This year there have been a series of extraordinary meetings held to consider the impacts of the pandemic. The Governors are satisfied that the major risks identified have been mitigated to a level as low as reasonably practical whilst recognising that systems provide reasonable, but not absolute, assurance that major risks have been adequately managed.

Key controls used by the Charity include:

- well publicised policies and procedures, as required by law for the safeguarding and protection of children, including procedures for the vetting of staff, volunteers and contractors;
- a clear health and safety policy overseen by an active committee;
- formal agendas for all Committees, Panels and Board of Governors activities;
- detailed terms of reference for all Committees and Panels;
- comprehensive strategic planning, budgeting and management accounting;
- additional bank financing to cover any financial turbulence caused by COVID-19;
- fully documented roles and responsibilities of the Governors, Head and TPS Head and other members of senior management;
- formal written policies and procedures; and
- clear delegation in authorisation and approval levels.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Board is responsible for preparing the Annual Report and the financial statements in accordance with the applicable law and UK Generally Accepted Accounting Practice (UK Accounting Standards). Company Law requires financial statements to be prepared for each financial year.

Under Company Law, the Board must only approve the financial statements if they are satisfied that they give a true and fair view of the state of affairs of the Charity and the group and of the incoming resources and the application of resources, including the income and expenditure of the charitable group, for that period.

In preparing the financial statements the Board is required to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable the Board to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Charity's constitution.

The Board is also responsible for safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Governors, as members of the Board is aware, at the date of approval of this report, there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each member of the Board has taken all the steps that he or she should have taken in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

ACHIEVEMENTS AND PERFORMANCE

EDUCATION

Independent Schools Inspectorate Inspection

All 5 elements of the School were inspected by the ISI in February 2020. It was found that the schools were fully compliant in all areas and the early years foundation stage ('EYFS') was graded outstanding.

Admissions

During 2019/2020, there were 542 (2019: 554) pupils in the Senior School, 304 (2019: 289) in the Prep, 76 (2019: 88) in the Pre-Prep, 78 (2019: 76) in the International School and 41 (2019: 38) in the International Middle School. Enquiries, visits, registrations and overall pupil numbers for 2020/21 are strong, despite the COVID-19 challenges, including quarantine restrictions.

Stakeholder Engagement and Section 172 Statement

The Governors consider that they have fulfilled their duties in accordance with section 172 of the U.K. Companies Act 2006 and have acted in a way in which is most likely to promote the long-term success of Taunton School for the benefit of its stakeholders as a whole in the following ways:

Pupils

Boarding and day pupils benefit from the School's pastoral provision with staff placing as much importance on pupils' holistic personal development, lifelong friendships and camaraderie as they do on exam results. Pupils are actively encouraged to offer comments and suggestions on the operation of the School through committees, houses or tutor meetings, and this pupil voice is actively considered in decisions made by the Senior Management Team and Governors. This pupil centric focus continued during the enforced closure of the school site and the subsequent move to remote learning and recognised the significant challenges faced by pupils during this lockdown. Staff worked with individuals and groups of pupils to address any concerns and organised online events designed to maintain social interaction and pupil motivation.

Staff

The School recognises that the qualities, skills and commitment of its staff plays a major role in the pupils' success. Weekly briefings keep staff informed of school wide developments, and there are opportunities for staff consultation with Governors, both formally and informally. Staff wellbeing has been a key focus this year, with a number of teaching and support staff undertaking training to become mental health first aiders. This will be a continued area of attention, especially as staff return from an extended period of absence from the site.

Parents & Communication

The School recognises the many benefits from open and transparent engagement with parents and has a bi-weekly roundup of news and events in its "Courier" magazine as well as regular social media posts and letters from the Headmasters highlighting aspects of School life. Regular parent surveys are conducted and parents

have access to both the parent section of the website and the Parent Portal which gives detailed academic and pastoral information which is specific to their own child.

Community

The School is proud of its place and contribution in the local community and endeavours to offer support and assistance wherever possible by sponsoring local sports clubs and offering opportunities for local schools and clubs to benefit from its academic and co-curricular facilities. The Outreach programme works with local charities and social organisations to identify ways in which the pupil body can best provide support and assistance. During lockdown, staff and pupils created new ways in which they could support the local community via fundraising, by offering accommodation to local NHS workers and by providing PPE and food parcels for NHS staff at Musgrove hospital.

Senior School

Academic

Taunton School continues to offer three pathways of Sixth Form study: A levels, International Baccalaureate Diploma Programme and two BTEC courses (Extended Diploma in Sport and Exercise Sciences and Diploma in Business). Our timetable allows students to study a 'mixed economy' programme, borrowing elements from different pathways and student tracking against baseline data and predicted grades goes from strength to strength as part of our goal to add value to each and every student. Despite the challenges of centre-assessed grades this year, external examination results saw 68% of all grades in the Sixth Form at the equivalent of A*-B (A level), 5-7 (IB Higher Level) or Distinction*-Distinction (BTEC Diploma). For GCSE, 49% of grades were 9-7, and the pass rate (grades 9-4) was 97%. As a non-selective school, we are extremely proud of all our students' results, not just those achieving top grades. Our Careers advice offered to the students is a particular strength. We have a very diverse student body and offer bespoke guidance on course and country requirements. The majority of students achieve the grades that they need to take up their place at their first choice of University. Our academic programme is not restricted to the classroom and students have enjoyed presentations, lectures, trips and various other stimulating activities which have enhanced their learning. Friday morning scholars' talks, open to everybody, are a particular highlight and often discuss challenging existential topics, as do Friday night debates for senior students.

Pastoral Care and Well-Being

Boarding at Taunton School is thriving thanks to the overall focus on boarding and boarding recruitment over the last 5 years. Boarders are fully integrated and committed to the ethos of the School and many hold important leadership roles. The on-going boarding house refurbishments combined with the development of a 'Heart of the School' makes the boarding environment a 'home from home'. Our day pupils also benefit from the full range of activities and support on offer and pupil numbers this year are at an all-time high.

Pastoral and safeguarding support has improved across the board due to the whole school approach to this important area of school life. There is a common ethos and approach to continued good practice and whilst safeguarding and child protection remains effective we continue to review, internally, how this can be further enhanced and reinforced across the School. There have been some structural changes and new appointments to the pastoral team which have added strength to our team.

We have focused on the hearing the Student voice which is an increasingly important element of good practice and an area which our remote learning strongly helped to support. There are more formalised forums which are complemented by regular on-line surveys which help track pupil and staff wellbeing with greater consistency and regularity. COVID-19 inevitably took up the bulk of the summer term and infiltrated all areas of our practice. In making the School as safe as possible there is a constant trade-off between safety and pupil experience and staff are always alert to this issue. The Health Centre is a key asset and has invested in SAMBA-II testing technology to help manage the pupil population as they return to School.

Plans for next year are focused around ongoing training needs with a focus on helping pupils manage anxiety, its prevalence and its role in being a gateway to many of the more concerning mental health issues such as suicidal ideation, eating disorders and self-harm. ADHD support is another area of focus; both diagnosis and management and training in mental health first aid is ongoing for teaching staff.

Co-Curricular

Sport plays a significant role in the day to day life across the School and is both an important part of the School's culture for both health and wellbeing as well as performance and participation. This year, the U14 and U19 Netball Teams qualified to Regionals placing 1st and 3rd respectively, with the U14 continuing to the National Finals. Within the School individually, a large number of students were involved in both Bristol and Exeter Chiefs rugby academies, Performance Centres in Hockey, with an U16 England Hockey player and numerous representatives in both Team Bath Netball NPL and Somerset, Devon and Cornwall Cricket Squads. Individually we have a number of students competing on the NSEA circuit in Equestrian events and tennis players, both representing both Somerset and pushing for Regional and National competition. Due to COVID-19, Rosslyn Park for Rugby, and the summer seasons of sport for Swimming, Cricket, Tennis and Athletics were all cancelled.

Music continues to thrive. There is an informal weekly "teatime" concert and during each term there are more formal concerts that encompass the work of all of the 17 ensembles offered. These have seen the introduction of more elite smaller quartets in the last year which push students beyond Grade 8 and a music diploma. The concerto competition ran again with two winners selected to play in front of a professional orchestra. *'The 39 Steps'* Production was a highlight of the Autumn Term and was performed in the School's newly refurbished Theatre with assessed pieces of devised drama for Years 10, 11 and 12 complementing the offer. Throughout the Summer Term lockdown, Shakespeare solos and a Murder Mystery devised piece enabled continued performance remotely, along with a series of online concerts and musical productions.

Debating has seen increased membership and formality. The Friday evening 'Burke' debates are well attended and the motions debated are both current and evocative as we educate the students on appropriate ways to show their student voice. This year has seen a more global outlook approach to the debate topics although the World Debating Championships was cancelled due to COVID-19. The Seniors again entered the English-Speaking Union competition, with the Senior Team qualifying to the second round.

The Combined Cadet Force, Duke of Edinburgh scheme and various other outdoor activities are key features of the co-curricular offering. All are well resourced and take up continues to be very strong. The introduction of a new Head of Army and Navy section has seen a review and development of new curriculum and ideas to achieve the syllabus. COVID-19 restricted the Year 10 and Year 12 Activity Week and Summer Field Day, and saw the 'Ten Tors' cancelled however remote tasks for CCF continued throughout the course of the Summer Term.

Community

Volunteering projects during 2019-20 include craft activities on Friday afternoons with Year 4 at North Town Primary School and support to Castle School with their Year 11 students in the MFL department with our native speakers providing 1:1 speaking and writing support in Mandarin, German and Spanish. During the Autumn term students went to Cothelstone Hill to help clear away small shrubs and trees to enable the established trees to grow. The Firs nursing home in Staplegrave has students visiting in small groups three times a week to chat and entertain the residents: we were glad to help support them with a collection of Easter eggs just as we went in to lockdown. Monday evening basketball remains a popular volunteering option when a group of our students help out with a group of disabled people at wheelchair basketball. Students have also supported other areas of the School – tennis coaching with Pre-Prep School students, prep support with years 7 & 8 and socialising and socialising playing games with the TSIMS students on Tuesday evenings. In total there are in excess of 60 students who volunteered approximately 1,500 hours of their free time last year of which we are aware.

Global Outlook

With over 40 different Nationalities in the School we are proud of our global outlook. Our students, and also staff, are able to work together in an environment of tolerance and respect in line with the School's ethos and vision.

Taunton Prep School

Academic

TPS continues to offer an excellent range of subjects and activities delivered by staff who are passionate about teaching and learning. During 2019-20 we wrote a 'Key Skills and Literacy policy' which was refined in the Autumn term when we began the process of embedding this into everyday teaching and learning. We also worked to develop staff Continuous Professional Development (CPD), focusing on embedding vocabulary through lesson starters and plenaries. Much of this work was interrupted due to COVID-19 lockdown. However, the process of embedding literacy in daily routines within the classroom will continue in 2020-21, with the aim of establishing effective classroom routines in all subjects, not just English. Learning Walks were implemented in the Spring Term with a collaborative and supportive approach to staff development in the classroom and a key element in identifying themes to feed into staff meetings and CPD.

The assessment systems which we have gradually introduced over the last two years are now fully embedded and are giving staff, pupils and parents excellent nationally standardised information which is being used to monitor progress. They are also allowing us to track more effectively the attainment levels and progress of cohorts and of individuals. This year we have developed the assessment system for Years 7 & 8 during the Autumn term, to bring systems in line with TS and to raise the expectations and standards within Year 8, moving towards developing a 'gold standard' for them. We also refined the report system in the Summer Term, working towards a more concise and succinct format that will benefit both staff and parents.

During the Spring term, we worked with middle managers to ensure these standards were implemented across departments consistently and have engaged with students to ensure they fully understand the expectations and are able to set themselves targets within the amended framework. In the same term, we started to work with middle managers to identify how the assessment data could be used by teachers and Heads of Departments ("HODs"), to inform teaching and learning and department planning. This is an area that we will continue to review and develop in the forthcoming year. Improvements made to the HODs department planning documentation have a more structured focus and are more aligned with the TPS key priorities and aims designed to improve standards.

During the Summer Term, we were highly successful in establishing remote platforms for all year groups to continue learning during lockdown. We were able to implement a number of staff and student training courses before lockdown and to continue with ICT support online. This secured exceptionally high levels of parental satisfaction and praise in parental surveys. The platform used for Years 3-5, 'Seesaw', was particularly successful with the younger pupils, developing independence in their remote learning through a platform working most effectively with tablets and phones. Following this, we have invested further in this platform, to enable Years 3-5 to continue to use the platform for prep and in the event of more remote learning in 2020-21. Microsoft Teams and Firefly were also successfully utilised for the older year groups to deliver remote learning, with Teams in particular being utilised for synchronous lesson delivery.

The Wider Curriculum

Sport

A good number of our pupils and teams again performed at a level which was right at the top of Prep School national standards. For example, in swimming our U13 Girls won the English Schools Relay championship at the Aquatic Centre, we would have had 30 qualifiers at IAPS and we were expecting to surpass previous medal hauls this year. In Hockey, our U13 boys lost in the Final of the National Prep school finals and our U11 boys and girls qualified for National finals but, unfortunately, these fixtures were postponed. In Netball the U13's were unbeaten and won the IAPS Regional tournament. Additionally, we had Cross Country

Somerset Champions in U11 competitions, Team County Champions at U11 and U13 in table tennis and our U9 Girls were ranked 1st in the South West for Biathlon. During remote learning, we continued to strive to provide sport and physical activity for all, including holding a virtual Sports Day.

Performing Arts

In our Autumn Term Michaelmas Concert 19 of our musical ensembles performed to a very high level of competency. The dance showcase was an amazing success using the theme of the Greatest Showman. The Year 4 production of 'Pirates versus Mermaids' was enjoyed immensely by both the performers and the enthusiastic audience. The highlight, as always, was the Choir Tour abroad, this year visiting Malta. The children made wonderful performances including singing in the Cathedrals in Valletta and Gozo. During the Spring Term, Year 6 displayed their talents on stage with the musical production of 'Mystery at Magpie Manor'. Pupils were entered for external examinations for Music, Speech and Drama and Ballet with astounding success.

During the summer term, we continued to provide a positively driven curriculum that challenged, nurtured and inspired our pupils. There was a weekly Performing Arts Café where pupils performed in the 3 disciplines of Music, Drama and Dance. Choir rehearsals were held remotely each week and we were one of the few schools who continued to offer 1:1 instrumental lessons plus Speech and Drama lessons. The Year 8 Memories film was also led by the Performing Arts department, much to the appreciation of the parents.

Personal Development

The 'TPS Way' is now firmly established and has been integrated further into the criteria that has been developed for Years 7 & 8. Remote learning not only presented many challenges for teaching and learning outcomes, but also to the way we continue to motivate and inspire the pupils and promote an independent approach to ownership of their learning. A wide range of enrichment activities were offered remotely to cater for the interests of all, including dance, reading, baking, fitness, music and art. The support and nurture of staff, particularly tutors, sustained the engagement and motivation of the pupils and the outcomes of some of the younger pupils were particularly impressive.

Taunton Pre-Prep and Nursery (TPPS)

Academic

As we went into lockdown during the Summer Term, the children from Nursery 3 upwards started remote learning using the 'Class Dojo' App. This software platform was already in use by the Reception team, and we therefore extended its use throughout the Pre-Prep. Feedback from parents and staff was overwhelmingly positive and both parents and children engaged with its content. In addition to running online content, each day from the beginning of April we had over sixty children of key workers physically attending the Pre-Prep and Nursery. Children from Reception upwards accessed the remote learning whilst in school, supported by the team physically present with them. The number of children physically in school increased again in May as 90% of the Reception class and 50% of the Year 1 children returned to school. Children who were unable to attend and remained at home with their parents, were supported with continued online learning, with staff in each year group supporting blended learning for the rest of the summer term. 90% of the Year 2 children attended for the last week of term of the summer term.

Reception pupils continue to complete the baseline assessment which is a reliable, national test that tracks key skills in Reading, Spelling, Mathematics, Mental Arithmetic and Developed Ability. Year 1 pupils are also tested in GL Verbal and Non-Verbal assessments. Year 2 pupils also continue to be assessed in this way, completing both the Verbal and Non-Verbal GL assessments. Children also have their reading age assessed using the Suffolk Reading Scale 2 to produce a measured reading age and a Single Word Spelling Test age. These tests run alongside the standardised GL Maths Assessments. In addition to the recording and assessment already described, we continue to complete half-termly phonic assessments for all the children from Reception to Year 2. Children then access the appropriate phonic group indicated from their assessment and any children needing support receive individual intervention. For both Years 1 & 2, the

children also take part in formal assessments for Abacus Maths. Results from this testing are used to inform planning and teaching. We introduced a TPPS Literacy corner in the playground in order to promote reading and writing in the outdoors.

Performing Arts

The children continue to have the opportunity to participate in individual Music lessons, Speech & Drama, Dance and Ballet. A significant number of our parents also access these additional lessons.

Sport

Our Year 2 children took part in a local Tag Rugby festival in the Spring Term. These children also enjoyed participating in a multi sports event in March. This gives our children a taste of a more competitive sporting event, whilst having fun with their friends.

Clubs Programme

Throughout the last academic year, we increased the breadth of our clubs on offer, in order to better meet all our children's needs. However, this Autumn Term we will be obliged to offer a more restricted club offering in order to meet the most current Government guidance.

Personal Development

TPPS staff aim to promote strong values, including respect and kindness to others. This has been supported by our adoption of the new jigsaw PSHE programme for our children from Nursery 4 to Year 2. We provide a nurturing environment with familiar staff, supportive routines and clear boundaries and expectations. We also seek to challenge, and to foster new as well as existing skills and thereby promote resilience, confidence and independence.

Taunton School International (TSI)

TSI offers British and International students an intensive and comprehensive one-year and two-year GCSE/pre-IB programme. We are a market leader in our academic provision and achieved a pleasing 92% GCSE pass rate (9-4) in August 2020, with 37% of the total grades at 9-7. Students are able to select from more than twenty different subjects at GCSE level and are taught in classes averaging 8 students per group. This allows students to focus on areas that are relevant to them and affords them the extensive teacher support that is required on such an intensive academic programme. In September 2019, TSI introduced a Pre-Foundation Year programme for Sixth-Form aged students and all the students on this programme achieved the necessary grades to progress to the International Foundation Year, which starts for the first time this year. On this programme, students study four modules — Business Studies, Economics, Mathematics and EAL — and upon successful completion of the course have a guaranteed place in one of 16 British universities, including several Russell Group Universities. TSI has a spread of nationalities with 25 countries represented, approximately 5% of whom were first language English speakers.

We aim to develop the 'whole' student and pride ourselves on our co-curricular, sporting and pastoral provision for every student. In sport, the international students fully integrate with the Senior School students and in the 2019-20 academic year many of our students represented School teams in football, rugby, cricket, hockey, swimming, tennis, badminton and basketball, with many students achieving full or half junior colours. In music, several TSI students played in the Senior School orchestra as well as performing in tea time concerts and chapel services. Throughout the week, students are able to access a wide choice of after-school activities, many of which are run jointly with the Senior School. Weekend trips and inter-house competitions provide yet further opportunities for our international students to integrate with their British counterparts. Retention of students was again excellent this year with an above average number of students transferring to the Sixth Form in the Senior School, to take A Levels and the International Baccalaureate or BTECs.

Taunton School International Middle School (TSIMS)

TSIMS provides international students between the age of 7 and 14 years with the appropriate and relevant education, co-curricular and pastoral support they need to enter Taunton Prep School, Senior School or TSI, depending on their age and level of English. Those not entering another section of Taunton School are ideally equipped to go to another British independent school. Specialist teachers offer an extensive curriculum which is closely linked to the curricula at the Senior School, Prep School and TSI in order to facilitate the transfer of students from one section of the School to another. Students are taught in maximum class sizes of 10 to enable each student to reach their full academic potential in the minimum amount of time. There is a full programme of extra-curricular activities, sports and excursions, designed to stretch and develop young minds and assist in achieving our aim of developing the 'whole child'. Integration with the Prep School, Senior School and TSI is frequent with several students being selected to play in Taunton School football, swimming, tennis, hockey, cricket, rugby and basketball teams. TSIMS has forged strong relationships with the local community in Kingston St Mary.

Taunton School Foundation

The Foundation has generated voluntary donations totalling £114,700 for 2019/20 (£269,100 for 2018/19); in addition, donations of £86,254 were received in September 2020. The focus remains to engage high net worth individuals to provide individual and collective support for students at Sixth Form through 100% means tested bursaries. A new plan to raise £5million through 'The 100 Campaign', will encourage greater support from the whole Taunton School community, with the intention that funds raised will benefit over 100 children throughout the School who have promise and talent and require financial support through our existing means-tested assisted places programme. Since the conception of the "Patrons' Programme" a total of 23 children have benefitted, including two from Hong Kong and two who are here in partnership with the Royal Springboard Foundation. Fundraising during the year was carried out solely by the Foundation team and no external fundraising individuals or companies were employed. The School adheres to the new GDPR regulations and only contacts those for whom our communications will be relevant and of interest. There were no incidences of failure to comply with the fundraising standards and no complaints recorded.

Group Finances

The principal funding sources for the Charity are school fees and income generated by many other educational and non-educational activities. The latter are carried out by the Charity's trading company, Taunton School Enterprises Ltd ("TSE"), which passes all its profits to the School. The year's expenditure has continued to support the Charity's key objectives by operating the School and investing in its development.

The Group's finances remain relatively strong with total incoming resources of £20.9m (2019: £22.5m); net outgoing resources of -£0.8m (2019 net incoming resources: £0.5m); and total reserves of £17.0m (2019: £18.1m) after making capital additions of £4.2m (2019: £1.8m) and repaying £302k (2019: £295k) of bank loans in the period. The Charity continued to invest significantly in the site, with the majority of expenditure on a new dining hall which opened in September 2020.

COVID-19 and the closure of the School site during the Summer Term led to a loss in income of £2m in the form of reduced school fees and lost commercial income from summer holiday activities. This was mitigated in part by reduced costs and income from furlough with a net operating loss for the year of £0.75m (2019 profit £0.48m).

We have prepared a number of scenarios that consider our cash position, sources of income and planned expenditure. This includes the impact of coronavirus on operations together with assumptions around recovery thereafter. These scenarios consider reduced pupil numbers, delayed fee payment, reduced fees and potential bad debts as well as impact on costs from the measures taken so far. Sensitivity around these assumptions has also been considered in our forecasting. Results of this cash flow and sensitivity analysis

indicate that the cash reserves of the Charity are adequate to meet the Charity's obligations as they fall due. Correspondingly, the trustees consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Investment policies, objectives and performance

The Investment Panel advises on the investments and monitors the performance of funds on behalf of the School, the Foundation and the Evans-Lombe Fund. At the year end the total funds invested were £4.5m (2019: £4.7m). The Investment Panel reports to the Board of Governors and the Trustees of the Evans-Lombe Fund, having taken appropriate and professional advice. The Board and Trustees have set a target of 4% income and fund growth to sustain the value of the capital. The School also holds some restricted funds in recognised charitable investment funds with CCLA and some on deposit awaiting investment. The Board is satisfied with the return on these funds.

Reserves level and policy

The Governors have examined the risks and challenges faced by the Charity over the short and medium term. The Charity has invested its reserves in the provision of the educational facilities to meet its objectives and consequently, like many well-established independent schools, has negative free reserves. The Governors are satisfied that the financial plans and forecasts give them comfort that the Charity is able to meet all its foreseeable commitments.

The School's total reserves of £17.0m at the period end include £1.8m endowment capital, £4.2m of unspent restricted income and £11.0m unrestricted income.

Energy and carbon emissions

The School's makes the following statement of carbon emissions in compliance with Streamlined Energy and Carbon Reporting (SECR) covering energy use and associated greenhouse gas emissions relating to gas, electricity and transport, intensity ratios and information relating to energy efficiency actions.

Total energy usage from electricity consumption in 19/20:	1,715,421KWh
Total energy usage from gas consumption in 19/20:	5,541,255KWh
Total emissions through use of purchased electricity:	603,073 KgCO ₂ e
Total emissions through combustion of gas:	1,020,478 KgCO ₂ e
Total emissions from diesel consumption on transport fleet	116,560 KgCO ₂ e
Total Gross emissions	1,740,111 KgCO ₂ e
Intensity ratio (KgCO ₂ e per pupil)	1,671.57

These energy usage figures have been calculated from invoices indicating energy and fuel usage and then the National Energy Foundation Carbon Calculator has been used to calculate emissions.

Energy efficiency actions

As an integral part of our environmental policy we are committed to responsible energy management and will practise energy efficiency throughout our organisation, wherever it's cost effective. We recognise that climate change is one of the most serious environmental challenges currently threatening the global community and we understand we have a role to play in reducing greenhouse gas emissions. The School has engaged the services of an ESOS Compliance Consultancy to prepare and submit our statutory compliance documents and also to actively work with the school to identify short, medium and longer-term ways in which we can permanently reduce our energy usage. The School has submitted the Stage II compliance report and is currently implementing a group of practical measures it identified. Additionally, we are seeking to improve our business energy efficiency by implementing the following:

- Regularly updating the transport fleet to ensure improving levels of fuel efficiency
- An ongoing program of updating to LED lighting
- Adjust heating with energy consumption in mind

- Switching off lights and electrical equipment when not in use.
- Take energy consumption and efficiency of new products into account when purchasing them

FUTURE PLANS

The School's strategy is to maintain a strong financial position by delivering a first-class education with outstanding pastoral support. To do this we are building a healthy recruitment pipeline, controlling costs and using the facilities for the public benefit for 12 months of the year. This generates sufficient resources to invest in the School's infrastructure, supporting the strategy of building on existing resources and foundations. The priorities for resource allocation are based on improving and enhancing the existing infrastructure estate and the objectives are to:

- be an outstanding School of choice by evidence of its educational and pastoral experience for all pupils;
- continue a strong financial performance to fully resource the operation of the School and its development;
- increase investment in maintenance and new facilities over the next three years;
- be compliant with legislation and best practice to provide a safe and purposeful education;
- invest in staff training and development to attract and retain the best teachers.

The School is reviewing its needs and opportunities to continue to develop its estate to maximise advantage. As the strategy is reviewed, more projects will be considered by the Governors in due course.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board on 5 December 2020 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

Mr C Butters
Treasurer
Date:



5TH DECEMBER 2020

Independent Auditor's Report to the Members of Taunton School Educational Charity

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2020 and of the group's 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 group 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 group's or the charitable 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and,

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the [strategic report or the] directors' report included within the trustees' 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:

- the parent company has not kept adequate accounting records; or
- the parent company 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.

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.

**TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

In preparing the financial statements, the trustees are responsible for assessing the group's or 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.

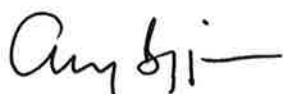
Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. 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.



Guy Biggin
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Carrick House
Lypiatt House
Cheltenham
GL50 2QJ

7 December 2020

TAUNTON SCHOOL EDUCATIONAL CHARITY
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020
(Incorporating an Income and Expenditure Account)

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	Endowed Funds £000's	2020 Total £000's	2019 Total £000's
Income and endowments from:						
Charitable activities						
School fees	3	18,135.5	-	-	18,135.5	18,964.6
Other educational income	5	916.0	-	-	916.0	2,400.6
Other ancillary trading income	5	897.0	-	-	897.0	13.7
Other trading activities						
Non-ancillary trading income	5	587.5	-	-	587.5	717.9
Investments						
Investment Income	5	166.0	65.5	-	231.5	69.0
Voluntary sources						
Donations and bequest	14b	-	164.5	-	164.5	324.6
Total income		20,702.0	230.0	-	20,932.0	22,490.4
Expenditure on:						
Raising funds						
Non-ancillary trading expenses	6	228.2	-	-	228.2	264.2
Fundraising and development	6	-	-	31.7	31.7	13.7
Financing Costs	6	89.1	-	-	89.1	81.4
		317.3	-	31.7	349.0	359.3
Charitable activities:						
Education and grant making	6	20,971.2	365.5	-	21,336.7	21,644.1
Total expenditure		21,288.5	365.5	31.7	21,685.7	22,003.4
Net (outgoing)/incoming funds from operations before investment (losses)/gains		(586.5)	(135.5)	(31.7)	(753.7)	487.0
(Losses)/gains on investments		(29.2)	44.4	(101.9)	(86.7)	248.8
Net (outgoing)/incoming resources		(615.7)	(91.1)	(133.6)	(840.4)	735.8
Transfers between funds		-	-	-	-	-
Other recognised losses:						
Pension scheme actuarial losses	19	(290.0)	-	-	(290.0)	-
Net movement in funds in year		(905.7)	(91.1)	(133.6)	(1,130.4)	735.8
Funds balances at 1 September 2019		11,927.3	4,273.0	1,933.2	18,133.5	17,397.7
Fund balances at 31 August 2020		11,021.6	4,181.9	1,799.6	17,003.1	18,133.5

The statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.


The notes on pages 26 to 40 form part of these financial statements

TAUNTON SCHOOL EDUCATIONAL CHARITY
(REGISTERED COMPANY NUMBER 4005803)
BALANCE SHEET AS AT 31 AUGUST 2020

	Notes	CONSOLIDATED		SCHOOL	
		2020 £000's	2019 £000's	2020 £000's	2019 £000's
FIXED ASSETS					
Tangible Fixed Assets	7,8	25,066.0	22,037.6	25,062.4	22,030.6
Investments	9	4,523.9	4,654.4	4,524.0	4,654.5
		29,589.9	26,692.0	29,586.4	26,685.1
CURRENT ASSETS					
Stocks	10	133.6	186.4	133.6	182.5
Debtors	11	607.2	973.4	561.0	950.0
Cash		282.7	1,989.1	258.1	1,959.3
		1,023.5	3,148.9	952.7	3,091.8
CURRENT LIABILITIES					
Creditors: due within one year	12	(10,645.1)	(8,470.8)	(10,570.8)	(8,406.8)
NET CURRENT LIABILITIES		(9,621.6)	(5,321.9)	(9,618.1)	(5,315.0)
TOTAL ASSETS LESS CURRENT LIABILITIES		19,968.3	21,370.1	19,968.3	21,370.1
LONG-TERM LIABILITIES					
Creditors: due after more than one year	12	(2,675.2)	(3,236.6)	(2,675.2)	(3,236.6)
Pension scheme	19	(290.0)	-	(290.0)	-
NET ASSETS		17,003.1	18,133.5	17,003.1	18,133.5
CAPITAL FUNDS:					
Permanent endowed funds	14a	1,799.6	1,933.2	1,799.6	1,933.2
Restricted funds	14b	4,181.9	4,273.0	4,181.9	4,273.0
Unrestricted funds		11,021.6	11,927.3	11,021.6	11,927.3
TOTAL FUNDS	15	17,003.1	18,133.5	17,003.1	18,133.5

The deficit for the financial year dealt with in the financial statements of the School was £1,130.4k (2019: surplus of £735.8k).

The financial statements were approved and authorised for issue by the Board of Governors on 5/12/20 and signed on its behalf by;



Mr C Butters
Treasurer

The notes on pages 26 to 40 form part of these financial statements.

TAUNTON SCHOOL EDUCATIONAL CHARITY
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020

	2020 £000's	2019 £000's	
Reconciliation of net incoming resources to net cash inflow from operating activities			
Net (outgoing)/incoming resources from operations	(753.7)	487.0	
Elimination of non-operating cash flows:			
Investment income	(231.5)	(69.0)	
Finance costs	89.1	81.4	
Depreciation charge	877.2	899.4	
Loss on disposal of fixed assets	230.1	88.2	
Decrease/(increase) in stock	52.8	(4.0)	
Decrease in debtors	366.2	180.4	
(Decrease)/increase in creditors (excluding fees in advance and deposits)	(106.4)	193.7	
Decrease in fees in advance and parent's deposit	(1,246.6)	(159.5)	
	<u>(722.8)</u>	<u>1,697.6</u>	
Cash flows used in investing activities:			
Payments for tangible fixed assets	(3,277.2)	(1,836.5)	
Proceeds from the sale of tangible fixed assets	16.1	-	
Additions to securities investments portfolios	(415.3)	(319.4)	
Withdrawals from securities investments portfolios	459.1	291.0	
Investment income and bank interest received	231.5	69.0	
Net cash used in investing activities	<u>(2,985.8)</u>	<u>(1,795.9)</u>	
Cash flows used in financing activities:			
Finance costs paid	(89.1)	(81.4)	
Repayment of secured loans	(301.8)	(295.1)	
New bank loans	1,000.0	-	
Net cash used in finance activities	<u>609.1</u>	<u>(376.5)</u>	
Change in cash and cash equivalents in the year	(3,099.5)	(474.8)	
Cash and cash equivalents at the beginning of the year	1,989.1	2,463.9	
Cash and cash equivalents at the end of the year	<u>(1,110.4)</u>	<u>1,989.1</u>	
ANALYSIS OF CASH AND CASH EQUIVALENTS	2020	2019	
	£000s	£000s	
Cash in hand	282.7	1,989.1	
Bank overdraft	(1,393.1)	-	
	<u>(1,110.4)</u>	<u>1,989.1</u>	
ANALYSIS OF CHANGES IN NET FUNDS DURING THE YEAR			
Group	<i>As at 01.09.19</i>	Cashflow	As at 31.08.20
	<i>£'000</i>	£'000	£'000
Cash at bank and in hand	1,989.10	(1,706.4)	282.7
Bank overdraft	-	(1,393.1)	(1,393.1)
	<u>1,989.10</u>	<u>(3,099.5)</u>	<u>(1,110.4)</u>

The notes on pages 26 to 40 form part of these financial statements.

1. BASIS OF ACCOUNTING

Basis of Accounting

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 on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements have been prepared under historical cost convention, modified to include the revaluation of investments. Taunton School Educational Charity meets the definition of a public benefit entity under FRS 102.

These financial statements present the consolidated Statement of Financial Activities (SOFA), the consolidated Cash Flow Statement and the consolidated and Charity Balance Sheets comprising the consolidation of the Charity and its wholly-owned subsidiary, Taunton School Enterprises Limited. The Charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

No separate SOFA has been presented for the School alone, as permitted by Section 408 of the Companies Act 2006.

2. STATEMENT OF ACCOUNTING POLICY

The principal accounting policies adopted in the preparation of the financial statements are as follows:

Legal Status of the Charity

Taunton School Educational Charity (the 'School') was incorporated in England and Wales as a private company limited by guarantee (registered no. 04005803) on 1 June 2000 and has no share capital.

The School is also registered with the Charity Commission (registered no. 1081420).

Registered and principal office

The registered and principal office of the School is Taunton School, Taunton, Somerset, TA2 6AD.

Going Concern

The School depends on its existing bank facilities to meet its day to day working capital requirements. Current forecasts indicate that the School expects to be able to operate within these facilities for the whole of the foreseeable future. These facilities are renewed annually and are not guaranteed for the period covered by the going concern review. The Trustees are not aware, however, of any circumstances that may adversely affect the renewal of these facilities.

At the time of approving the financial statements, the Trustees have carefully considered the continued impact of Covid-19 on the School operations and can confirm that the Trustees believe that the School's financial resources and contingency planning is sufficient to ensure the ability of the School to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

Tangible Fixed Assets

The Charity's Land and Buildings are vested in Taunton School Trust, a restricted fund.

Tangible fixed assets are stated at historical cost and subsequently depreciated to their estimated net realisable value over their useful lives. Even so, the School operates a formal programme of maintenance that includes routine building work written off in the Statement of Financial Activities in the period concerned. Land is not depreciated.

Major items of expenditure on buildings and assets over £1,000 are capitalised. To the extent that refurbishment work is considered to improve and thus add a commensurate value to the building, such refurbishment costs are also capitalised and depreciated as appropriate.

The rates of depreciation applied are as follows:

Buildings, improvements and extensions	5 - 50 years
Furniture and equipment	3 - 25 years

Fixed Asset Investments

Fixed Asset Investments are stated at market value. Income from Fixed Asset Investments and the related tax credit are recognised in the Statement of Financial Activities in the period to which they relate. Where the market value of investments differs from the historic cost, the difference is recognised as an unrealised gain/loss in the Statement of Financial Activities. Where the investment has been sold, this is recognised as a realised gain/loss. The investment in the subsidiary is held at cost.

Stock

Stock has been valued at the lower of cost or net realisable market value.

Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the Charity against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Government Grants: Job Retention Scheme

Income from government grants, whether 'capital' grants or 'revenue' grants, is recognised when the School has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Where entitlements occurs before income is received, the income is accrued. Where income is received in advance of the School having entitlement to the funds the income is deferred.

Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary incoming resources

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Charity is considered probable. Voluntary income for the Charity's general purposes is accounted for as unrestricted. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

Income from government grants, whether 'capital' grants or 'revenue' grants, is recognised when the School has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Where entitlements occurs before income is received, the income is accrued. Where income is received in advance of the School having entitlement to the funds the income is deferred.

Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates. Grants awarded are expensed as soon as they become legal or operational commitments. Intra-group sales and charges between the Charity and its subsidiary are excluded from trading income and expenditure.

Governance costs

Governance costs comprise the expenses of running the charity, including the support for the Governors, induction, training and meetings. The costs include associated legal advice and the audit costs.

Operating Leases

Costs in respect of operating leases are charged in the Statement of Financial Activities on a straight line basis over the term of the lease.

Finance Leases

Assets held under finance leases and the related lease obligation are included at the fair value of the leased assets at the inception of the lease. Depreciation on leased assets is calculated to write off this amount on a straight line basis over the shorter lease term and the useful life of the asset. Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligation for future amounts payable so that the charge for each accounting period is a constant percentage of the remaining balance of the capital sum outstanding.

Taxation

The School is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Pensions

The Teachers' Pension Scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The charity contributes to the Pensions Trust Growth Plan for certain of its employees. This is in most respects a money purchase arrangement, but does not include certain guaranteed benefit elements. The Plan is a multi-employer scheme as it is not possible in the normal course of events to identify the share of underlying assets belonging to the individual participating employers and accordingly, in accordance with FRS 102, is accounted for as a defined contribution scheme with contributions being recorded as they become payable.

The Taunton School Final Salary Pension Scheme is a defined benefit scheme. The defined benefit pension scheme current service costs are charged to the Statement of Financial Activities within staff costs. The expected return on the scheme assets less the scheme interest costs are credited within other interest. The scheme actuarial gains and losses are recognised immediately as other recognised gains and losses. The defined benefit scheme assets are measured at fair value at the Balance Sheet date. The scheme liabilities are measured on an actuarial basis at

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the Balance Sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the Balance Sheet.

Recognition of Liabilities

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 funds 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 amount after allowing for any discounts due.

Commitments

Capital expenditure contracted for by the year end, for which no services or goods have been received, is disclosed by way of a note but no provision is made in the financial statements for such amounts.

Funds

Unrestricted Funds are those that are available for the Charity to spend as required. Restricted and Endowed Funds have been given to the Charity for specific purposes.

Redundancy

Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy has been made.

Financial instruments

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

Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of tangible fixed assets

The annual amortisation and depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 7 and 8 for the carrying amount of the tangible assets and note 2 for the useful lives for each class of asset.

Impairment of debtors

The School 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 11 for the net carrying amount of the debtors and associated impairment provision.

3. SCHOOL FEES

The School's fee income comprised:

	2020 £000's	2019 £000's
Gross Fees	24,605.7	23,897.7
Less: Total Bursaries, Grants and Allowances	(6,806.7)	(5,294.0)
Add back: Scholarships, grants and bursaries from restricted and endowed funds	336.5	360.9
	<u>18,135.5</u>	<u>18,964.6</u>

4. SUBSIDIARY

Taunton School Enterprises Limited was incorporated in England and Wales as a company limited by shares (registered no. 02846335) and is 100% owned by the Charity. The subsidiary was formed to support the School's charitable aims through letting of its facilities when not required for educational purposes. It donates its annual profits to the School by Gift Aid. The address of its registered office is Taunton School, Staplegrave Road, Taunton, Somerset, TA2 6AD.

	Taunton School Enterprises Limited	
	2020 £000's	2019 £000's
Turnover	568.0	785.6
Cost of Sales	(545.7)	(669.0)
Gross Profit	<u>22.3</u>	<u>116.6</u>
Administration Expenses	(5.2)	(7.8)
Taunton School Educational Charity Management Fee	(3.0)	(3.0)
Gift to Taunton School Educational Charity	<u>(14.1)</u>	<u>(105.8)</u>
Profit/(loss) on Ordinary Activities after Taxation	<u>-</u>	<u>-</u>
Shareholder funds	<u>-</u>	<u>-</u>

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4. SUBSIDIARY (CONTINUED)

Included in turnover is £470k (2019: £590k) of intercompany sales to Taunton School. Similarly included in costs of sales and administration expenses are £165k and £3k (2019: £256k and £3k) paid to Taunton School. These transactions were all eliminated on consolidation. At the period end, £14k (2019: owed to £38k) was owed from the subsidiary.

5. OTHER INCOME

	2020 £000's	2019 £000's
Other educational charitable activities		
Entrance and registration fees	55.1	50.2
Other charges to pupils	288.2	396.4
Courses and sub-lettings	572.7	1,954.0
	<u>916.0</u>	<u>2,400.6</u>
Other ancillary activities		
Other income	3.1	13.7
Government grant income: Job Retention Scheme	893.9	-
	<u>897.0</u>	<u>13.7</u>
Non ancillary trading activities		
Taunton School Enterprises Limited(Note 4)	98.0	195.6
Swim school	133.4	208.5
School shop	272.2	287.3
Fees in lieu	83.9	26.5
	<u>587.5</u>	<u>717.9</u>
Investment income		
Other interest received	231.5	69.0
	<u>231.5</u>	<u>69.0</u>

6. ANALYSIS OF EXPENDITURE

	Staff Costs £000's	Other Costs £000's	Depreciation £000's	2020 Total £000's	2019 Total £000's
Raising funds:					
Interest payable	-	89.1	-	89.1	81.4
Fund-raising for voluntary resources	-	31.7	-	31.7	13.7
Total for Charity	<u>-</u>	<u>120.8</u>	<u>-</u>	<u>120.8</u>	<u>95.1</u>
Trading expenses	32.0	192.8	3.4	228.2	264.2
Total for Group	<u>32.0</u>	<u>313.6</u>	<u>3.4</u>	<u>349.0</u>	<u>359.3</u>
Charitable activities					
Teaching	9,917.4	560.3	-	10,477.7	10,694.8
Welfare	1,786.3	608.7	-	2,395.0	2,547.9
Premises	1,133.2	1,997.3	873.8	4,004.3	3,640.7
Support costs of schooling and governance costs	1,813.7	2,309.5	-	4,123.2	4,399.8
	<u>14,650.6</u>	<u>5,475.8</u>	<u>873.8</u>	<u>21,000.2</u>	<u>21,283.2</u>
Grants and Awards	-	336.5	-	336.5	360.9
Total	<u>14,650.6</u>	<u>5,812.3</u>	<u>873.8</u>	<u>21,336.7</u>	<u>21,644.1</u>
Total expenditure - Charity	<u>14,650.6</u>	<u>5,933.1</u>	<u>873.8</u>	<u>21,457.5</u>	<u>21,739.2</u>
Total expenditure - Group	<u>14,682.6</u>	<u>6,125.9</u>	<u>877.2</u>	<u>21,685.7</u>	<u>22,003.4</u>

6. ANALYSIS OF EXPENDITURE (CONTINUED)

	2020 £000's	2019 £000's
STAFF COSTS:		
Wages and salaries	12,098.1	12,138.3
Employer's national insurance contributions	1,033.7	1,044.9
Employer's pension contributions	1,550.8	1,283.9
	<u>14,682.6</u>	<u>14,467.1</u>

Average number of staff employed

	Head count	
	2020 Nos.	2019 Nos.
Teaching staff	303	300
Support staff	264	284
	<u>567</u>	<u>584</u>

Number of Staff whose Emoluments Exceed £60,000 pa

£60,001 - £70,000	4	4
£70,001 - £80,000	2	2
£80,001 - £90,000	-	2
£90,001 - £100,000	2	2
£100,001 - £110,000	1	-
£151,000 - £160,000	-	1
£171,000 - £180,000	1	-
	<u>1</u>	<u>-</u>

Contributions to the Teachers' Pension Scheme were made for six (2019: six) higher paid employees. Pension contributions in respect of these employees were £86,122 (2019: £80,711). In addition, the School made contributions to a defined contribution scheme for four (2019: five) higher paid employees of £20,896 (2019: £22,880).

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2019: *Nil*). During the year Expenses totalling £2.1k were reimbursed or paid to third parties for expenditure such as travel and subsistence for all of the trustees (2019: £5.4k).

The total employee benefits of the key management personnel were £743.2k (2019: £801.7k).

During the year there were redundancy or termination payments made which amounted to £1.5k (2019: £96.6k).

Net income is stated after charging:

	2020 £000's	2019 £000's
Interest Payable		
Bank loans	<u>89.1</u>	<u>81.4</u>

Amounts paid under operating leases

	2020 £000's	2019 £000's
Hire of vehicles	231.0	258.0
Hire of other assets	65.3	113.7
	<u>296.3</u>	<u>371.7</u>

Governance included in support costs

	2020 £000's	2019 £000's
Staff costs	141.1	140.9
Governors liability insurance	0.6	0.6
Auditor's remuneration	26.0	24.0
Auditor's remuneration - non audit services	6.3	13.9
Office costs	10.0	5.5
	<u>184.0</u>	<u>184.9</u>

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7. TANGIBLE FIXED ASSETS - SCHOOL

	Land and buildings £000's	Equipment £000's	Assets under construction £000's	TOTAL £000's
COST:				
<i>Balance at 1 September 2019</i>	24,868.1	3,643.1	745.2	29,256.4
Additions at cost	-	-	4,151.8	4,151.8
Transfers	-	46.7	(46.7)	-
Disposals	(170.6)	(513.4)	(49.5)	(733.5)
Balance at 31 August 2020	24,697.5	3,176.4	4,800.8	32,674.7
ACCUMULATED DEPRECIATION:				
<i>Balance at 1 September 2019</i>	4,830.1	2,395.7	-	7,225.8
Charge for year	566.0	307.8	-	873.8
Eliminated on disposal	(82.2)	(405.1)	-	(487.3)
Balance at 31 August 2020	5,313.9	2,298.4	-	7,612.3
Net Book Value at 31 August 2020	19,383.6	878.0	4,800.8	25,062.4
<i>Net Book Value at 31 August 2019</i>	<i>20,038.0</i>	<i>1,247.4</i>	<i>745.2</i>	<i>22,030.6</i>

8. TANGIBLE FIXED ASSETS - CONSOLIDATED

	Land and buildings £000's	Equipment £000's	Assets under construction £000's	TOTAL £000's
COST:				
<i>Balance at 1 September 2019</i>	24,879.8	3,903.4	745.2	29,528.4
Additions at cost	-	-	4,151.8	4,151.8
Transfers	-	46.7	(46.7)	-
Disposals	(170.6)	(513.4)	(49.5)	(733.5)
Balance at 31 August 2020	24,709.2	3,436.7	4,800.8	32,946.7
ACCUMULATED DEPRECIATION:				
<i>Balance at 1 September 2019</i>	4,842.8	2,648.0	-	7,490.8
Charge for year	566.0	311.2	-	877.2
Eliminated on disposal	(82.2)	(405.1)	-	(487.3)
Balance at 31 August 2020	5,326.6	2,554.1	-	7,880.7
Net Book Value at 31 August 2020	19,382.6	882.6	4,800.8	25,066.0
<i>Net Book Value at 31 August 2019</i>	<i>20,037.0</i>	<i>1,255.4</i>	<i>745.2</i>	<i>22,037.6</i>

HSBS bank hold legal charges secured over Greenway Road and The Grange properties included within Land and Buildings fixed assets.
The Taunton School Final Salary Pension Scheme holds a legal charge secured over Babblingly property included within Land and Buildings fixed assets.

TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. FIXED ASSET INVESTMENTS

	CONSOLIDATED		SCHOOL	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Balance on 1 September 2019	4,654.4	4,377.2	4,654.4	4,377.2
Less: Disposal of Investments	(459.1)	(291.0)	(459.1)	(291.0)
Add: Gain on revaluation	(86.7)	248.8	(86.7)	248.8
Add: additions	415.3	319.4	415.3	319.4
Balance at 31 August 2020	<u>4,523.9</u>	<u>4,654.4</u>	<u>4,523.9</u>	<u>4,654.4</u>
Investment in subsidiary company	-	-	0.1	0.1
	<u>4,523.9</u>	<u>4,654.4</u>	<u>4,524.0</u>	<u>4,654.5</u>

The investment in subsidiary company consists 100% share holding in Taunton School Enterprises Limited, a company incorporated in England and Wales. The aggregate share capital and reserves of Taunton School Enterprises Limited at 31 August 2020 were £nil (2019: £nil).

ANALYSIS OF FIXED ASSET INVESTMENTS

	CONSOLIDATED		SCHOOL	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Quoted Investments at market value	4,425.7	4,516.5	4,425.7	4,516.5
Cash at brokers	98.2	137.9	98.2	137.9
Investment in subsidiary company	-	-	0.1	0.1
Total fixed asset investments at 31 August	<u>4,523.9</u>	<u>4,654.4</u>	<u>4,524.0</u>	<u>4,654.5</u>
Historical cost of quoted investments	<u>3,547.5</u>	<u>3,547.5</u>	<u>3,547.5</u>	<u>3,547.5</u>

Included in investments are the following which exceed 5% of the total value at the 31 August 2020:

	£000's	% of portfolio
CCLA - Charities Official Investment Fund	<u>2,678.0</u>	<u>59.2</u>

10. STOCKS

	CONSOLIDATED		SCHOOL	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
School shop and materials for sale	88.5	93.7	88.5	89.8
Consumable materials	45.1	92.7	45.1	92.7
	<u>133.6</u>	<u>186.4</u>	<u>133.6</u>	<u>182.5</u>

11. DEBTORS

	CONSOLIDATED		SCHOOL	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Pupil's Fees	160.4	486.0	160.4	486.0
Prepayments	166.9	231.2	134.5	200.5
Accrued income	110.9	-	110.9	-
Trade and other debtors	169.0	256.2	155.2	225.0
Subsidiary company	-	-	-	38.5
	<u>607.2</u>	<u>973.4</u>	<u>561.0</u>	<u>950.0</u>

Pupil's fees are stated after impairment provisions totalling £413.7k (2019: £261.5k).

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12. CREDITORS	CONSOLIDATED		SCHOOL	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
DUE WITHIN ONE YEAR				
Bank overdraft	1,393.1	-	1,393.1	-
Bank loans	1,306.7	301.1	1,306.7	301.1
Trade creditors	417.7	523.0	335.3	463.0
Payroll taxes and social security	256.1	269.1	256.1	269.1
Employee pension funds	226.3	184.1	226.3	184.1
Fees received in advance of term	3,383.4	4,390.2	3,383.4	4,390.2
Subsidiary company	-	-	14.4	-
Fee deposits	1,353.8	1,262.2	1,353.8	1,262.2
Other creditors and accruals	1,736.6	892.3	1,730.3	888.3
	<u>10,073.7</u>	<u>7,822.0</u>	<u>9,999.4</u>	<u>7,758.0</u>
Advance fees scheme (see below)	571.4	648.8	571.4	648.8
	<u>10,645.1</u>	<u>8,470.8</u>	<u>10,570.8</u>	<u>8,406.8</u>
DUE AFTER MORE THAN ONE YEAR				
Bank loans	347.6	655.0	347.6	655.0
Fee deposits	1,461.7	1,305.8	1,461.7	1,305.8
Advance fees scheme	865.9	1,275.8	865.9	1,275.8
	<u>2,675.2</u>	<u>3,236.6</u>	<u>2,675.2</u>	<u>3,236.6</u>

The School has four (2019 - three) bank loans with HSBC plc. The bank loans are secured by a legal charge on the School's properties Greenway Road and The Grange.

ANALYSIS OF DEBT MATURITY	CONSOLIDATED		SCHOOL	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
In one year or less on demand:				
Bank loans	1,306.7	301.1	1,306.7	301.1
Between two and five years:				
Bank loans	224.6	514.0	224.6	514.0
Over five years:				
Bank loans	123.0	141.0	123.0	141.0
	<u>1,654.3</u>	<u>956.1</u>	<u>1,654.3</u>	<u>956.1</u>

Parents may pay to the School tuition fees in advance. Assuming pupils remain in the advance fee scheme, payments will be applied to offset the fees as follows:

ADVANCE FEE PAYMENTS	CONSOLIDATED		SCHOOL	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Within one year	571.4	648.8	571.4	648.8
Within one to two years	293.6	540.9	293.6	540.9
Within two to five years	390.5	554.1	390.5	554.1
Over five years	181.8	180.8	181.8	180.8
	<u>1,437.3</u>	<u>1,924.6</u>	<u>1,437.3</u>	<u>1,924.6</u>

	CONSOLIDATED		SCHOOL	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Balance at 1 September 2019	1,924.6	2,019.5	1,924.6	2,019.5
New contracts	197.8	501.3	197.8	501.3
Amounts utilised in payment of fees	(653.7)	(583.2)	(653.7)	(583.2)
Capital repaid	(70.1)	(66.7)	(70.1)	(66.7)
Discounts applied	38.7	53.7	38.7	53.7
Balance at 31 August 2020	<u>1,437.3</u>	<u>1,924.6</u>	<u>1,437.3</u>	<u>1,924.6</u>

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13. FINANCIAL INSTRUMENTS

	CONSOLIDATED		SCHOOL	
	2020	2019	2020	2019
	£000s	£000s	£000s	£000s
Financial assets measured at amortised cost (a)	710.4	2,869.2	671.9	2,846.7
Financial assets measured at fair value (b)	4,425.7	4,516.6	4,425.8	4,516.6
Financial liabilities measured at amortised cost (c)	(12,838.0)	(11,254.2)	(12,763.6)	(11,190.2)
Financial liabilities measured at fair value (d)	(290.0)	-	(290.0)	-

- a) Financial assets include cash, trade debtors, fee debtors and other debtors
b) Financial assets at fair value includes assets held as investments
c) Financial liabilities include bank loans, bank overdraft, deposits, fees in advance, trade creditors, other creditors and amounts due to subsidiaries.
d) Financial liabilities held at fair value includes the defined benefit pension

Impairment losses credited to financial assets measured at amortised cost in the year amounted to £196.8k (2019: charges of £19.9k).

14a. PERMANENT ENDOWED FUNDS

Current year movement	Balance at	Donations	Incoming	Expenditure	Investment	Balance
	01.09.19					
	£000's	£000's	£000's	£000's	£000's	£000's
Ian Evans-Lombe Scholarship Fund	1,933.2	-	-	(31.7)	(101.9)	1,799.6
Prior year movement	Balance at					Balance
	01.09.18	Donations	Funds	Expenditure	Investment	31.08.19
	£000's	£000's	£000's	£000's	£000's	£000's
Ian Evans-Lombe Scholarship Fund	1,947.0	-	-	(13.7)	(0.1)	1,933.2

The Ian Evans-Lombe Scholarship Fund forms part of the Foundation Funds . The gift was made by the Trustees of Mr Evans-Lombe with the objective to advance the education of children who could not otherwise afford the School's education by providing for scholarships to be awarded to two pupils starting in the Lower Sixth each year.

14b. RESTRICTED FUNDS

Current year movement	Balance	Donations	Incoming	Expenditure	Investment	Balance
	at 01.09.19					
	£000's	£000's	£000's	£000's	£000's	£000's
Taunton School Foundation	1,065.8	114.7	-	(270.1)	21.3	931.7
Dining Room Redevelopment Project	100.0	-	-	-	-	100.0
Parental Funds	55.5	49.8	-	-	-	105.3
Taunton School Trust - Land & Buildings	1,989.0	-	-	(29.2)	-	1,959.8
Taunton School Trust - Other Funds:						
Haynes Fund	83.8	-	-	-	1.8	85.6
Ian Evans-Lombe Scholarship Fund	7.3	-	65.5	(66.2)	-	6.6
Gerrard Memorial Bursary	829.4	-	-	-	18.5	847.9
Taunton School Scholarship and Bursary Fun	93.6	-	-	-	2.1	95.7
Other Restricted Funds	48.6	-	-	-	0.7	49.3
	4,273.0	164.5	65.5	(365.5)	44.4	4,181.9
Prior year movement	Balance					Balance
	at 01.09.18	Donations	Funds	Expenditure	Investment	at 31.08.19
	£000's	£000's	£000's	£000's	£000's	£000's
Taunton School Foundation	1,108.1	169.1	-	(291.2)	79.8	1,065.8
Dining Room Redevelopment Project	-	100.0	-	-	-	100.0
Parental Funds	-	55.5	-	-	-	55.5
Taunton School Trust - Land & Buildings	2,018.2	-	-	(29.2)	-	1,989.0
Taunton School Trust - Other Funds:						
Haynes Fund	76.8	-	-	-	7.0	83.8
Ian Evans-Lombe Scholarship Fund	10.0	-	67.0	(69.7)	-	7.3
Gerrard Memorial Bursary	759.9	-	-	-	69.5	829.4
Taunton School Scholarship and Bursary Fun	85.8	-	-	-	7.8	93.6
Other Restricted Funds	46.1	-	-	-	2.5	48.6
	4,104.9	324.6	67.0	(390.1)	166.6	4,273.0

TAUNTON SCHOOL EDUCATIONAL CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14b. RESTRICTED FUNDS (CONTINUED)

The terms of the most significant Funds are summarised below:

Taunton School Foundation (TSF) - The trust is administered by a Foundation Board, who work with the Governors to promote and provide for the development of the educational facilities and activities of the School.

Dining Room Redevelopment Project – This fund is to provide support towards the cost of a new dining room facility in the heart of the school campus.

Parental funds – This fund is to provide academic, sporting and co-curricular facilities for pupils and is directly managed by the Headmaster.

Other Funds:

Taunton School Trust - The fund represents the land and property and restricted funds held by Taunton School Trust on incorporation.

Haynes Fund - The Fund was set-up by the will of the late J K Haynes. The income is to provide a scholarship for pupils of Taunton School studying Electrical, Mechanical or Civil Engineering at London University.

Gerrard Memorial Bursary - The Fund was set-up to provide a scholarship for sporting achievements.

Taunton School Scholarship and Bursary Fund - This fund is to provide scholarships and bursaries for pupils attending Taunton School.

Other Restricted Funds - includes smaller funds supporting a range of activities in the School.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year movement

	Fixed Assets	Net Current Assets/ (Liabilities)	Long Term (Liabilities)	Pension Liability	Fund Balances
	£000's	£000's	£000's	£000's	£000's
Pension Scheme Reserve	-	-	-	(290.0)	(290.0)
Taunton School Trust	1,959.8	-	-	-	1,959.8
Taunton School Foundation	-	931.7	-	-	931.7
Other Restricted Funds	1,081.0	209.4	-	-	1,290.4
Endowed Funds	1,799.6	-	-	-	1,799.6
Unrestricted Funds	24,746.0	(10,759.2)	(2,675.2)	-	11,311.6
Charity	29,586.4	(9,618.1)	(2,675.2)	(290.0)	17,003.1
Subsidiary's Reserves	3.5	(3.5)	-	-	-
Group	29,589.9	(9,621.6)	(2,675.2)	(290.0)	17,003.1

Prior year movement

	Fixed Assets	Net Current Assets/ (Liabilities)	Long Term (Liabilities)	Pension Liability	Fund Balances
	£000's	£000's	£000's	£000's	£000's
Taunton School Trust	1,989.0	-	-	-	1,989.0
Taunton School Foundation	-	1,165.8	-	-	1,165.8
Other Restricted Funds	1,118.2	-	-	-	1,118.2
Endowed Funds	1,933.2	-	-	-	1,933.2
Unrestricted Funds	21,644.7	(6,480.8)	(3,236.6)	-	11,927.3
Charity	26,685.1	(5,315.0)	(3,236.6)	-	18,133.5
Subsidiary's Reserves	6.9	6.9	-	-	-
Group	26,692.0	(5,321.9)	(3,236.6)	-	18,133.5

16. CAPITAL COMMITMENTS

	CONSOLIDATED		SCHOOL	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Contracted for and not provided for	305.5	4,019.0	305.5	4,019.0

17. FINANCIAL COMMITMENTS

At 31 August 2020 the School was committed to making the following total payments under non-cancellable operating leases:

	CONSOLIDATED		SCHOOL	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Within 1 year	277.7	196.5	22.5	86.2
Within 2 to 5 years	455.0	313.1	10.4	16.2
More than 5 years	334.1	1.1	-	1.1
	1,066.8	510.7	32.9	103.5

18. RELATED PARTY TRANSACTIONS

One (2019 - two) Governor pays for children at the School. School fees incurred by the Governors are paid on a commercial arms' length basis.

See Note 4 for details of the transactions which took place between the Charity and its wholly owned subsidiary, Taunton School Enterprises Limited, in the year and any amounts outstanding at the period end.

19. PENSION COSTS

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,291,253 (2019: £1,058,362) and at the year-end £126,414 (2019: £142,898) 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/closed] 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.

19. PENSION COSTS (CONTINUED)

Support Staff

The School operates a defined benefit pension scheme for its support staff, The Taunton School Final Salary Scheme, which is managed on its behalf by JLT. The scheme is funded and is contracted into the state scheme. The scheme closed to new entrants on 1 October 2001. The last formal valuation of the scheme was performed as at 31 July 2018. At that time the actuarial surplus was £208,000 so a recovery plan is not required, subject to review at future funding assessments.

The actuarial assumptions for life expectancy in years, assuming a retirement age of 65 are:

	2020 Years	2019 Years
For a male retiring now	26.2	26.4
At 60 for a male member aged 45 now	27.3	27.6
For a female retiring now	28.2	28.4
At 60 for a female member aged 45 now	29.5	29.7

The financial assumptions used to calculate Scheme liabilities are as follows:

	2020 %pa	2019 %pa
Inflation	2.9	3.0
Rate of increase in salaries	N/A	N/A
Rate of increase of pensions in payment and deferred pensions	2.8	2.9
Discount rate	1.7	1.8

Scheme assets and expected rate of return:

	2020		2019	
	Fair Value £000'	Split %	Fair Value £000'	Split %
Equities	2,210	32	2,423	34
Bonds	4,676	67	4,647	64
Cash	81	1	160	2
Total	6,967		7,230	

Components of defined benefit cost:

	2020 £000's	2019 £000's
Analysis of amounts charged to operating profit:		
Interest on pension scheme liabilities	-	-
Net charge to the SOFA	-	-

The actuarial gains shown in the Statement of Financial Activities comprised:

	2020 £000's	2019 £000's
(loss)/gain on scheme assets amount (£000)	(126.0)	41.0
% of scheme assets at end of year	-1.8%	0.6%
Experience (loss)/gain on scheme liabilities amount (£000)	(468.0)	50.0
% of scheme liabilities at end of year	-6.4%	0.7%
Total actuarial loss recognised in SOFA amount (£000)	(290.0)	(123.0)
% of scheme liabilities at end of year	4.0%	1.8%

Reconciliation to the balance sheet

	2020 £000's	2019 £000's
Market value of assets	6,967.0	7,230.0
Value of accrued liabilities	(7,257.0)	(6,988.0)
Unrecognised surplus	-	(242.0)
Net Pension deficit in the scheme	(290.0)	-

Analysis of the movement in deficit in the scheme during the year

	2020 £000's	2019 £000's
Deficit in the scheme at beginning of year	-	-
Contributions paid	-	123.0
Actuarial (loss)	(537.0)	(744.0)
Unrecognised surplus	247.0	621.0
Scheme liabilities at end of year	(290.0)	-

19. PENSION COSTS (CONTINUED)

Analysis of the amount recognised in the Statement of Financial Activities

	2020 £000's	2019 £000's
Actual return less expected return on assets	(126.0)	41.0
Experience (losses)/gains on the liabilities	(468.0)	50.0
Change in assumptions	57.0	(835.0)
Actuarial gain/(loss) recognised in SOFA	<u>(537.0)</u>	<u>(744.0)</u>

Change in the present benefit obligation

	2020 £000's	2019 £000's
Opening defined benefit obligation	6,988.0	6,298.0
Interest cost	123.0	160.0
Actuarial losses	411.0	785.0
Benefits paid	(265.0)	(255.0)
Closing defined benefit obligations	<u>7,257.0</u>	<u>6,988.0</u>

Change in the fair value of scheme assets

	2020 £000's	2019 £000's
Opening fair value of plan assets	7,230.0	7,137.0
Interest income	128.0	184.0
Actuarial gains	(126.0)	41.0
Contributions	-	123.0
Benefits paid	(265.0)	(255.0)
Closing fair value of plan assets	<u>6,967.0</u>	<u>7,230.0</u>

The School also operates a defined contribution pension scheme managed by the Pension Trust, which non-teaching staff are eligible to join. The assets of the scheme are separately from the School. The employer's contributions matches that of the employee within the region of 2-12.5%. The cost for the year represents the School's contribution to the Scheme of £240,744 (2019: £192,543).

20. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES - COMPARATIVE FIGURES BY FUND TYPE
(Incorporating an Income and Expenditure Account)

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	Endowed Funds £000's	2019 Total £000's	2018 Total £000's
Income and endowments from:						
Charitable activities						
School fees	3	18,964.6	-	-	18,964.6	18,037.3
Other educational income	5	2,400.6	-	-	2,400.6	2,407.7
Other ancillary trading income	5	13.7	-	-	13.7	11.8
Other trading activities						
Non-ancillary trading income	5	717.9	-	-	717.9	626.6
Investments						
Investment Income	5	2.0	67.0	-	69.0	74.0
Voluntary sources						
Donations and bequest	14b	-	324.6	-	324.6	368.5
Total income		22,098.8	391.6	-	22,490.4	21,525.9
Expenditure on:						
Raising funds						
Non-ancillary trading expenses	6	264.2	-	-	264.2	284.8
Fundraising and development	6	-	-	13.7	13.7	16.3
Financing costs	6	81.4	-	-	81.4	98.0
		345.6	-	13.7	359.3	399.1
Charitable activities:						
Education and grant making	6	21,254.0	390.1	-	21,644.1	20,124.6
Total expenditure		21,599.6	390.1	13.7	22,003.4	20,523.7
Net Incoming/(outgoing) funds from operations before investment gains		499.2	1.5	(13.7)	487.0	1,002.2
Gains/(losses) on investments		82.3	166.6	(0.1)	248.8	94.7
Net movement in funds in year		581.5	168.1	(13.8)	735.8	1,096.9
Funds balances at 1 September 2018		11,345.8	4,104.9	1,947.0	17,397.7	16,300.8
Fund balances at 31 August 2019		11,927.3	4,273.0	1,933.2	18,133.5	17,397.7