

CHARITY NUMBER: 292683
COMPANY REGISTRATION NUMBER: 01946972

THORPE HOUSE SCHOOL TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

THORPE HOUSE SCHOOL TRUST
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FOR THE YEAR ENDED 31 AUGUST 2020

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**THORPE HOUSE SCHOOL TRUST
GOVERNORS, OFFICERS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020**

Company name and number: Thorpe House School Trust (no.01946972) ('the Trust')

Charity registered number: 292683

Principal Office: 29 Oval Way, Gerrards Cross, Buckinghamshire, SL9 8QA

Governing Body and Trustees:

The members of the Governing Body of the Trust are also the current members and directors of the Trust and its trustees for the purpose of charity law. Throughout this report in all capacities they are collectively referred to as the Governors, the Governing Body or the Board.

The Governors who served during the year ended 31 August 2020 were:-

David Ralph Stanning	(Chairman)
Andrew Charles Bannister	
Richard John Coward	
Chris David Gorer	(Co-opted member)
David Forrest Hoy	(resigned 31 August 2020)
Roy Alexander MacMillan	
Amanda Caroline Myers	
Rennie Raja	
Jacqueline Joanna Symons	(resigned 31 August 2020)
Michael Reginald Wakefield	
Ruth Helen Webber	

Senior Leadership Team:

Headmaster	WPN Pietrek	M.A., B.A. (Hons), P.G.C.E
Head of Upper School	GP Wells	B.Hum. (Hons), P.G.C.E
Head of Middle School	SR Day	B.Sc. (Hons), P.G.C.E. (Appointed to SLT in Jan 2020)
Head of Prep Department	KR Hampshire	B.A. (Hons), P.G.C.E (Relinquished SLT role in Dec 2019)
Head of Lower School	NHM Doran	M.A. B.A (Hons), P.G.C.E
Head of Curriculum	SM Jenkins	M.A. B.Sc. (Hons) (Appointed to SLT in Jan 2020)
Bursar and company secretary	JEM Potter	B.A. (Hons), A.C.M.A

Bankers: Lloyds Bank, 33 Packhorse Road, Gerrards Cross, Bucks
SL9 8PF

Auditor: Crowe U.K. LLP, Aquis House, 49-51 Blagrove Street, Reading
RG1 1PL

THORPE HOUSE SCHOOL TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2020

The Governors of Thorpe House School present their annual report for the year ended 31 August 2020 under the Companies Act 2006 and the Charities Act 2011, together with the audited financial statements for that year, and confirm that the latter comply with the requirements of the Companies Act 2006, the Company's Articles of Association and the Charities SORP 2015.

GOVERNORS' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Thorpe House School Trust is a private company limited by guarantee incorporated under the Companies Act 1985 on 12 September 1985 and governed by its Memorandum and Articles of Association. It is registered as charity no. 292683 with the Charity Commission.

Governing Body

The members of the Governing Body ('the Governors'), who are also required under the Articles of Association to be Members of the Trust, have each been elected or have had their election ratified at a full Governors' meeting on the basis of nominations received from serving Governors and the Headmaster. Governors, who include amongst their number parents of former pupils, an educationalist and professionals from business, are assessed on their eligibility, personal competence and commitment, specialist skills and experience. Each Governor in his or her capacity as a Member of the Trust has agreed to contribute an amount not exceeding £1 in the event of the Trust being wound up.

During the course of this academic year, 10 individuals served as Governors with one co-opted member, with 2 resignations during or at the end of the year. As at 1st September 2020, there were 8 Governors and one co-opted member.

Members of the Trust

The current Members of the Trust are the Governors.

Governor Induction and Training

New Governors are provided with a copy of the latest AGBIS Guidelines for Governors explaining their roles and summarising their legal obligations under charity and company law, full Accounts showing the recent financial performance of the Trust for the preceding year, the ISI compliance report and they have made available to them a copy of the Trust's Memorandum and Articles of Association, the current School Strategic Plan and the ISC census and annual report. They are also briefed on the Board committee and decision-making processes. During their selection and induction, they have meetings with the Headmaster, the Chairman of the Governing Body (or his deputy) and the Chair of the relevant committee to which they may be assigned.

Governors are encouraged to attend appropriate external training events organised by AGBIS or other relevant providers where these will broaden their knowledge and experience and facilitate the undertaking of their role.

At least once a year the full Governing Body is invited to undertake a tour of Thorpe House School ('the School') during which the Governors have the opportunity to meet members of staff and inspect the School's facilities. There is also normally an annual Governors' Day when Governors are invited to come to the School, to observe lessons and inspect sporting and other facilities and then meet with the staff over lunch or tea in a more social environment. Recent developments promoting the interaction of staff and Governors include further social gatherings and also Strategy sessions at which strategy and associated issues are discussed in open forum, with members of the Senior Leadership Team encouraged to contribute. During the past year, some of these activities have been curtailed because of Covid-19-related restrictions.

THORPE HOUSE SCHOOL TRUST
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Governors' Indemnity Insurance

The School has purchased Governors' indemnity insurance through Zurich Insurance plc. to provide cover up to £2 million.

Key Management Personnel

The day-to-day running of the School is delegated by the Governing Body to the Headmaster and Bursar, as the key management personnel, who in turn are supported by the other members of the Senior Leadership Team. The Headmaster and the Bursar are encouraged to attend all meetings of the Governing Body's main committees.

The remuneration of the Headmaster is set by the Board. The Board are also consulted over policy objectives to provide appropriate incentives to encourage enhanced performance and to reward staff fairly and responsibly for their individual contributions to the School's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other State and independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

Delivery of the Trust's charitable vision and purpose of providing outstanding all-round education for boys, whilst promoting Christian values, is primarily dependent on the School's key management personnel.

Organisational Management

The business of the Trust (but not the day-to-day operation of the School) is managed by the Governing Body which meets as a Board at least once in each term. The three main committee groups include the Finance and Estates Committee, the Education and Compliance Committee and the Marketing Strategy and Admissions Committee. Within these is a number of sub-groups which are responsible for all aspects of the School's operation including finance, buildings, maintenance, safeguarding and compliance, risk management, health and safety, marketing strategy, recruitment and retention of pupils, educational standards, current major projects, and recruitment of governors and key personnel of the School. Committees and sub-groups meet as appropriate and, in the case of the main committees, at least once a term. Since the advent of the Covid-19 pandemic, additional sub-groups have been established to review the immediate impact of the pandemic on the operation of the school and going forward. In addition, most meetings have been held by way of Zoom meetings or similar video conferencing.

The Headmaster is appointed by the Governors to manage the day-to-day operations of the School and as such has delegated authority and responsibility, within the terms of delegation approved by the Governing Body, for all operational matters.

Group Structure and Relationships

The Headmaster, a member of IAPS and the Society of Heads, meets termly with Heads of local IAPS schools, and also with Heads of other local schools. The School is a member of the ISBA and the Bursar meets termly with bursars of local schools. The School is also a member of AGBIS and the Governors are invited to attend relevant training and seminars run by the organisation. From March 2020, as a result of the COVID19 pandemic, training and meetings moved to remote platforms with regular attendance to webinars and meetings encouraged on-line for the Headmaster, Bursar and Governors.

The School continues its work with a number of local charities and schools to widen public access to its schooling, to optimise the use of the School's cultural and sporting facilities and to awaken in its pupils an awareness of the social context of the education they receive at the School.

THORPE HOUSE SCHOOL TRUST
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

STRATEGIC REPORT

ACTIVITIES AND OBJECTIVES

PRINCIPAL ACTIVITY

The Trust was established in 1985 “to promote and provide for the advancement of education of children in the United Kingdom and elsewhere”, and specifically to carry on and develop the School, providing a caring, welcoming and inclusive learning environment for each pupil.

The School, through its Lower (Reception-Year 5), Middle (Years 6-8) and Upper (Years 9-11) Schools, is an independent day school now operating as an all-through school offering a bespoke boy-focused education for boys aged 4 – 16 years.

Strategic objectives

The School’s core objective is to give each pupil every opportunity to achieve his highest possible all-round educational standard, such that when he leaves the School he has become a responsible British and global citizen who is resilient, spiritually fulfilled and with positive aspirations.

The School strives to get the best results reasonably possible from boys sitting GCSE at age 16, based on predictions built on a series of different baseline tests during their careers at the School. However, the ambition with pupils of all ages is, through the School’s classroom and extra-curricular programmes, to draw out their abilities and potential, both academic and non-academic, and to awaken and develop wider interests in and awareness of life, to instil proper life values and to motivate them for a successful outcome at the next stage in their education.

Objectives for the year

There has been a strong drive to enhance and improve the school’s facilities and resources and in the past 12 months the following has been accomplished:

- Griffin Hall, the school’s new sports’ hall and classroom block (consisting of 3 new classrooms and 2 large changing rooms as well as the sports’ hall) has been completed and is now in full use.
- Refurbished reception to provide a warm and welcoming introduction to the school for visitors and parents.
- New D&T classroom facility consisting of two rooms to facilitate clear focus on theory and practical work.
- Outside walls of the main school have been rendered and painted, significantly enhancing the outward appearance of the school.
- Y4 and Y5 classrooms have been relocated to Griffin Hall. Classrooms are equipped with new interactive screens and the walls painted to enable pupils to write directly on them to encourage more peer-to-peer learning and more interactive teaching.
- Old D&T classroom refurbished to provide a new bespoke Physics Lab, completing the Science block with 3 bespoke Labs for Biology, Chemistry and Physics.
- ICT suite refurbished – complete set of new computers and new layout.
- Old dining room repainted and new kitchen equipment brought in as part of our new catering contract to provide a proper servery area.
- New dining room (old gym) now refurbished with ongoing work to establish Honours boards.
- Decoration of areas around the school continues to improve the appearance of the school. There are now feature walls to show off the school colours. Entrance ways to the school have been repainted.
- Classrooms have been relocated to better utilise the space required for those subjects and to provide a more coherent landscape for the school.
- New IT support service now in place following a rigorous tendering process.

THORPE HOUSE SCHOOL TRUST
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

ACHIEVEMENTS AND PERFORMANCE

Academic performance

GCSE Results:

From a smaller than usual cohort of just 28 boys, the school achieved a very pleasing set of exam results at GCSE; 37.6% of all grades were achieved at 7-9 (the equivalent of the old A and A* grades). By way of comparison, the national average of top grades is 25.9%. 9 pupils applied for and were offered places at Grammar Schools. Of particular note, History achieved 63% of all grades at 7-9 with Religious Studies at 56%, and Geography at 46%. Across the Sciences, 37.5% of all grades were at 7-9, Maths at 36% and English (Lit and Lang) at 35.7%.

11+ results: Of the 33 boys in the year group, 12 chose to take the exam this year, of whom 4 passed.

Common Entrance results:

As in recent previous years, no pupils chose to sit Common Entrance at age 13.

Significant achievements in areas other than academic subjects, including extra-curricular and sporting successes.

- Individual sporting achievements – two senior boys played for an ISFA National football team; one of these footballers plays for Queens Park Rangers. Several more boys play high level district and club level football across the school. One Year 8 boy is a County tennis player and two year 11 boys represented Bucks County at rugby. One year 11 pupil won the British Winter Rallycross Championship and finished 2nd in the British Rallycross Championship. The School has several national, county and district swimmers and we also have district and county champions in athletics.
- Team sporting achievements - the Under 14s reached the final stages of the National Cup in Football, beating several well-known football schools on the way. The Under 14's also won the Bucks county Plate competition in rugby. The Under 11's are (6 a side) Wycombe district football Champions, and the Under 10's are 6 a side Wycombe district football runners up.
- Drama – boys continue to perform to a high standard in school performances and Thorpe House boys are regularly awarded scholarships at 6th Forms at other independent schools.
- D of E – students participate in silver and bronze awards and all boys achieved the required standard and gained the award. It is a credit to the staff that this has been achieved despite the challenges faced this year by COVID.
- Music – boys are entered into external music exams with boys achieving up to Grade 8 in ABRSM examinations.

Public Benefit

As required by law, the Governors have continued to have regard to the Charity Commission's public benefit guidance and in the course of carrying out their duties have endeavoured not only to increase and improve the educational facilities available to pupils but also to extend the School's activities into the local community, as demonstrated below:

- During the 2019-20 academic year, Thorpe House School provided education for 281 boys, thus relieving the State of the burden of the cost of educating these boys in the State system (estimated minimum of £1.64m based on figures from the Institute for Fiscal Studies).
- The School operates a bursary scheme which is open to parents of boys who, due to financial restrictions, would not normally be able to attend an independent school. The scheme makes available the equivalent of one free place in each year group from Reception to Year 11 (i.e. 12 places in total). During the year 14 boys received a discount on their fees under the bursary scheme. This reflects the attempt to maximise the benefit by allocating partial bursaries to several pupils in a year group.
In addition, the School operates an emergency bursary scheme which enables current parents who encounter unexpected short-term financial difficulty to apply for a reduction off one term's fees. Seven emergency bursaries were awarded in the year ranging from 15% to the full term's fees being awarded as an emergency bursary.

THORPE HOUSE SCHOOL TRUST
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The Governors also established a temporary Hardship Fund with the specific objective of assisting those parents for whom the impact of the Covid-19 pandemic presented significant financial challenges.

Other activities of benefit to the community or local charities included the following:

- Throughout each academic year, the School actively encourages awareness amongst pupils of those less fortunate than themselves by organising days specifically focused on raising money for charitable activities. Collections are also taken at School events such as the annual carol service and cake sales organised by the four school houses, the proceeds of which are donated to a charity nominated by the Headmaster, staff or boys. In total approximately £6.8K was raised during the year for 14 different charities.
- Collecting at School for the Royal British Legion Poppy Appeal, with boys and staff representing the School at the local Remembrance Day Parade and Service. A significant fundraising effort was made through the selling of Perspex poppies (made within our own D&T department) to the school and local community which were then cascaded at the front of the school.
- Making available the School mini-buses free of charge to a number of local schools and charitable organisations such as the Scouts and local churches.
- Allowing the use of the playing fields to a number of organisations including:
 - Parking for a variety of events run by St. Joseph's School and church, All Saints Church, St Mary's School and Maltman's Green School.
 - Matches and training sessions for St. James' Church football club.
 - Weekly use of the School's facilities for meetings of a Woodlands District Scouts Cub Pack.
- Harvest food collection which was given to the London Run, an organisation which takes harvest gifts to feeding points in West London and Slough.
- Setting up a food bank at the School during the lockdown period in conjunction with The Storehouse charity.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Total numbers across the School started the year at 279 pupils on the roll and rose slightly through the year (allowing for both recruitment and departures) to a roll of 281 in the Summer term.

The financial statements for the 12-month period to 31 August 2020 show an operational surplus of £266k which is 6.4% of total income. This is a strong financial performance in a year when, despite the impact of Covid-19, there has been continuing investment in improving both the existing facilities and completing and fitting out the building of the new multi-purpose hall and ancillary building as well as refurbishment of the Reception area. It shows careful management of the School's finances during a period of time heavily impacted by the COVID19 pandemic and the need to offer a fee variation according to year group for the summer term. The Finance committee have ensured reserves are in place to bridge potential difficult periods if the economy continues to be impacted by the repercussions of COVID during the coming financial year.

The Governors regularly review the finances, budgets and spend against budget, together with a monthly cash flow analysis as part of the effective stewardship of the School.

Fund raising

There were no specific fund-raising activities during the year. The Parents' Association continues to raise funds for the exclusive purpose of enriching the day-to-day life of the boys and last year donated £6.5k towards the refurbishment of an external play area for the Lower School.

The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

THORPE HOUSE SCHOOL TRUST
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Reserves policy

The Finance Committee regularly reviews the situation on cash reserves and invests these at the best available rates of interest, always having regard to the perceived stability of the relevant financial institution and to the potential need for access to such funds at short notice. As at 31 August 2020, the School held £1,972k in cash deposits largely due to the final drawdown on the loan secured to build the multi-purpose hall and building. Existing reserves had been used during the period of the project to reduce the need to drawdown on the loan until necessary and take advantage of reduced interest payments. As a risk management measure these deposits are currently held in two different financial institutions and in deposit accounts that have different notice periods. A policy has been adopted of ensuring that at least two months of operating costs are held in cash at any point of time to meet operational cash flow needs. The reserves policy adopted by the School relates to cash reserves and states at least two months of operating costs are held as cash reserves at any point in time to meet operational cash flow needs. For the financial year 2019/20, this meant that £644k was held to ensure short-term financial obligations such as salaries, loan payments and contracts could be paid in the event of a short-term financial crisis.

In common with other independent schools, the Governors have invested substantial sums into new School buildings and premises in recent years and have a continuing programme of refurbishment, development and investment to maintain and improve educational facilities for the School's pupils. Current year improvements, including completion of the MPH project, the refurbishment of the School Reception area and creation of a dedicated design technology practical area with separate classroom and a new physics lab have been funded partly from a significant gift from a former parent with the balance coming from cash reserves with a partial drawdown being taken on the new Lloyds loan funding.

The School's total funds of £3,330k at the year-end comprise wholly of unrestricted funds, as the previously held restricted funds were dedicated to the physics and DT project. These funds represented £7,016k net book value of fixed assets and £4,699k of bank loans. This gives free reserves of £1.012m which is determined by taking the total of unrestricted funds (£3.33m) less tangible fixed assets (£7.016m) and adding back any long term borrowings (£4.699m).

RISK MANAGEMENT

The Governing Body, with particular assistance from the Finance and Estates Committee, continues to keep the School's operation and activities under constant review, particularly with regard to any major financial and operational risks that may arise from time to time as well as the systems and procedures established to manage them.

The management of safeguarding and child protection, regarded as being of paramount importance by the School and Board, is overseen by at least two designated Governors. These vital aspects of the Governing Body's responsibilities are now consolidated under the auspices of a reorganised Education and Compliance committee (including at least two Governors as members) that has responsibility for all matters affecting and relevant to the over-riding importance of child safety, protection and welfare (especially mental) of pupils and staff, as well as relevant health and safety and policies generally.

Health and Safety is always a significant area for risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the school on trips and expeditions). The level and breadth of activity at the School remains impressive and the risks associated with all activities are minimised by thorough planning and risk assessment. The Health and Safety committee has a designated Governor who reviews policies, operations and conducts an annual health and safety walkaround. This is in addition to the external consultants who ensure compliance on all health and safety legislation.

Detailed consideration of risk is delegated to the Headmaster and Bursar, assisted by a group of Governors. A comprehensive risk register has been drawn up to enable the Governing Body more easily to identify and review the risks to which the School is exposed and the potential damage to people, property and reputation. This register is regularly reviewed by the relevant committees tasked with monitoring the various risk areas and perceived threats are reviewed at each Board meeting. The Governors evaluate the effectiveness of current plans and strategies for managing all identified major risks for the School, including crisis management.

THORPE HOUSE SCHOOL TRUST
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

COVID19 has demanded its own risk assessment. The Return to School (RTS) group has been established which consists of four governors, the headmaster and bursar. The group meet regularly to review the risk assessment relating to COVID measures and discuss the latest Government, Society of Heads and ISBA advice and ensure the correct practices are established and observed in the School, with weekly updates in this context from the Bursar.

In the context of financial risk, the Governors remain acutely aware of the challenges to parents across the independent sector in terms of affording school fees. The current economic climate resulting from the pandemic will almost certainly have an impact on the affordability of fees, whilst increased costs for the School, such as the substantial increase in employers' contribution relating to teachers' pensions and the additional costs associated with ensuring a safe environment for pupils during the pandemic, will continue to challenge the School's ability to control its costs and generate a surplus to invest in the benefit of the boys' education.

The Governors and management recognise the importance of focusing on sustaining pupil numbers, with their direct and significant financial impact on the School's viability. The School continues to thrive at senior level, but Lower School numbers, although satisfactory, need to grow and the School continues to focus in recruiting and retaining pupils at the youngest end of the School. The Governors recognise that there is a careful balancing act to be undertaken between maintaining fees at a manageable level and continuing to provide the facilities and teaching experience that parents demand and deserve for their boys.

FUTURE PLANS

Prior to the impact of the Covid-19 pandemic, the Governors met as a committee in January 2020 to discuss strategy and determine key areas of focus. It was agreed that from September 2020, the nursery offering would cease due to low intake, with a potential positive being the development of partnerships and links with existing nursery competitors to secure numbers for the school's future reception classes. Unfortunately, progress in this respect has been inhibited by Covid-19 restrictions. The School will continue to be an all-through school for boys aged 4-16 years, maintaining a traditional ethos where strong British values are actively encouraged, whilst encouraging knowledge of all faiths to recognise the School's increasing ethnic diversity.

The Board continues with its policy of looking to improve and expand the School's facilities as rapidly as can be achieved and funds permit. Plans are in place to develop the Lower School hall into a studio for use as a teaching space for drama and productions. Investment will continue in technology to enhance learning in the classroom and to enable seamless remote teaching. The enhancement programme where Year 9 boys study 9 GCSEs alongside an enrichment programme which includes Mandarin, first aid, additional minor indoor sports, independent learning, charity initiatives and current affairs is in place to commence in the autumn term.

PROVISION OF INFORMATION TO AUDITORS

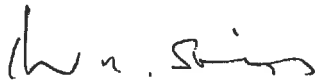
Each of the persons who is a Governor at the time when this Governors' report is approved has confirmed that so far as he or she is aware, having taken all the steps that ought reasonably to have been taken as a Governor in order to be aware of any information needed by the Trust's auditors in connection with preparing their report and to establish that there is no relevant audit information of which the Trust's auditors are unaware.

THORPE HOUSE SCHOOL TRUST
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

RE-APPOINTMENT OF AUDITORS

In accordance with s.485 of the Companies Act 2006, a resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be proposed at the 2021 Annual General Meeting.

Approved and authorised by the Board
on 27/11/2020 and signed
on its behalf by



D R Stanning
Chairman

THORPE HOUSE SCHOOL TRUST
STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

The Governors (who are also directors of Thorpe House School Trust for the purposes of company law) are responsible for preparing the Governors' Annual Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governors to prepare financial statements for each financial period. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

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

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

AUDITORS' REPORT TO THE MEMBERS OF THORPE HOUSE SCHOOL TRUST

Opinion

We have audited the financial statements of Thorpe House School Trust for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

AUDITORS' REPORT TO THE MEMBERS OF THORPE HOUSE SCHOOL TRUST (CONTINUED)

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.

Opinion 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 company and its 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 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.

AUDITORS' REPORT TO THE MEMBERS OF THORPE HOUSE SCHOOL TRUST (CONTINUED)

Responsibilities of Trustees

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

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.



Janette Joyce
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

Aquis House
49-51 Blagrove Street
Reading
RG1 1PL

Date: 21 December 2020

THORPE HOUSE SCHOOL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

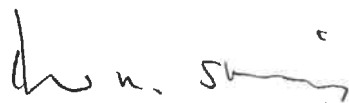
	Notes	Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
INCOME FROM:					
Charitable activities:					
School fees receivable	4(a)	3,836,838	-	3,836,838	4,174,978
Other income	4(b)	125,989	-	125,989	167,959
Non-ancillary trading income					
Rental income		51,550	-	51,550	19,226
Investments:					
Investment income		3,996	-	3,996	951
Voluntary sources:					
Donations		6,940	-	6,940	8,941
Government grant income		104,585	-	104,585	-
Other income		<u>2,453</u>	<u>-</u>	<u>2,453</u>	<u>2,664</u>
Total		<u>4,132,351</u>	<u>-</u>	<u>4,132,351</u>	<u>4,374,719</u>
EXPENDITURE ON:					
Charitable activities:					
School operating costs	5	<u>3,703,833</u>	<u>-</u>	<u>3,703,833</u>	<u>3,779,050</u>
Raising Funds:					
Financing costs		113,213	-	113,213	95,095
Marketing and advertising		<u>49,294</u>	<u>-</u>	<u>49,294</u>	<u>58,521</u>
Total	5	<u>3,866,340</u>	<u>-</u>	<u>3,866,340</u>	<u>3,932,666</u>
Net income	6	<u>266,011</u>	<u>-</u>	<u>266,011</u>	<u>442,053</u>
Transfers between funds		59,080	(59,080)	-	-
Other recognised gains/(losses):					
(Losses)/gains on investments		<u>(292)</u>	<u>-</u>	<u>(292)</u>	<u>78</u>
NET MOVEMENT IN FUNDS		324,799	(59,080)	265,719	442,131
FUNDS BROUGHT FORWARD		<u>3,005,159</u>	<u>59,080</u>	<u>3,064,239</u>	<u>2,622,108</u>
FUNDS CARRIED FORWARD		<u><u>3,329,958</u></u>	<u><u>-</u></u>	<u><u>3,329,958</u></u>	<u><u>3,064,239</u></u>

The notes on pages 17 to 30 form part of these financial statements

THORPE HOUSE SCHOOL TRUST
BALANCE SHEET
31 AUGUST 2020
COMPANY NUMBER 01946972

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	8	7,014,537	4,951,807
Investments	9	<u>1,730</u>	<u>2,022</u>
		7,016,267	4,953,829
CURRENT ASSETS			
Debtors	10	76,522	118,937
Cash at bank and in hand		<u>1,972,623</u>	<u>1,063,385</u>
		2,049,145	1,182,322
CREDITORS: Amounts falling due within one year	11	<u>(993,433)</u>	<u>(1,062,160)</u>
NET CURRENT ASSETS		<u>1,055,712</u>	<u>120,162</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,071,979	5,073,991
CREDITORS: Amounts falling due after more than one year	12	<u>(4,742,021)</u>	<u>(2,009,752)</u>
TOTAL NET ASSETS		<u>£ 3,329,958</u>	<u>£ 3,064,239</u>
THE FUNDS OF THE CHARITY:			
Unrestricted funds		3,329,958	3,005,159
Restricted income funds		<u>-</u>	<u>59,080</u>
TOTAL FUNDS	17	<u>£ 3,329,958</u>	<u>£ 3,064,239</u>

Approved and authorised for issue by the Board of Governors on 27/11/2020 and signed on its behalf by



D R Stanning
Chairman

The notes on pages 17 to 30 form part of these financial statements

THORPE HOUSE SCHOOL TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	2020	2019
	£	£
CASH FLOW STATEMENT		
Cash flows from operating activities		
Net movement in funds	265,719	442,131
Depreciation	167,838	132,412
Decrease/(increase) in debtors	42,415	(3,017)
(Decrease)/increase in creditors	(204,966)	286,392
(Decrease)/increase in concessionary loan	(38,000)	-
Dividends and interest from investments	(3,996)	(951)
Loan interest paid	110,839	72,037
Investment losses/(gains)	<u>292</u>	<u>(78)</u>
Net cash provided by operating activities	340,141	928,926
Cash flows from investing activities		
Purchase of tangible fixed assets	(2,004,068)	(1,656,255)
Dividend and interest income	<u>3,996</u>	<u>951</u>
Net cash used in investing activities	(2,000,072)	(1,655,304)
Cash flows from financing activities		
Net inflow from bank loans	2,699,733	529,021
Loan interest paid	(110,839)	(72,037)
Repayments of bank loan	<u>(19,725)</u>	<u>-</u>
Net cash provided by financing activities	<u>2,569,169</u>	<u>456,984</u>
CHANGE IN CASH AND CASH EQUIVALENTS IN THE PERIOD	909,238	(269,394)
Cash and cash equivalents at the beginning of the period	<u>1,063,385</u>	<u>1,332,779</u>
Cash and cash equivalents at the end of the period	<u><u>1,972,623</u></u>	<u><u>1,063,385</u></u>

The notes on pages 17 to 30 form part of these financial statements

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. COMPANY INFORMATION

The School's principal activity in the period under review was the provision of a Day School for 3-16 year old boys. The incorporated charity (registered number 01946972 and charity number 292683), is incorporated and domiciled in the UK. The address of the registered office is Thorpe House School, Oval Way, Gerrards Cross, Buckinghamshire, SL9 8QA.

2. ACCOUNTING POLICIES

a) Accounting Convention

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) (effective 1 January 2015) – Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Thorpe House School Trust School 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.

b) Going concern

At the time of approval of the Annual Report, the COVID-19 pandemic continues to evolve and the long term impact on the charity, in common with other businesses, is unknown. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. The charity currently holds significant cash balances which can be supplemented, if needed, by an overdraft facility. Demand for school places at Thorpe House School remains strong for the academic year 2020/21. Conservative cash flow modelling with sensitivity analysis indicates that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

c) Funds

Unrestricted funds are available for spending within the objects of the company.

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund. When buildings are completed funds are transferred from Restricted to Unrestricted as the restriction on the donation has been fulfilled.

d) Income

All incoming resources are included in the statement of financial activities when the charitable company is legally entitled to the income, the receipt is probable and the amount can be quantified with reasonable accuracy.

School fees represent amounts receivable for educational services provided, including extras. Other income includes chargeable extras, school trips, registration fees, school transport, temporary boarding fees and similar income. Charges for services and use of premises are accounted for in the period in which the service is provided. Bursaries are charged in the period when the offer is conveyed to the recipient except in those cases where the offer is conditional. Such Bursaries are recognised as expenditure when the conditions attaching are fulfilled.

Income from donations is recorded when the amount and receipt is probable.

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

2. ACCOUNTING POLICIES (Continued)

e) Government grant income

Grants are accounted for under the performance model as permitted by the Charity SORP. The grant income is therefore recognised on a straight line basis over the period of related expenditure.

f) Resources expended

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

g) Fixed assets

The School has applied the 'deemed cost' provisions of FRS102 in that valuations of previously revalued land and buildings will not be further revalued.

Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates applicable are:-

Freehold buildings	2%-10% per annum
Fixtures and Fittings	5% - 25% per annum
Plant and equipment	20% per annum

Assets purchased for less than £500 or individual computers, are written off to the Statement of Financial Activities on acquisition.

h) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

i) Pensions

The School operates a contributory superannuation scheme under the Teachers' Superannuation Regulations 1976 (amended). The pension costs charged in the period for the Teachers' Pension Scheme are based on the contributions made to the centralised Government pension scheme run by the Department of Education as stated in note 19.

The charity contributes to the Pensions Trust Growth Plan for certain of its employees. This in most respects is a money purchase arrangement, but does include certain guaranteed benefit elements. The Plan is a multi-employer scheme. It is not possible in the normal course of events to identify the share of the underlying assets belonging to the individual participating employers and accordingly, in accordance with FRS102, is accounted for as a defined contribution scheme with contributions being recorded as they become payable. The School is not currently required to pay deficit contributions.

The contributions for both Schemes are charged in the Statement of Financial Activities in the period in which they are payable.

j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

k) Operating Leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

2. ACCOUNTING POLICIES (Continued)

l) Financial instruments

Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 21 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to fixed asset investments and debtor balances excluding prepayments, and financial liabilities referring to all creditor balances excluding deferred income.

m) Pupil Fee Deposits

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the School. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August 2020 have been included within current liabilities. The prior year Pupil fee deposits balance has been similarly represented.

n) Taxation

The charity is exempt from corporation tax on its charitable activities.

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, which are described in note 2. Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The Governors consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

4. INCOMING RESOURCES

a) SCHOOL FEES

The School's fee income comprised:

	2020	2019
	£	£
Gross fees	4,173,967	4,491,597
Less: bursaries and allowances	(337,129)	(316,619)
	<u>£ 3,836,838</u>	<u>£ 4,174,978</u>

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

4. INCOMING RESOURCES (continued)

b) CHARITABLE ACTIVITIES

Other income:	2020	2019
Charitable extras - income	116,689	157,759
Registration fees	<u>9,300</u>	<u>10,200</u>
	<u>£ 125,989</u>	<u>£ 167,959</u>

5. TOTAL RESOURCES EXPENDED

	Staff costs £	Depreciation £	Other £	2020 £
Charitable activities				
School operating costs:				
Teaching costs	2,254,383	-	230,726	2,485,109
Welfare costs	108,301	-	99,550	207,851
Premises costs	49,707	99,813	272,174	421,694
Support costs	<u>342,859</u>	<u>68,025</u>	<u>178,295</u>	<u>589,179</u>
	2,755,250	167,838	780,745	3,703,833
Raising funds				
Bank charges	-	-	2,374	2,374
Interest paid	-	-	110,839	110,839
Marketing and advertising	<u>-</u>	<u>-</u>	<u>49,294</u>	<u>49,294</u>
	-	-	162,507	162,507
TOTAL RESOURCES EXPENDED	<u>2,755,250</u>	<u>167,838</u>	<u>943,252</u>	<u>3,866,340</u>

Total governance costs included above are £14,477 (2019: £14,020).

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

5. TOTAL RESOURCES EXPENDED (continued)

2019 COMPARATIVE

	<i>Staff costs</i> £	<i>Depreciation</i> £	<i>Other</i> £	<i>2019</i> £
<i>Charitable activities</i>				
<i>School operating costs:</i>				
<i>Teaching costs</i>	2,280,633	-	313,847	2,594,480
<i>Welfare costs</i>	120,870	-	154,993	275,863
<i>Premises costs</i>	46,325	89,482	220,021	355,828
<i>Support costs</i>	<u>325,463</u>	<u>42,930</u>	<u>184,486</u>	<u>552,879</u>
	2,773,291	132,412	873,347	3,779,050
<i>Raising funds</i>				
<i>Bank charges</i>	-	-	23,058	23,058
<i>Interest paid</i>	-	-	72,037	72,037
<i>Marketing and advertising</i>	<u>-</u>	<u>-</u>	<u>58,521</u>	<u>58,521</u>
	-	-	153,616	153,616
TOTAL RESOURCES EXPENDED	<u><u>2,773,291</u></u>	<u><u>132,412</u></u>	<u><u>1,026,963</u></u>	<u><u>3,932,666</u></u>

6. NET INCOME

	2020 £	2019 £
Net incoming resources are stated after charging:		
Depreciation - owned assets	167,838	132,412
Operating lease payments	41,722	55,170
Goodwill amortisation	-	-
Auditors' remuneration – audit fees	<u>11,245</u>	<u>10,920</u>

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

7. STAFF COSTS

	2020	2019
Wages and salaries	2,182,840	2,267,629
Social security costs	182,334	211,183
Pension costs (see note 19)	<u>390,076</u>	<u>294,479</u>
	<u>£ 2,755,250</u>	<u>£ 2,773,291</u>

The average monthly number of persons employed by the School during the period was:

	No.	No.
Teachers	46	49
Admin and housekeeping	<u>27</u>	<u>24</u>
	<u>73</u>	<u>73</u>

There were no redundancy payments in the period (2019: £13,125).

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

	2020	2019
£60,000 - £70,000	1	1
£70,000 - £80,000	-	-
£80,000 - £90,000	1	-
£90,000 - £100,000	<u>-</u>	<u>1</u>

Retirement benefits are accruing for the two (2019: two) higher paid employees. Contributions in the year totalled £23,009 (2019: £18,523).

The key management personnel of the Charity consist of the Trustees and the Senior Management Team as noted on page 1. Key management personnel received aggregate remuneration (including employer pensions and employer NI) of £522,554 (2019: £480,959).

No remuneration (2019: £Nil) was paid to members of the Board of Governors and expenses of £120 (2019: £98) were reimbursed to one Governor.

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Assets under course of construction	Total 2020 £
DEEMED COST					
At 1 September 2019	3,437,104	35,535	812,851	1,462,278	5,747,768
Additions	40,500	-	394,317	1,795,751	2,230,568
Transfer	3,245,129	-	-	(3,245,129)	-
Disposals	-	(14,512)	-	-	(14,512)
At 31 August 2020	<u>6,722,733</u>	<u>21,023</u>	<u>1,207,168</u>	<u>12,900</u>	<u>7,963,824</u>
DEPRECIATION					
At 1 September 2019	272,793	35,535	487,633	-	795,961
Transfer	-	-	-	-	-
Charge for the period	84,396	-	83,442	-	167,838
Disposals	-	(14,512)	-	-	(14,512)
At 31 August 2020	<u>357,189</u>	<u>21,023</u>	<u>571,075</u>	<u>-</u>	<u>949,287</u>
NET BOOK VALUES					
31 August 2020	<u>£ 6,365,544</u>	<u>£ -</u>	<u>£ 636,093</u>	<u>£ 12,900</u>	<u>£ 7,014,537</u>
<i>31 August 2019</i>	<i><u>£ 3,164,311</u></i>	<i><u>£ -</u></i>	<i><u>£ 325,218</u></i>	<i><u>£ 1,462,278</u></i>	<i><u>£ 4,951,807</u></i>

As at 1 August 2011 the Trust owned leases on the land and buildings known as Thorpe House School, including Heywood House and the school playing fields, with terms of 75 years commencing on 1 September 1985. On 18th May 2012 the Trust completed the acquisition of the underlying freehold interests in the sites. In addition the Trust Acquired the former Kingscote School, excluding the playing field, on 9th August 2012 and then its playing field on 11th September 2014, renaming the site Thorpe House Pre-prep.

The entirety of the freehold properties were revalued at £3,150,000 on 16th September 2015 by Martin & Pole, Chartered Surveyors. The Freehold Property values comprise both the previously granted leases, which continue in force, and the newly acquired freehold interests, as encumbered by these leases.

The School has applied the 'deemed cost' provisions of FRS102 in that valuations of previously revalued land and buildings will not be further revalued.

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

9. FIXED ASSET INVESTMENTS

	2020 £	2019 £
MARKET VALUE		
At 1 August	2,022	1,944
Additions	-	-
Disposal	-	-
Revaluations	<u>(292)</u>	<u>78</u>
At 31 August	<u><u>1,730</u></u>	<u><u>2,022</u></u>

10. DEBTORS: Amounts falling due within one year

	2020 £	2019 £
Trade debtors	10,469	44,518
Prepayments and accrued income	<u>66,053</u>	<u>74,419</u>
	<u>£ 76,522</u>	<u>£ 118,937</u>

11. CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Bank loan & overdrafts (see Note 13a)	121,119	8,880
Concessionary loan (see Note 13b)	24,000	-
Trade creditors	120,247	223,200
Other taxes and social security	53,331	63,568
Other creditors	49,079	35,016
Deposits held	188,118	188,050
Accruals and deferred income	<u>437,539</u>	<u>543,446</u>
	<u><u>993,433</u></u>	<u><u>1,062,160</u></u>

Included within accruals and deferred income are tuition fees received in advance for future terms:

Deferred Income	2020 £	2019 £
Deferred income at 1 September 2019	362,115	315,468
Resources deferred in the year	298,591	362,115
Amounts released from previous years	<u>(362,115)</u>	<u>(315,468)</u>
Deferred income at 31 August 2020	<u><u>298,591</u></u>	<u><u>362,115</u></u>

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

12. CREDITORS: Amounts falling due after more than one year

	2020 £	2019 £
Bank loan (see Note 13a)	4,577,521	2,009,752
Concessionary loan (see Note 13b)	<u>164,500</u>	<u>-</u>
	<u>£ 4,742,021</u>	<u>£ 2,009,752</u>

13. LOANS AND OTHER BORROWINGS

a) The bank loans are repayable as follows:-

	2020 £	2019 £
Within one year	121,119	8,880
Between one and two years	126,004	53,280
Between two and five years	409,840	213,120
Over five years	<u>4,041,677</u>	<u>1,743,352</u>
	<u>4,698,640</u>	<u>2,018,632</u>

There were two different Lloyds loan arrangements in the financial period, secured by a legal charge over the School's property.

- The first loan arrangement ended in June 2020 and was interest only at 2.45% above base rate and was calculated on the initial loan amount transferred from Barclays bank plus the drawdown values to finance the multi-purpose hall and ancillary building project.
- The second loan arrangement is a fixed interest rate at 3.96% on the full loan value of £4.719m to be charged for a 24 year term. The loan is repayable by monthly instalments over 24 years commencing on 30 June 2020.

b) The concessionary loan is repayable as follows:-

	2020 £	2019 £
Within one year	24,000	-
Between one and two years	30,600	-
Between two and five years	92,700	-
Over five years	<u>41,200</u>	<u>-</u>
	<u>188,500</u>	<u>-</u>

The concessionary loan relates to the enclosure, including changing rooms and pool plant equipment, installed over the existing external pool. The cost of this project was paid for by an external swim school provider in exchange for hiring the pool to deliver swimming lessons. The loan will be repaid over a total period of 8 years.

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

14. ANALYSIS OF MOVEMENT IN NET DEBT

	<i>At 1 September 2019</i>	<i>Cashflow</i>	<i>At 31 August 2020</i>
	£	£	£
Cash at bank and in hand	1,063,385	909,238	1,972,623
Bank loan	(2,018,632)	(2,680,008)	(4,698,640)
Concessionary loan	-	(188,500)	(188,500)
Closing net debt	<u>(955,247)</u>	<u>(1,959,270)</u>	<u>(2,914,517)</u>

15. CAPITAL COMMITMENTS

At 31 August 2020, the School had capital commitments £12,900 (2019: £1,751,128).

16. OPERATING LEASE

At 31 August 2020 Thorpe House School Trust had future minimum lease payments under non-cancellable operating leases as detailed below:-

	2020	2019
	£	£
Plant and machinery		
Within one year	48,463	26,267
Within two to five years	117,254	36,633
	<u>£ 165,717</u>	<u>£ 62,900</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2020

	Unrestricted funds	Restricted funds	Total Funds 2020
	£	£	£
Fixed assets	7,016,267	-	7,016,267
Net current assets	1,055,712	-	1,055,712
Long term Liabilities	<u>(4,742,021)</u>	-	<u>(4,742,021)</u>
At 31 August 2020	<u>£ 3,329,958</u>	<u>£ -</u>	<u>£ 3,329,958</u>

2019

	Unrestricted funds	Restricted funds	Total Funds 2019
	£	£	£
<i>Fixed assets</i>	4,953,829	-	4,953,829
<i>Net current assets</i>	61,082	59,080	120,162
<i>Long term Liabilities</i>	<u>(2,009,752)</u>	-	<u>(2,009,752)</u>
<i>At 31 August 2019</i>	<u>£ 3,005,159</u>	<u>£ 59,080</u>	<u>£ 3,064,239</u>

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

18. RESTRICTED FUNDS

2020	<i>Balance at 1 September 2019</i>	<i>Incoming Resources</i>	<i>Resources expended</i>	<i>Transfers</i>	<i>Balance at 31 August 2020</i>
	£	£	£	£	£
Restricted Funds					
Educational Fund	<u>59,080</u>	-	-	(59,080)	-
Total	<u>59,080</u>	-	-	(59,080)	-

Educational Fund: this fund is for the purpose of improving the educational experience for the pupils. There was a transfer of £59,080 from the Educational fund to the General funds of the School to cover majority of the refurbishment of the Design Technology and Science labs.

2019	<i>Balance at 1 September 2018</i>	<i>Incoming Resources</i>	<i>Resources expended</i>	<i>Balance at 31 August 2019</i>
	£	£	£	£
Restricted Funds				
Educational Fund	<u>59,080</u>	-	-	59,080
Total	<u>59,080</u>	-	-	59,080

19. PENSION SCHEME

a) Teaching Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the period includes contributions payable to the TPS of £354,873 (2019: £264,290) and at the year-end £41,225 (2019: £34,317) 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 an employer contribution rate would increase from 16.4% to 23.6% from 1 September 2019. Employers are also currently 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.

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

19. PENSION SCHEME (continued)

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 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 a remedy to the discrimination conclusion has been determined by the Employment Tribunal 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.

b) Non-Teaching Pension Schemes

Pension Trust

The School's non-teaching staff are entitled to membership of the Pension Trust Growth Plan ("the Plan"). This is a multi-employer pension plan which in most respects is a money purchase arrangement, although it does include certain guarantee elements as described below.

Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement dates. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions. The School is not currently required to pay deficit contributions.

Contributions totalling £35,203 (2019: £30,155) were payable in the period. At the year-end £6,267 (2019: £nil) was owing in respect of contributions to this scheme.

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

20. RELATED PARTIES

The wife of a governor, R MacMillan, is employed by the school as the Head of Learning Support.

The total salary and employers pension contributions paid during the year in respect of the above was £58,515 (2019: £59,790).

21. FINANCIAL INSTRUMENTS

	2020 £	2019 £
Financial assets measured at amortised cost	1,986,204	1,119,922
Financial assets measured at fair value	1,730	2,022
Financial liabilities measured at amortised cost	<u>5,195,032</u>	<u>2,646,229</u>

The company's income, expense, gains and losses in respect of financial instruments are summarised below

	2020 £	2019 £
<i>Interest income and expense:</i>		
Interest and dividend income	3,996	951
Interest expense	110,839	72,037
Impairment losses	<u>21,714</u>	<u>103</u>

Included within financial assets measured at amortised cost are cash at bank, trade debtors and other debtors and accrued income.

Included within financial assets measured at fair value are Investments.

Included within financial liabilities measured at amortised cost are trade creditors, accruals, other creditors, deposits held and bank loans.

THORPE HOUSE SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2020

22. COMPARISON STATEMENT OF FINANCIAL ACTIVITIES

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total funds 12 months ended 31 August 2019 £</i>
	£	£	£
INCOME FROM:			
<i>Charitable activities:</i>			
<i>School fees receivable</i>	4,174,978	-	4,174,978
<i>Other income</i>	167,959	-	167,959
<i>Investments:</i>	-	-	-
<i>Investment income</i>	20,177	-	20,177
<i>Voluntary sources:</i>	-	-	-
<i>Donations</i>	8,941	-	8,941
<i>Other income</i>	<u>2,664</u>	-	<u>2,664</u>
<i>Total</i>	<u>4,374,719</u>	-	<u>4,374,719</u>
EXPENDITURE ON:			
<i>Charitable activities:</i>			
<i>School operating costs</i>	3,779,050	-	3,779,050
<i>Raising Funds:</i>			
<i>Financing costs</i>	95,095	-	95,095
<i>Marketing and advertising</i>	<u>58,521</u>	-	<u>58,521</u>
<i>Total</i>	<u>3,932,666</u>	-	<u>3,932,666</u>
<i>Net income</i>	<u>442,053</u>	-	<u>442,053</u>
<i>Transfers between funds</i>	-	-	-
<i>Other recognised gains/(losses):</i>			
<i>Gains/(losses) on investments</i>	<u>78</u>	-	<u>78</u>
NET MOVEMENT IN FUNDS	442,131	-	442,131
FUNDS BROUGHT FORWARD	<u>2,563,028</u>	<u>59,080</u>	<u>2,622,108</u>
FUNDS CARRIED FORWARD	<u>3,005,159</u>	<u>59,080</u>	<u>3,064,239</u>