Town Close Educational Trust Ltd

England & Wales · Charity number 311293

Details

Other names	TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED, TOWN CLOSE HOUSE SCHOOL
Status	Registered
Legal form	Charitable company
Company number	00940118
Registered	1969-07-04
Register	View on the Charity Commission register

Contact

Address	14 Ipswich Road Norwich NR2 2LR
Phone	01603624709
Email	bursar@townclose.com
Website	www.townclose.com

Activities

Objects: FOR THE PUBLIC BENEFIT TO ADVANCE EDUCATION OF YOUNG PEOPLE (UNDER THE AGE OF 21 THROUGH THE PROVISION, SUPPORT, CONDUCT AND MAINTENANCE OF A DAY AND/OR BOARDING SCHOOL OR SCHOOLS AND SUCH OTHER ANCILLARY EDUCATIONAL ACTIVITIES AND OTHER ASSOCIATED ACTIVITIES FOR THE BENEFIT OF THE COMMUNITY.

Activities: The education of children

Classification

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

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Geography

- Norfolk

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£6,247,874	£6,916,768	£7,800,696	125
2024-07-31	£6,458,528	£6,883,277	£8,469,590	129
2023-07-31	£6,297,051	£6,208,684	£8,894,339	129
2022-07-31	£5,746,958	£5,607,772	£8,805,972	124
2021-07-31	£5,674,479	£4,991,876	£8,666,786	122
2020-07-31	£5,568,543	£5,021,913	£7,984,183	128

Trustees

Name	Role	Appointed
Adrian Martin Alexander Fennell		2019-05-01
Denis Costello		2022-04-27
Dr Sonal Ashvin Patel		2021-03-16
Duncan Sinclair		2025-11-01
Faye Fenton-Stone		2023-02-20
Gemma Hordern		2024-03-01
Isobelle Webster		2023-09-06
Jean Louise North		2020-06-19
Ruth Ripman		2022-11-14
Simon George		2024-09-13

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Town Close Educational Trust Ltd

England & Wales - Charity number 311293

Accounts

Registered number: 00940118
Charity number: 311293

TOWN CLOSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

TOWN CLOSE EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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TOWN CLOSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2025

Trustees	Dr S A Patel Mr D Costello Mr A M A Fennell Ms J L North Ms F V Fenton-Stone Ms H R Ripman Ms I Webster Ms G Hordern Mr S I George (appointed 13 September 2024)
Company registered number	00940118
Charity registered number	311293
Registered office	Town Close Educational Trust Limited 14 Ipswich Road Norwich NR2 2LR
Company secretary	Mrs K D Artherton
Independent auditors	Larking Gowen LLP Statutory Auditors 1st Floor Prospect House Rouen Road Norwich Norfolk NR1 1RE
Bankers	Handelsbanken Suite B 1 Prince of Wales Road Norwich NR1 1BD
Solicitors	Leathes Prior 74 The Close Norwich Norfolk NR1 4DR
Headmaster	Mr N Tiley-Nunn

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2025

The Trustees present their report and audited financial statements for the year ended 31 July 2025 which comply with the requirements of the Charities Acts 2011, with other current statutory requirements and with the requirements of the charity's governing document. The Trustees have adopted the provisions of the 2019 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" in preparing the annual report and financial statements of the charity.

Principal activity and status

Town Close is an independent preparatory school, established in 1932 and, as Town Close House Educational Trust Limited, providing day education for girls and boys between the ages of 2 and 14. The Trust is a company limited by guarantee (company number 940118), incorporated upon trusts set out in the scheme of the Charity Commission dated 7 October 1968 (registered charity number 311293). Since 2012, the School has no longer used the word 'House' in its branding. With a change to the articles required for the reason outlined below, Trustees took the opportunity to also remove the word 'House' from the name of the Trust with effect from 8 July 2021.

Mission and objectives of the School

The Trust is governed by its Memorandum and Articles of Association. These were last amended on 20 June 2021 in order to remove the right of the Norwich Town Close Estate Charity to 'require the appointment of up to three persons as Governors'. The Charity had previously owned the site on which the School is housed but, following the purchase of the site by the Trust in 2016, this clause was no longer relevant. The articles were previously amended on 9 September 2011 in order to change the format to that specified by the Companies Act 2006 and to allow for more up-to-date working practices such as the use of electronic communications. The 2011 amendment also enabled the Trust to revise its primary objects from being "to acquire and carry on in the United Kingdom any boarding or day school or schools for the education of either sex or both sexes", specifying particularly Town Close House Preparatory School, Norwich, to "for the public benefit to advance education of young people (under the age of 21) through the provision, support, conduct and maintenance of a day and/or boarding school or schools and such other ancillary educational activities and other associated activities for the benefit of the community." In furtherance of these objects, Town Close aims, to make the most out of every moment in guiding our children to not only become great pupils, but more importantly great people.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

Structure, Governance and Management

The Trustees are the Governors of the School and Directors of the Company. (The single term 'Trustee(s)' is used in this annual report in describing the discharging of their various duties.)

The Trustees who served during the year ended 31 July 2025 were as follows:

Mrs SJ Anthony * (Chair) (resigned 31 July 2025)
Mrs K D Artherton – (Secretary)
Mr D Costello
Mr A Fennell *
Mrs F Fenton-Stone
Mr S George * (appointed 13 September 2024)
Mr M Graham * (resigned 19 March 2025)
Mrs G Hordern
Dr S Kaushal (resigned 25 February 2025)
Mrs L North
Prof. G Parr (resigned 8 July 2025)
Dr S Patel
Mrs Ruth Ripman
Mrs I Webster *

(*indicates membership of the Finance & General Purposes Committee during the year ended 31 July 2025.)

Trustees retire from office by rotation and are eligible for re-appointment in accordance with the Articles of Association. Appointments to vacancies arising during the year are made by the Trustees on the recommendations of the Governance and Nominations Committee. The functions of this Committee include reviewing the composition of the Governing Body and its sub-committees, overseeing succession planning and members' induction, and training and development. Trustees receive at least termly reports from the Head on the work of the School, supplemented by monthly management accounts and briefing materials circulated by the Bursar (who is also Clerk to the Governors).

Governing body Full Board and Committee meetings are often preceded by information sessions from staff on aspects of the School's academic and other activities. Trustees liaise with staff by attendance at school events and activities, and individual Governors attend occasional national and/or local training and information seminars and workshops. In addition to this, one Trustee is appointed to be a Liaison Governor and comes into School regularly to meet with different members of staff. Staff may ask to attend one of these sessions or are selected in rotation by one of the Deputy Heads. The Liaison Governor reports back to Trustees annually or more regularly if required.

The Trustees, meeting formally as the Governing Body at least three times a year and, guided by the Finance and General Purposes Committee, determine the general strategy and policy of the School, review its overall management and control, and oversee regulatory compliance in accordance with the terms of its registration with the Department for Education. The day-to-day affairs of the School are run by the Head, with the support of a Senior Leadership Team, and by the Bursar – a key member of that team.

Key Management Personnel – Pay policy for senior staff

Key management personnel are considered to be the board of directors, who are also Trustees, the Head and the Bursar who, collectively, are in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 21 to the accounts.

The pay of the Head and Bursar is increased annually in line with any general increase given to teaching staff as agreed by the Governing Body. Their pay is also benchmarked against other Heads and Bursars in similar schools and is reviewed to consider whether it continues to be appropriate in the light of this and of:
(a) performance;
(b) any changes in individual responsibilities or functions;
(c) structural changes in the School;
(d) relative salaries of others on the Leadership scale or those on the main scale;
(e) any other elements agreed by the Committee to be relevant.

In the absence of any significant grounds, under any of these headings, for increasing the fixed salary, the expectation is that their salary will remain at the fixed point.

Public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken. An annual review of this is conducted and the Trust continues to review its activities regularly to ensure public benefit is a consideration in all decisions. To this end, public benefit is a regular agenda item for meetings of the SLT, Heads of Department have public benefit as a reporting criterion, and it is regularly discussed at common room meetings.

Research conducted by the Independent Schools Council (The Impact of Independent Schools on the UK Economy – December 2022) shows that ISC schools, of which Town Close is one, save the taxpayer £3.8 billion every year by providing places for pupils who could otherwise be expected to take up a place in the state-funded sector.

The provision of education to children remains the Trust's core charitable purpose and activity and its fundamental contribution to public benefit. In a practice which accords with principles set out in the Charity Commission's general guidance on public benefit, Town Close has for some years provided bursary assistance to the parents of a number of pupils who are unable to pay the full fees and has a means-tested framework for providing such assistance. This has been applied in respect of pupils already in the School and to new admissions. Recipients of bursary awards are spread throughout the School, and from the 24 pupils in receipt of financial support this year, 17 received a remission of 50% or more with 5 pupils receiving at least 75% fees remission and 2 receiving in excess of 75% remission.

More broadly, the Trust provides public benefit by opening the School's sports and other facilities to outside users, including school-age children, some usage being without charge.

Access to the School library continues to be given free of charge to The Norfolk Reading Project (TNRP) for use to train volunteers to go into primary schools to support children's reading. TNRP had previously used the Norfolk and Norwich Millennium Library for their training sessions but, like many other public buildings, this was closed for an extended period due to the pandemic. Not only did Town Close provide alternative accommodation but doing so free of charge meant TNRP could use its limited resources on other aspects of their work. This work continues to grow with TNRP being invited to all public school events to publicise the excellent work they do. Since their inception in 2015, the TNRP have trained over 600 volunteers who now read with children in 100 primary schools across Norfolk.

Public benefit (continued)

The School is part of a hockey consortium formed with a local sports club (Norwich Dragons Hockey Club) and what was a local maintained sector school (The Hewett School). While The Hewett School no longer exists, Town Close's substantial contribution to the development is enabling its successor school (The Hewett Academy), while not a member of the Consortium, to extend hockey provision to pupils for whom there was previously no opportunity. It also enables the partner hockey club to run free coaching sessions introducing the sport to local children. Other local schools can hire the pitch at a reduced hourly rate.

The Hockey Consortium also sublets land free of charge to another independent school on which a second Astroturf has been constructed. One of the conditions associated with the sub-lease was that this second pitch must be made available for community use in the evenings and at weekends.

Other activities through which Town Close has provided public benefit consistent with its aims and objectives have included: the provision of 5 free places to the School's summer holiday club for children from a local school in receipt of pupil premium; free use of the School swimming pool for a local maintained school for children with complex needs; the free use of the main sports field for maintained school events e.g. sports days and donating books to other schools.

The School has also been instrumental in supporting maintained schools across Norfolk to introduce the use of Goblin electric go-karts. The cars come in kit form which children between the ages of 9 to 11 are able to build and race. The project aims to inspire children to take an interest in engineering in a fun and innovative way. The Head of DT helped source funding to support the initial cost of the kits and then provided training sessions to share learning and to give instruction in how to introduce the project in their schools. He went on to find a suitable venue for a Norfolk-based racing event and coordinated a group of sponsors. 18 schools took 25 cars to the event, along with an average of 6 pupils per car. This would not have happened without Town Close's involvement and without the School agreeing to release the Head of DT to work on this project. Over the last three years, the Head of DT has continued to work with Greenpower and helped to secure grant funding for maintained schools to introduce the category of go-karts for secondary age pupils (F24). He attended several external events and visited other schools to generate interest in this category, as well as holding meetings and twilight sessions at Town Close School. He secured the use of the Lotus test track for the inaugural F24 event in Norfolk held in June 2019 which attracted participants from across the region and further afield. It is estimated that around 900 children have participated and benefited from the programme, inspired by Town Close's involvement. The Head of DT was named a Greenpower's Ambassador of the year for his contribution to the work of the Charity and Town Close School is proud to be a Greenpower Education Trust Centre of Excellence.

The School has a minibus fleet which is not used by the School during the holidays; it is instead loaned to local Scout groups and a Church to help them to support holidays for their communities.

The School's charity for this year was Able2Be and the School community raised more than £6k for this worthy cause. The School thoroughly enjoyed working with the charity which focuses on helping children and adults with a disability to optimise their aerobic fitness and muscle strength as well as improve their concentration and self confidence in a fun way.

The School also welcomed 240, 2-4 year olds as part of its Mini Explorers programme. Twenty places were offered over six sessions in two terms, allowing local young people to enjoy the School's woodland walk which culminated in a teddy bears' picnic. They were also given the opportunity to have fun in the swimming pool, experience yoga taught by a specialist teacher, as well as turning their hands to being mini music makers and artists with sessions led by the School's music and art departments.

Visiting authors to School again saw several local primary schools bring pupils to enjoy the events.

Public benefit (continued)

The School's art department participated in GoGo Safari in support of the Break charity. Book donations were made to a new school which opened locally as well as further donations made to Safe International, a charity based in Wymondham and partnered with a transformation charity in Western Kenya. The Wherry School attended the School's Year 6 production of The Tempest and finally, our school site was made available for a local charity to carry out search and rescue training for dogs.

Strategic objectives and achievements

The five-year Strategic Priorities plan (2025 -2030) provides a roadmap for delivering the School's vision, which is to become a beacon for education for 3-13 year olds, enabling all our pupils to shine and guiding them towards their brightest future.

The plan has ten key areas, each chaired by a member of the SLT, with nominated Governors providing strategic oversight.

- One School
- Academic
- Pastoral
- Co-Curricular
- EYFS
- People
- Community
- Sustainability
- EDI
- Estates

Highlights from these ten areas of focus in this year include:

- Acceptance of Town Close into the Pre-Senior School Baccalaureate (PSB) programme, joining a significant group of leading preparatory schools.

- The development of the pastoral structure of the School. This included a review of pupil leadership roles, the role of the Town Close Way in School life, reward systems and opportunities for the development of pupil voice. Developments in this area are to be supported by a new School Nurse and our existing School Counsellor

- A significant expansion of our Co-Curricular offering (particularly within Pre Prep), including the range of trips on offer to pupils with a ski trip launched for the upcoming academic year. Development of the Senior Leadership Team with a new Deputy Head (Pastoral), new Deputy Head (Co-Curricular and Community) and a new Head of Pre Prep (who will commence in role in the upcoming academic year)

- Development of a 'balanced approach' within the digital strategy of the School alongside a newly appointed Director of Digital Strategy and Computing. This included revamped 1:1 device offer and significant review of the platforms that the School utilised for teaching and learning.

- Development of partnerships with local organisations including charities, performing arts schools and sporting organisations for mutual benefit. A key development in this area was the swimming partnership with Norwich Swan, which has revamped our swimming provision across the School.

Strategic objectives and achievements (continued)

- Considerable success in creative and sporting elements of school life with national finalists in art competitions, IAPS sports tournaments and an exceptional range of drama productions including the senior production of 'Matilda the Musical'.

- Investment in the School estate included significant review of previously underutilised spaces in the School. Whilst the work for most of these projects was completed after the year end planning and preparation during this academic year facilitated the delivery of a drama studio, new science lab, a further science lab which was redeveloped, netball courts on site, specialist cookery room, and a remodelled IT suite.

- The School's staff are central to the delivery of the School's ethos and the successful journey of our pupils through the School. Supporting our staff with an independent counselling service provided off site when they need it has proved invaluable.

Whilst the delivery of the aims of the plan, is a priority for the Senior Leadership Team and Board of Trustees, safeguarding and compliance with Keeping Children Safe in Education remains the overarching priority of the School.

Academic performance

Year 8 pupils who sat their Common Entrance exams in the Summer Term 2025 performed very well. 97.5% of all grades were A* to C grades. An impressive 66% of the overall grades were graded as either A* or A, an increase of 15% compared to the previous year.

These results were the strongest set of results for our Year 8 cohorts since 2012, with the average grade sitting above a B grade.

The overall average grades for all subjects increased compared to the previous year, apart from Theology, Philosophy and Religion which remained broadly the same. Some pupils sat the HSK examination in Mandarin. They performed very well with 100% pass rate for the HSK1 exam. The following awards were given to our pupils at their Senior Schools:

- 7 Academic Scholarships
- 2 Sports Scholarships
- 3 Music Scholarships
- 1 Art Scholorship
- 2 Academic Exhibitions
- 5 Headmaster's Awards
- The Oundle Scholarship
- 1 Sailing Scholarship

CAT 4 testing and other standardised testing continued across the Prep department, to provide yearly data to help us to understand the children's learning profiles as effectively as possible, along with our other formative and summative assessments.

Financial review and reserves policy

The School's principal source of funding is from fee income.

As reported in the statement of financial activities, the School's net deficit for the year was £668,894 (2024: £424,749) with an EBITDA deficit of £272,884 (2024: £48,148). This is after the VAT support package of £447,330, detailed in note 3 of the accounts. This support package is being unwound over the next 2.4 years. Despite the Government's introduction of VAT, pupil numbers remain strong.

The cash balance as at 31 July 2025 was £1,149,107 and School has an overdraft facility of £500k that has not been utilised during the year. It should be noted that the cash position includes fees in advance as detailed in note 12. The school has no borrowing following the early repayment of finance in the year ended 31 July 2023. The Trustees remain committed to investing in the fabric of the school. In the last year £336,984 was invested in capital items.

The School remains strong and the Trustees have considered the principal risks and uncertainties, in particular the challenges posed by the current economic and political climate. The Trustees consider that the School's financial position and the good relationship with the School's bank mean it remains appropriate to prepare the financial statements on a going concern basis (Note 2.2 to the Financial Statements refers).

Detailed and advanced planning for the potential introduction of VAT means that the School has been able to implement a generous support package for parents in response to the introduction of VAT from 1 January 2025. This initiative was designed to ease the financial impact on families and ensure continued access to education during a period of significant change.

The policy of the Trustees is to maintain reserves at a level that is sufficient to enable the School to continue to operate as a going concern for the foreseeable future. At the present time the reserves, amounting to £7,800,696 (2024: £8,469,590) are fully invested in the fabric of the School. Restricted funds at year end totalled £2,119 (2024: £20,000). All other funds are held in General and Designated funds. Free reserves, being total unrestricted funds less those which are invested in fixed assets, totalled £239,606 (2024: £758,763). Capitalised expenditure on the School's premises and equipment was initially financed by a secured loan facility but more recently this facility has been cleared.

The Trust is not empowered to deliver any surplus by way of a dividend, bonus or other method to its members.

Objectives and Plans

The School welcomed Mr Tiley-Nunn as its Head at the beginning of this academic year which in turn has seen exciting successes and changes, not least Town Close earning a Significant Strength in its most recent ISI Inspection.

Town Close meet all the standards required and as mentioned above, received the rare accolade of 'a significant strength' for the School's commitment to ensuring that the values of 'The Town Close Way' have a positive and tangible impact on the school community. The Inspectors reflected that 'Pupils show a genuine love of learning. They are curious, reflective and eager to contribute' and found that 'Pupils demonstrate a well-developed moral compass'. Something, which for Town Close is at the heart of a first-class Prep School education.

Significant strength
'Leaders and governors share a commitment to the school's aims and strategic development. They embed the school's values, expressed through 'The Town Close Way', across all aspects of school life. This ethos, centred on pupils' academic ambition, personal growth, mutual respect and wellbeing guides daily interactions.'

Vision, Mission & Values

Vision: Our North Star
To become a beacon for education for 3-13 year olds, which enables all our pupils to shine and guides them towards their brightest future.

Mission: Our Quest
To make the most out of every moment in guiding our children to not only become great pupils, but more importantly great people.

Values: The Town Close Way
These values act as a signpost for both children and adults across all their endeavours at School.

Our aim at Town Close is that everyone
Cares for our School and wider community
Acts positively, honestly and with ambition
Respects themselves and others
Enjoys and celebrates learning
Supports others to be their best

Investment power

The Trustees are empowered to invest funds in a manner appropriate to the financial requirements of the School, having regard to the security of any investments made and the requirements of the Charity Commissioners' order. The only investment held by the School has provided capital funding to the Central Norwich Hockey Consortium, a registered charity of which it is a member. The funding is recognised as a programme related investment and assisted with the construction of an AstroTurf hockey pitch which is available to the School and for community use (see note 9).

Asset cover for funds

The Trustees are satisfied that on a fund-by-fund basis the assets are sufficient to fulfil all the School's current obligations.

Systems review and risk management

The Trustees' Risk Management Policy and accompanying risk register are monitored by a working group comprising a number of Trustees and the School's Bursar. The work of this group is grounded in the operational aspects of the School, but it also has an important strategic role in reviewing higher level issues such as the educational, economic, legal and political context in which the School operates, and thereby helps to inform the Trustees' strategic planning and decision-making. The Risk Management Working Group reports at least annually to the Trustees. This committee in turn seeks specific advice and guidance on systems matters from the appointed auditor or from other professional advisers when required.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

Statement of Trustees' responsibilities

The Trustees (who are also directors of Town Close House Educational Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

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

In so far as each of the Trustees is aware:

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

Auditor

Larking Gowen have been appointed as auditor in accordance with s485 (4) of the Companies Act 2006.

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

.....

Ms H R Ripman
Chair of Trustees
Date: **13 March 2026**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE EDUCATIONAL TRUST LIMITED

Opinion

We have audited the financial statements of Town Close Educational Trust Limited (the 'charitable company') for the year ended 31 July 2025 which comprise the Statement of financial activities, the Balance sheet, the 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 charitable company's affairs as at 31 July 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 Auditors' 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 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE EDUCATIONAL TRUST LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any 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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE EDUCATIONAL TRUST LIMITED (CONTINUED)

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.

Auditors' 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 Auditors' 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:

Due to the field in which the company operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with safeguarding regulations, the Charity Commission and the Companies Act 2006. In addition, we considered the provisions of other laws and regulations which, whilst not having a direct impact on the financial statements, are fundamental to the company's ability to operate including health and safety; employment law, and compliance with various other regulations relevant to the conduct of the company's operations running a school.

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations, accidents in the school, potential litigation or claims and fraud;
- Enquiries with management about any known instances of health and safety breaches, safeguarding issues or GDPR breaches.
- Review of legal and professional fees to confirm matters where the company engaged lawyers during the year;
- Review of financial statement disclosures, and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Review of board minutes and any relevant correspondence with external authorities;
- Challenging assumptions and judgments made by management in their significant accounting estimates;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale of any significant transactions outside the normal course of business.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Larking Gowen LLP

J Grimmer FCA DChA (Senior statutory auditor)
for and on behalf of
Larking Gowen LLP
Statutory Auditors
Norwich
1st Floor Prospect House
Rouen Road
Norwich
Norfolk
NR1 1RE

Date: 27 March 2026

TOWN CLOSE EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income from:					
Charitable activities:					
School fees		**5,826,407**	**-**	**5,826,407**	*6,030,156*
School trips		**78,939**	**-**	**78,939**	*92,337*
Holiday activities		**96,581**	**-**	**96,581**	*89,717*
Income from other activities	4	**245,947**	**-**	**245,947**	*246,318*
Total income		**6,247,874**	**-**	**6,247,874**	*6,458,528*
Expenditure on:					
Costs of generating funds					
Fundraising and publicity		**66,857**	**-**	**66,857**	*72,165*
Charitable activities:					
School expenses		**6,193,030**	**-**	**6,193,030**	*6,175,394*
School trips		**98,830**	**-**	**98,830**	*104,693*
Repairs, renewals and grounds		**336,287**	**-**	**336,287**	*298,700*
Interest payable		**48,746**	**-**	**48,746**	*45,783*
Other support cost - governance		**173,018**	**-**	**173,018**	*186,542*
Total expenditure		**6,916,768**	**-**	**6,916,768**	*6,883,277*
Net expenditure		**(668,894)**	**-**	**(668,894)**	*(424,749)*
Transfers between funds	14	**17,881**	**(17,881)**	**-**	*-*
Net income		**(651,013)**	**(17,881)**	**(668,894)**	*(424,749)*
Reconciliation of funds:					
Total funds brought forward		**8,449,590**	**20,000**	**8,469,590**	*8,894,339*
Net movement in funds		**(651,013)**	**(17,881)**	**(668,894)**	*(424,749)*
Total funds carried forward		**7,798,577**	**2,119**	**7,800,696**	*8,469,590*

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 33 form part of these financial statements.

TOWN CLOSE EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 00940118

BALANCE SHEET
AS AT 31 JULY 2025

	Note		2025 £		*2024 £*
Fixed assets					
Investments	9		**25,000**		*50,000*
Tangible assets	10		**7,533,971**		*7,640,827*
			7,558,971		*7,690,827*
Current assets					
Debtors	11	**386,732**		*171,707*	
Cash at bank and in hand		**1,149,107**		*2,180,228*	
		1,535,839		*2,351,935*	
Current liabilities					
Creditors: amounts falling due within one year	12	**(1,045,973)**		*(1,173,333)*	
Net current assets			**489,866**		*1,178,602*
Total assets less current liabilities			**8,048,837**		*8,869,429*
Creditors: amounts falling due after more than one year	13		**(248,141)**		*(399,839)*
Total net assets			**7,800,696**		*8,469,590*
Charity funds					
Restricted funds	14		**2,119**		*20,000*
Unrestricted funds	14		**7,798,577**		*8,449,590*
Total funds			**7,800,696**		*8,469,590*

The Trustees 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 Trustees and signed on their behalf by:

Ms H R Ripman
Trustee
Date: 13 March 2026

Ms I Webster
Trustee

The notes on pages 18 to 33 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	16	**(694,137)**	*602,805*
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		**-**	*4,035*
Purchase of tangible fixed assets		**(336,984)**	*(303,936)*
Net cash used in investing activities		**(336,984)**	**(299,901)**
Cash flows from financing activities			
Net cash provided by financing activities		**-**	**-**
Change in cash and cash equivalents in the year		**(1,031,121)**	**302,904**
Cash and cash equivalents at the beginning of the year		**2,180,228**	*1,877,324*
Cash and cash equivalents at the end of the year	17	**1,149,107**	*2,180,228*

The notes on pages 18 to 33 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

1. General information

Town Close Educational Trust Limited is a charitable company limited by guarantee, charity number 311293 and company number 00940118. The registered office is Town Close Educational Trust Limited, 14 Ipswich Road, Norwich, NR2 2LR.

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.

Town Close Educational Trust Limited 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.

2.2 Going concern

The Trustees have considered the principal risks and uncertainties affecting the School, in particular the challenges posed by the current economic climate, including changes to employment related taxation, business rates relief, the cost of living and the impact that the recently introduced VAT on private school fees might have on future pupil numbers.

The Trustees consider that the School's strong financial position in both cash and reserves, and the good relationship with the School's bank mean it remains appropriate to prepare the financial statements on a going concern basis.

2.3 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.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 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.

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the company 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 company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Investments

The School has provided capital funding to The Central Norwich Hockey Consortium (a registered charity). Funding has assisted with construction of artificial turf hockey pitches and associated facilities, which are available for school and community use. The funding is recognised as a programme related investment stated at cost less amortisation. The investment is being amortised by way of an annual grant to The Central Norwich Hockey Consortium on a straight line basis over 15 years, the period during which the school expects to utilise the facilities.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold land	- Not depreciated
Freehold buildings	- 20 to 50 years
Motor vehicles	- 5 years
Furniture, fittings and equipment	- 10 years
Computer equipment	- 3 years
Assets in course of construction	- Not depreciated during the period of construction

2.7 Debtors

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

2. Accounting policies (continued)

2.8 Cash at bank and in hand

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

2.9 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 Statement of financial activities as a finance cost.

2.10 Financial instruments

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

2.11 Operating leases

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

2.12 Pensions

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ("TPS"). This is a defined benefit scheme.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

2. Accounting policies (continued)

2.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company 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.

3. School fees

	2025 £	*2024* *£*
Gross Fees	**6,359,494**	*6,573,194*
Bursaries and remissions	**(533,087)**	*(543,038)*
	5,826,407	*6,030,156*

During the financial year ended 31 July 2025, the School implemented a generous support package for parents in response to the introduction of VAT on school fees. This initiative was designed to ease the financial impact on families and ensure continued access to education during a period of significant change.

As part of this support, the School provided a discount on fees equivalent to 75% of the total VAT that would otherwise have been charged. This measure resulted in a reduction in gross fee income for the year of £447,330. The decision to offer this support reflects the School's commitment to its community and its ongoing efforts to remain accessible and supportive to families during times of financial adjustment.

4. Income from other activities

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Swimming pool income	32,188	**32,188**	*43,443*
Other hirings	37,304	**37,304**	*31,664*
After School care income	90,168	**90,168**	*82,828*
Other income	79,241	**79,241**	*76,111*
Fundraising	6,591	**6,591**	*12,097*
Music lessons	455	**455**	*175*
	245,947	**245,947**	*246,318*
	246,318	*246,318*	

5. School Expenses

	2025 £	*2024 £*
Teaching staff costs	**3,703,929**	*3,428,852*
Domestic and grounds staff costs	**587,376**	*539,418*
Housekeeping and provisions	**480,280**	*514,035*
Depreciation	**370,987**	*351,601*
Amortisation	**25,000**	*25,000*
Irrecoverable VAT	**(39,781)**	-
Loss on disposal of assets in the course of construction	-	*216,191*
Teaching materials and other school expenses	**358,209**	*492,146*
General support costs - staff costs	**487,189**	*449,964*
- other	**219,841**	*158,187*
	6,193,030	*6,175,394*

The loss on disposal of assets in the course of construction in the prior year represents the writing off of previously-capitalised planning and other works no longer deemed recoverable due to changes made to the designs and plans for the asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

6. Governance costs

	2025 £	2024 £
Staff costs	**48,184**	*44,502*
Audit fees	**15,540**	*14,800*
Professional fees	**84,867**	*109,664*
General office expenses	**24,427**	*17,576*
	173,018	*186,542*

10% of general office expenses are allocated to governance. Staff costs are allocated on the basis of estimated time spent, being 9% allocated to governance.

7. Auditors' remuneration

	2025 £	2024 £
Fees payable to the company's auditor for the audit of the company's annual accounts	**15,550**	*14,800*
Fees payable to the company's auditor in respect of:		
All taxation advisory services not included above	**5,200**	*12,260*
All assurance services not included above	**685**	*650*
All non-audit services not included above	**15,700**	*5,135*

8. Staff costs

	2025 £	2024 £
Wages and salaries	**3,748,782**	*3,552,945*
Social security costs	**377,224**	*304,837*
Contribution to pension schemes	**700,672**	*604,953*
	4,826,678	*4,462,735*

8. Staff costs (continued)

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

	2025 No.	2024 No.
Average no. of employees	130	129

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

	2025 No.	2024 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	1	-
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-

Employers' pension contributions in respect of the above employees was as follows:

	2025 £	2024 £
In the band £60,001 - £70,000	18,079	-
In the band £70,001 - £80,000	40,710	44,290
In the band £80,001 - £90,000	9,730	-
In the band £100,001 - £110,000	-	24,905
In the band £110,001 - £120,000	28,919	-

The key management personnel comprise trustees, who are unpaid, together with the Headmaster and the Bursar. The total employee remuneration (including employers' national insurance costs) of the key management personnel was £256,081 (2024: £237,173).

Included within the above staff costs are termination payments made to one former member of staff totalling £30,000 (2024: £36,894).

9. Investments

	Programme Related Investments £
Cost	
At 1 August 2024	**375,000**
At 31 July 2025	**375,000**
Amortisation	
At 1 August 2024	**325,000**
Charge for the year	**25,000**
At 31 July 2025	**350,000**
Net book value	
At 31 July 2025	**25,000**
At 31 July 2024	*50,000*

The School provided capital funding to The Central Norwich Hockey Consortium (a registered charity). The funding assisted with the construction of artificial turf hockey pitches and associated facilities, which are available for school and community use. The funding is recognised as a programme related investment and stated at cost less amortisation. The investment is being amortised by way of an annual grant to The Central Norwich Hockey Consortium on a straight line basis over 15 years, the period during which the School expects to utilise the facilities.

10. Tangible fixed assets

	Freehold property £	Motor Vehicles £	Furniture, fittings and equipment £	Assets in the course of construction £	Total £
Cost or valuation					
At 1 August 2024	**11,740,375**	**201,742**	**2,283,891**	**245,287**	**14,471,295**
Additions	**87,926**	**-**	**207,605**	**41,453**	**336,984**
Disposals	**-**	**(15,265)**	**(983,798)**	**-**	**(999,063)**
Other adjustments	**(72,830)**	**-**	**-**	**-**	**(72,830)**
At 31 July 2025	**11,755,471**	**186,477**	**1,507,698**	**286,740**	**13,736,386**
Depreciation					
At 1 August 2024	**4,757,038**	**185,609**	**1,887,821**	**-**	**6,830,468**
Charge for the year	**217,376**	**12,235**	**141,399**	**-**	**371,010**
On disposals	**-**	**(15,265)**	**(983,798)**	**-**	**(999,063)**
At 31 July 2025	**4,974,414**	**182,579**	**1,045,422**	**-**	**6,202,415**
Net book value					
At 31 July 2025	**6,781,057**	**3,898**	**462,276**	**286,740**	**7,533,971**
At 31 July 2024	*6,983,337*	*16,133*	*396,070*	*245,287*	*7,640,827*

The adjustments to the cost of freehold property relates to input VAT incurred prior to VAT registration, previously treated as irrecoverable, which is now recoverable under the Capital Goods Scheme.

The disposals reported in the year reflect an exercise carried out by management to remove from fixed assets any old assets held at £nil value which had since been replaced.

Included in the net book value of property displayed above are the following amounts ascribable to land:

	2025 £	*2024 £*
Land	**1,925,062**	*1,925,062*
Buildings	**4,910,944**	*5,058,275*
	6,836,006	*6,983,337*

11. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	**71,169**	*80,847*
Other debtors	**72,830**	*850*
Prepayments and accrued income	**242,733**	*90,010*
	386,732	*171,707*

12. Creditors: Amounts falling due within one year

	2025 £	2024 £
Fee deposits	**21,400**	*25,500*
Trade creditors	**200,429**	*53,716*
Other taxation and social security	**105,188**	*77,191*
Fees in advance	**472,741**	*793,247*
Other creditors	**68,076**	*74,295*
Accruals and deferred income	**178,139**	*149,384*
	1,045,973	*1,173,333*

	2025 £	2024 £
Deferred income at 1 August 2024	**1,054,672**	*505,979*
Resources deferred during the year	**640,578**	*1,054,672*
Amounts released from previous periods	**(1,054,672)**	*(505,979)*
	640,578	*1,054,672*

Deferred income is included within the fees in advance and accruals and deferred income categories of creditors.

13. Creditors: Amounts falling due after more than one year

	2025 £	*2024 £*
Fee deposits	**144,339**	*152,439*
Fees in advance	**103,802**	*247,400*
	248,141	*399,839*

14. Statement of funds

Statement of funds - current year

	Balance at 1 August 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2025 £
Unrestricted funds					
Designated Funds	**89,054**	**-**	**-**	**-**	**89,054**
General funds	**8,360,536**	**6,247,874**	**(6,916,768)**	**17,881**	**7,709,523**
Total Unrestricted funds	**8,449,590**	**6,247,874**	**(6,916,768)**	**17,881**	**7,798,577**
Restricted funds					
Chakravarty donation	**20,000**	**-**	**-**	**(17,881)**	**2,119**
Total of funds	**8,469,590**	**6,247,874**	**(6,916,768)**	**-**	**7,800,696**

Following a receipt of £84,263 in 2013 the Governors decided to designate these funds for use in future capital projects, which will recognise the contribution of the Timothy Alston Foundation. In 2021 other donations of £4,791 were transferred into this fund by the Trustees. The Governors plan to release this balance in 2025/26 when various capital projects are completed.

The Chakravarty donation fund represents a donation, plus associated gift aid receivable, made to the Charity towards the fitting out of a new science lab. The transfer of £17,881 to unrestricted funds represents amounts spent on the science lab and capitalised during the year ended 31 July 2025. The remaining balance has been spent and capitalised after year end.

14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2023 £	*Income* £	*Expenditure* £	*Balance at 31 July 2024* £
Unrestricted funds				
Designated Funds	*89,054*	-	-	*89,054*
General funds	*8,785,285*	*6,458,528*	*(6,883,277)*	*8,360,536*
Total Unrestricted funds	*8,874,339*	*6,458,528*	*(6,883,277)*	*8,449,590*
Restricted funds				
Chakravarty donation	*20,000*	-	-	*20,000*
Total of funds	*8,894,339*	*6,458,528*	*(6,883,277)*	*8,469,590*

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	7,533,971	-	**7,533,971**
Investments	25,000	-	**25,000**
Current assets	1,533,720	2,119	**1,535,839**
Creditors due within one year	(1,045,973)	-	**(1,045,973)**
Creditors due in more than one year	(248,141)	-	**(248,141)**
Total	7,798,577	2,119	**7,800,696**

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	*Restricted funds 2024 £*	*Total funds 2024 £*
Tangible fixed assets	*7,640,827*	-	*7,640,827*
Investments	*50,000*	-	*50,000*
Current assets	*2,331,935*	*20,000*	*2,351,935*
Creditors due within one year	*(1,173,333)*	-	*(1,173,333)*
Creditors due in more than one year	*(399,839)*	-	*(399,839)*
Total	*8,449,590*	*20,000*	*8,469,590*

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net expenditure for the period (as per Statement of Financial Activities)	**(668,894)**	*(424,749)*
Adjustments for:		
Depreciation charges	**371,010**	*351,601*
Amortisation charges	**25,000**	*25,000*
Loss on disposal of assets in the course of construction	**-**	*216,191*
Profit on the sale of fixed assets	**-**	*(3,915)*
Increase in debtors	**(142,195)**	*(47,194)*
(Decrease)/increase in creditors	**(279,058)**	*485,871*
Net cash provided by/(used in) operating activities	**(694,137)**	*602,805*

17. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	**1,149,107**	*2,180,228*
Total cash and cash equivalents	**1,149,107**	*2,180,228*

18. Analysis of changes in net debt

	At 1 August 2024 £	Cash flows £	At 31 July 2025 £
Cash at bank and in hand	**2,180,228**	**(1,031,121)**	**1,149,107**
	2,180,228	**(1,031,121)**	**1,149,107**

19. Pension commitments

The School participates in the Teachers' Pension Scheme ("the TPS") for teaching staff. The pension charge for the year includes contributions payable to the TPS of £601,199 (2024: £510,596) and at the year-end £64,902 (2024: £60,926) was accrued in respect of contributions to this scheme.

The School also operates a defined contribution scheme for non-teaching staff. The total cost of this for the year was £99,473 (2024: £94,357) and at the year-end £Nil (2024: £10,495) was accrued in respect of contributions to this scheme.

Teachers' Pension Scheme

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest valuation of the Teachers' Pension Scheme was carried out as at 31 March 2020. The valuation was published by the Department for Education on 26 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates previously set at 23.68% of pensionable pay (including a 0.08% administration levy) increased by 5% on 1 April 2024.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The valuation result was implemented from 1 April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme. The School has set out above the information available on the scheme.

20. Operating lease commitments

At 31 July 2025 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Operating leases which expire		
Not later than 1 year	**8,000**	*30,834*
Later than 1 year and not later than 5 years	**52,563**	*100,544*
Later than 5 years	**131,856**	*91,875*
	192,419	*223,253*

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2025 £	2024 £
Operating lease rentals	**30,834**	*28,240*

21. Related party transactions

Two trustees had expenses reimbursed by the School during the year totalling £244 (2024: four trustees totalling £1,323). During the year, no Trustees received any remuneration or other benefits (2024: £Nil).

The Company is a founding co-member of the Central Norwich Hockey Consortium Limited, a registered charity. The School's funding is recognised as a programme related investment. The School hires the hockey pitch operated by the consortium and during the year fees totalling £8,350 (2024: £8,050) were payable. In addition, income of £3,834 (2024: £4,234) was received from the Central Norwich Hockey Consortium in respect of staff costs. The School currently expects to use the facilities for a period of 15 years and is amortising the original investment by way of annual grant to the consortium. A grant, in the form of amortisation of the programme related investment, of £25,000 was made to the consortium (2024: £25,000).

In the prior year, a senior member of staff rented school property as living accommodation. The rental income for the prior year relating to this was £9,800. There are no such transactions this year.

A close family member of a trustee was engaged by the school on a voluntary basis during the prior year and had associated expenses reimbursed by the School in the prior year totalling £527. There are no such transactions this year.

During the year, the School purchased goods and services totalling £4,416 (2024: £2,617) from a business owned by close family of the School's bursar.

Town Close Educational Trust Ltd

England & Wales - Charity number 311293

Accounts

Registered number: 00940118
Charity number: 311293

TOWN CLOSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

TOWN CLOSE EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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TOWN CLOSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2024

Trustees	Ms S J Anthony Dr S A Patel Mr D Costello Mr A M A Fennell Mr M M Graham Ms J L North Ms F V Fenton-Stone Ms H R Ripman Ms I Webster (appointed 1 September 2023) Ms G Hordern (appointed 10 June 2024) Prof Gerard Parr (appointed 22 January 2024) Mr S I George (appointed 13 September 2024)
Company registered number	00940118
Charity registered number	311293
Registered office	Town Close Educational Trust Limited 14 Ipswich Road Norwich NR2 2LR
Company secretary	Mrs K D Artherton
Independent auditors	Larking Gowen LLP Statutory Auditors 1st Floor Prospect House Rouen Road Norwich Norfolk NR1 1RE
Bankers	Handelsbanken Suite B 1 Prince of Wales Road Norwich NR1 1BD
Solicitors	Leathes Prior 74 The Close Norwich Norfolk NR1 4DR
Headmaster	Mr C Wilson (resigned 31 August 2024) Mr N Tiley-Nunn (appointed 1 September 2024)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2024

The Trustees present their report and audited financial statements for the year ended 31 July 2024 which comply with the requirements of the Charities Acts 2011, with other current statutory requirements and with the requirements of the charity's governing document. The Trustees have adopted the provisions of the 2019 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" in preparing the annual report and financial statements of the charity.

Principal activity and status

Town Close is an independent preparatory school, established in 1932 and, as Town Close House Educational Trust Limited, providing day education for girls and boys between the ages of 2 and 14. The Trust is a company limited by guarantee (company number 940118), incorporated upon trusts set out in the scheme of the Charity Commission dated 7 October 1968 (registered charity number 311293). Since 2012, the School has no longer used the word 'House' in its branding. With a change to the articles required for the reason outlined below, Trustees took the opportunity to also remove the word 'House' from the name of the Trust with effect from 8 July 2021.

Mission and objectives of the School

The Trust is governed by its Memorandum and Articles of Association. These were last amended on 20 June 2021 in order to remove the right of the Norwich Town Close Estate Charity to 'require the appointment of up to three persons as Governors'. The Charity had previously owned the site on which the School is housed but, following the purchase of the site by the Trust in 2016, this clause was no longer relevant. The articles were previously amended on 9 September 2011 in order to change the format to that specified by the Companies Act 2006 and to allow for more up-to-date working practices such as the use of electronic communications. The 2011 amendment also enabled the Trust to revise its primary objects from being "to acquire and carry on in the United Kingdom any boarding or day school or schools for the education of either sex or both sexes", specifying particularly Town Close House Preparatory School, Norwich, to "for the public benefit to advance education of young people (under the age of 21) through the provision, support, conduct and maintenance of a day and/or boarding school or schools and such other ancillary educational activities and other associated activities for the benefit of the community." In furtherance of these objects, Town Close aims, by the education of all its pupils, to develop an awareness of their full potential and encourage them to strive to attain this potential. It expects to equip them with the intellectual, emotional and physical attributes, as well as moral and spiritual values, that they need to live their lives fruitfully.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

Structure, Governance and Management

The Trustees are the Governors of the School and Directors of the Company. (The single term 'Trustee(s)' is used in this annual report in describing the discharging of their various duties.)

The Trustees who served during the year ended 31 July 2024 were as follows:

Mrs SJ Anthony * (Chair)
Mrs K D Artherton – (Secretary)
Mr D Costello
Mr A Fennell *
Mrs F Fenton-Stone
Mr M Graham *
Mrs G Hordern (appointed 10 June 2024)
Dr S Kaushal (resigned 25 February 2025)
Mrs L North
Prof. G Parr (appointed 22 January 2024)
Dr S Patel
Mr A Possener * (resigned 31 July 2024)
Mrs Ruth Ripman
Mrs I Webster * (appointed 1 September 2023)

(*indicates membership of the Finance & General Purposes Committee during the year ended 31 July 2024.)

Trustees retire from office by rotation and are eligible for re-appointment in accordance with the Articles of Association. Appointments to vacancies arising during the year are made by the Trustees on the recommendations of the Nominations Committee. The functions of this Committee include reviewing the composition of the Governing Body and its sub-committees, overseeing succession planning and members' induction, and training and development. Trustees receive at least termly reports from the Head on the work of the School, supplemented by monthly management accounts and briefing materials circulated by the Bursar (who is also Clerk to the Governors).

Governing body meetings are often preceded by information sessions from staff on aspects of the School's academic and other activities. Trustees liaise with staff by attendance at School events and activities, and individual Governors attend occasional national and/or local training and information seminars and workshops. In addition to this, one Trustee is appointed to be a Liaison Governor and comes into School regularly to meet with different members of staff. Staff may ask to attend one of these sessions or are selected in rotation by one of the Deputy Heads. The Liaison Governor reports back to Trustees annually or more regularly if required.

The Trustees, meeting formally as the Governing Body at least three times a year and, guided by the Finance and General Purposes, Education, Salaries, and Nominations Committees, determine the general strategy and policy of the School, review its overall management and control, and oversee regulatory compliance in accordance with the terms of its registration with the Department for Education. The day-to-day affairs of the School are run by the Head, with the support of a Senior Management Team, and by the Bursar – a key member of that team.

Whilst the Trustees operate in accordance with the Articles of Association they are supported and guided by the recently adopted Governance Manual which defines the terms of reference for each committee and powers of delegation.

Key Management Personnel – Pay policy for senior staff

Key management personnel are considered to be the board of directors, who are also Trustees, the Head and the Bursar who, collectively, are in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 21 to the accounts.

The pay of the Head and Bursar is increased annually in line with any general increase given to teaching staff as agreed by the Governing Body. Their pay is also benchmarked against other Heads and Bursars in similar schools and is reviewed to consider whether it continues to be appropriate in the light of this and of:
(a) performance;
(b) any changes in individual responsibilities or functions;
(c) structural changes in the School;
(d) relative salaries of others on the Leadership scale or those on the main scale;
(e) any other elements agreed by the Committee to be relevant.

In the absence of any significant grounds, under any of these headings, for increasing the fixed salary, the expectation is that their salary will remain at the fixed point.

Public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken. An annual review of this is conducted and the Trust continues to review its activities regularly to ensure public benefit is a consideration in all decisions. To this end, public benefit is a regular agenda item for meetings of the SMT, Heads of Department have public benefit as a reporting criteria, and it is regularly discussed at common room meetings.

The provision of education to a large number of pupils remains the Trust's core charitable purpose and activity and its fundamental contribution to public benefit. In a practice which accords with principles set out in the Charity Commission's general guidance on public benefit, Town Close has for some years provided bursary assistance to the parents of a number of pupils who are unable to pay the full fees and has a means-tested framework for providing such assistance. This has been applied in respect of pupils already in the School and to new admissions. Recipients of bursary awards are spread throughout the School, and from the twenty pupils in receipt of financial support this year, thirteen received a remission of 50% or more with eight pupils receiving at least 75% fees remission and five receiving 100% remission.

More broadly, the Trust provides public benefit by opening the School's sports and other facilities to outside users, including school-age children, some usage being without charge.

Access to the School library continues to be given free of charge to The Norfolk Reading Project (TNRP) for use to train volunteers to go into primary schools to support children's reading. TNRP had previously used the Norfolk and Norwich Millennium Library for their training sessions but, like many other public buildings, this was closed for an extended period due to the pandemic.Not only did Town Close provide alternative accommodation but doing so free of charge meant TNRP could use its limited resources on other aspects of their work. This work continues to grow with TNRP being invited to all public school events to publicise the excellent work that they do. Since their inception in 2015, the TNRP have trained over 500 volunteers who now read with children in primary schools across Norfolk.

Public benefit (continued)

The School is part of a hockey consortium formed with a local sports club (Norwich Dragons Hockey Club) and what was a local maintained sector school (The Hewett School). While The Hewett School no longer exists, Town Close's substantial contribution to the development is enabling its successor school (The Hewett Academy), while not a member of the Consortium, to extend hockey provision to pupils for whom there was previously no opportunity. It also enables the partner hockey club to run free coaching sessions introducing the sport to local children. Other local schools can hire the pitch at a reduced hourly rate.

The Hockey Consortium also sublets land free of charge to another independent school on which a second Astroturf has been constructed. One of the conditions associated with the sub-lease was that this second pitch must be made available for community use in the evenings and at weekends.

Other activities through which Town Close has provided public benefit consistent with its aims and objectives have included: the provision of five free places to the School's summer holiday club for children from a local school in receipt of pupil premium; free use of the School swimming pool for a local maintained school for children with complex needs; the free use of the main sports field for maintained school events e.g. sports days and donating books to other schools.

The School has also been instrumental in supporting maintained schools across Norfolk to introduce the use of Goblin electric go-karts. The cars come in kit form which children between the ages of 9 to 11 are able to build and race. The project aims to inspire children to take an interest in engineering in a fun and innovative way. The Head of DT helped source funding to support the initial cost of the kits and then provided training sessions to share learning and to give instruction in how to introduce the project in their schools. He went on to find a suitable venue for a Norfolk-based racing event and coordinated a group of sponsors. 18 schools took 25 cars to the event, along with an average of 6 pupils per car. This would not have happened without Town Close's involvement and without the School agreeing to release the Head of DT to work on this project. Over the last three years, the Head of DT has continued to work with Greenpower and helped to secure grant funding for maintained schools to introduce the category of go-karts for secondary age pupils (F24). He attended several external events and visited other schools to generate interest in this category, as well as holding meetings and twilight sessions at Town Close School. He secured the use of the Lotus test track for the inaugural F24 event in Norfolk held in June 2019 which attracted participants from across the region and further afield. Another F24 heat was held at the Lotus track again in July this year.

This year the Head of DT was instrumental in organising the marshals for the Hethel race, engaging the assistance of the Snetterton Marshals club which meant the Hethel race was able to go ahead for all of the schools and children involved. Support and assistance have also been directly provided to a number of local schools and sixth forms, inviting them to visit Town Close. And Finally, Town Close's Phantom team benefitted greatly from the development of a bespoke heatsink for their car, Town Close then organised the manufacture of a number of these to help other schools.

The Colin Chapman Foundation has contributed annually over the past four years to fund innovation and the replacement of work components for the F24, Phantom Team car.

The School has a minibus fleet which is not used during school holidays, this year two local Scout groups have being making use of the School's minibuses.

The School's charity for this year was Friend Indeed and the School community raised in excess of £10k for this worthy cause. The School community also thoroughly enjoyed visiting the residents of some of the care homes, writing to them and welcoming them to School for lunches, afternoon teas and some wonderful musical events.

Public benefit (continued)

The School also welcomed 240 2-4 year olds as part of its MiniExplorers programme. Twenty places were offered over six sessions in two terms, allowing local young people to enjoy the School's woodland walk which culminated in a teddy bears' picnic. They were also given the opportunity to have fun in the swimming pool, experience yoga taught by a specialist teacher, as well as turning their hands to being mini music makers and artists with sessions lead by the School's music and art departments.

Twenty iPads were donated to a local sixth form college to support a group of young people with their enterprise studies.

Visiting authors to School saw several local primary schools bring pupils to enjoy the events.

The School's art department participated in GoGo Safari in support of the Break charity. Book donations were made to a new school which opened locally as well as further donations made to Safe International, a charity based in Wymondham and partnered with a transformation charity in Western Kenya. The Wherry School attended the School's Year 6 production of Twelfth Night and finally, our School site was made available for a local charity to carry out search and rescue training for dogs.

Strategic objectives and achievements

The five-year strategic plan, initially presented in February 2023 continues to encapsulate the strategic objectives for the School and the ethos of the School forms the foundations of that plan.

School Ethos - To provide a broad and balanced curriculum, underpinned by academic rigour that develops interested, passionate and morally confident citizens of the future.

The five-year plan provides a roadmap for delivering the School's vision, which is to build on School's reputation as Norwich's finest day co-educational Prep School for children age 2-14. To offer our pupils an unrivalled educational experience with the space to grow.

The strategy developed to deliver the aims of the plan remained active. However, the decision of Mr Wilson, the Head to take up a role overseas at the end of the 23/24 academic year meant that the School was preparing to welcome its new Head, Mr Tiley-Nunn at the start of the 24/25 academic year. With that exciting appointment will come the development of the School's strategy and five-year plan.

During the year the strategic plan based around delivering successful community events included a from-the-heart-day in February which involved local care home residents being in School to enjoy music and craft activities with pupils. A well-attended free menopause event hosted in the Read Hall saw members of the School, local community and alumni come together.

The School continued to invest in its pupils with the establishment of an Education Committee to take delegated responsibility on behalf of the Governing Body to work with pupils, leadership and management to monitor and review the academic and pastoral provision of the School. Ensuring pupils' wellbeing is actively promoted and making recommendations as appropriate to the Governors.

The School successfully obtained allergy awareness accreditation during this year.

Investment in the School estate included significant IT investment which in part enabled Cyber Essentials accreditation to be achieved. This was facilitated in no small way by the introduction of Smoothwall filtering and monitoring on all devices, to help to keep our children safe in their digital lives

Strategic objectives and achievements (continued)

Careful review of the School's utility purchasing was not only financially beneficial but also enabled the School to switch to entirely sustainable energy whilst continuing to work with planning advisors to facilitate the development of solar arrays on site. The Eco-School Green Flag accreditation the School had been working towards was obtained during this year.

The School's staff are central to the delivery of the School's ethos and the successful journey of our pupils through the School. Supporting our staff with an independent counselling service provided off site when they need it has proved invaluable. The introduction of an EDI Lead, along with membership of the Global Equality Collective has produced an action plan for the senior leadership to deliver against.

Whilst the delivery of the aims of the plan, is a priority for the Senior Management Team and Board of Trustees, safeguarding and compliance with Keeping Children Safe in Education remains the overarching priority of the School.

Operational performance

Year 8 pupils who sat their Common Entrance exams in the Summer Term 2024 performed very well. 97% of all grades were A* to C grades. An impressive 51% of the overall grades were graded as either A* or A.

These results were the strongest set of results for our Year 8 cohorts since 2019, with the average grade sitting above a B grade.

Pupils performed stronger overall in History, Theology Politics & Religion, Geography and Spanish when comparing their results to the year group average.

The following awards were given to our pupils at their Senior Schools:

- 8 academic scholarships
- 12 sports scholarships
- 10 Headmaster's awards
- 2 drama scholarships
- 3 music scholarships
- 1 music exhibition
- 1 academic exhibition
- 1 art scholarship
- 2 pupils accepted onto the Talented Athlete Development Programme at Gresham's
- 1 languages scholarship

The School continues to use standardised NFER English and maths exams in KS1 and KS2, alongside other in-house testing, to monitor attainment and progress. These showed that in Year 6, 79% of pupils were working at age-related expectations or above in maths. 94% of pupils were working at age-related expectations or above in reading.

CAT 4 testing continued across the Prep department, to provide yearly data to help us to understand the children's learning profiles as effectively as possible, along with our other formative and summative assessments.

Financial review and reserves policy

The School's principal source of funding is from fee income.

As reported in the statement of financial activities and income and expenditure account later in this Report, the School's net income for the year, before depreciation, amortisation & impairment of tangible fixed assets was £168,043 surplus (2023: £453,026 surplus) and after depreciation, amortisation & impairment of tangible fixed assets was £424,749 loss (2023: £88,367 surplus). It should be noted that the cash position as at 31 July 2024 includes payments for the entirety of the next school year from parents electing to pay in advance.

In the last year £303,936 was invested in capital items. A significant proportion of this was spent on IT hardware.

The loss on disposal of assets in the course of construction reflected in these accounts arises due to a large construction project planned prior to Covid. The need for the space which would have been created by the original project remains. However, having reviewed the existing space within the School a plan to develop underutilised spaces and a smaller new build means that the same space can be achieved with a much smaller ecological impact, in a quicker build time and at a smaller cost. As such the loss on disposal of fixed assets reflects the planning and design work which was carried out on the original project but which will not be required for the new concept.

The School remains strong and the Trustees have considered the principal risks and uncertainties, in particular the challenges posed by the current economic climate. The Trustees have also considered the impact that the change of government and the potential introduction of VAT may have on pupil numbers. The Trustees consider that the School's strong financial position, the surplus and the good relationship with the School's bank mean it remains appropriate to prepare the financial statements on a going concern basis (Note 2.2 to the Financial Statements refers).

Detailed and advanced planning for the potential introduction of VAT means that the School has been able to, through careful financial modelling and forecasting, provide for a phased support package for parents.

The policy of the Trustees is to maintain reserves at a level that is sufficient to enable the School to continue to operate as a going concern for the foreseeable future. At the present time the reserves, amounting to £8,469,590 (2023: £8,894,339), are fully invested in the fabric of the School. Restricted funds at year end totalled £20,000 (2023: £20,000). All other funds are held in General and Designated funds. Free reserves, being total unrestricted funds less those which are invested in fixed assets, totalled £758,763 (2023: £894,536). Capitalised expenditure on the School's premises and equipment was initially financed by the School's secured loan facility but more recently this facility has been cleared, this being possible due to the successful operating performance outlined in this and recent Reports.

The Trust is not empowered to deliver any surplus by way of a dividend, bonus or other method to its members.

Objectives and Plans

Objectives for the next year and the medium term include:

Welcoming Mr Tiley-Nunn and his family to School and all that Town Close offers. This includes embracing his vision for the School:

To become a beacon for education for 3-13 year olds, which enables all of our pupils to shine and guides them towards their brightest future. Making the most out of every moment in guiding our children to not only become great pupils, but more importantly great people.

Objectives and Plans (continued)

Mr Tiley-Nunn will create teams comprising the Senior Leadership Team and Governors to Working with the Senior Leadership Team the new Head will create teams of senior leaders and governors to work towards delivering development plans in ten key areas:

- One School
- Academic
- People
- EYFS
- Co-Curricular
- Pastoral
- EDI
- Sustainability
- Estates
- Community

This vision includes developing underutilised areas of the School to provide an additional science lab, a common room for the Year 8 pupils and the development of a new dining facility.

All this will be done with the values embodied in the Town Close Way. These values act as a signpost for both children and adults across all their endeavours at School.

Cares for our School and wider community
Acts positively, honestly and with ambition
Respects themselves and others
Enjoys and celebrates learning
Supports others to be their best

Investment power

The Trustees are empowered to invest funds in a manner appropriate to the financial requirements of the School, having regard to the security of any investments made and the requirements of the Charity Commissioners' order. The only investment held by the School has provided capital funding to the Central Norwich Hockey Consortium, a registered charity of which it is a member. The funding is recognised as a programme related investment and assisted with the construction of an artificial turf hockey pitch which is available to the School and for community use (see note 9).

Asset cover for funds

The Trustees are satisfied that on a fund-by-fund basis the assets are sufficient to fulfil all the School's current obligations.

Systems review and risk management

The Trustees' Risk Management Policy and accompanying risk register are monitored by a working group comprising a number of Trustees and the School's Bursar. The work of this group is grounded in the operational aspects of the School, but it also has an important strategic role in reviewing higher level issues such as the educational, economic, legal and political context in which the School operates, and thereby helps to inform the Trustees' strategic planning and decision-making. The Risk Management Working Group reports at least annually to the Trustees. This committee in turn seeks specific advice and guidance on systems matters from the appointed auditor or from other professional advisers when required.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

Statement of Trustees' responsibilities

The Trustees (who are also directors of Town Close House Educational Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

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

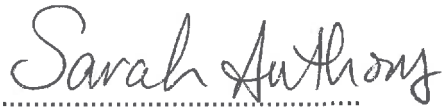
In so far as each of the Trustees is aware:

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

Auditor

Larking Gowen have been appointed as auditor in accordance with s485 (4) of the Companies Act 2006.

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



Ms S J Anthony
Trustee
Date: 14 March 2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE EDUCATIONAL TRUST LIMITED

Opinion

We have audited the financial statements of Town Close Educational Trust Limited (the 'charitable company') for the year ended 31 July 2024 which comprise the Statement of financial activities, the Balance sheet, the 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 charitable company's affairs as at 31 July 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 Auditors' 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 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE EDUCATIONAL TRUST LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any 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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE EDUCATIONAL TRUST LIMITED (CONTINUED)

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.

Auditors' 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 Auditors' 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:

Due to the field in which the company operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with safeguarding regulations, the Charity Commission and the Companies Act 2006. In addition, we considered the provisions of other laws and regulations which, whilst not having a direct impact on the financial statements, are fundamental to the company's ability to operate including health and safety; employment law, and compliance with various other regulations relevant to the conduct of the company's operations running a school.

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations, accidents in the school, potential litigation or claims and fraud;
- Enquiries with management about any known instances of health and safety breaches, safeguarding issues or GDPR breaches.
- Review of legal and professional fees to confirm matters where the company engaged lawyers during the year;
- Review of financial statement disclosures, and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Review of board minutes and any relevant correspondence with external authorities;
- Challenging assumptions and judgments made by management in their significant accounting estimates;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale of any significant transactions outside the normal course of business.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Larking Gowen LLP

J Grimmer FCA DChA (Senior statutory auditor)
for and on behalf of
Larking Gowen LLP
Statutory Auditors
Norwich
1st Floor Prospect House
Rouen Road
Norwich
Norfolk
NR1 1RE

Date: 1 April 2025

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income from:					
Charitable activities:					
School fees		**6,030,156**	**-**	**6,030,156**	*5,903,133*
School trips		**92,337**	**-**	**92,337**	*110,525*
Holiday activities		**89,717**	**-**	**89,717**	*84,603*
Income from other activities	4	**246,318**	**-**	**246,318**	*198,790*
Total income		**6,458,528**	**-**	**6,458,528**	*6,297,051*
Expenditure on:					
Costs of generating funds					
Fundraising and publicity		**72,165**	**-**	**72,165**	*57,088*
Charitable activities:					
School expenses		**6,175,394**	**-**	**6,175,394**	*5,537,005*
School trips		**104,693**	**-**	**104,693**	*125,517*
Repairs, renewals and grounds		**298,700**	**-**	**298,700**	*332,034*
Interest payable		**45,783**	**-**	**45,783**	*32,659*
Other support cost - governance		**186,542**	**-**	**186,542**	*116,757*
Other charitable activities		**-**	**-**	**-**	*7,624*
Total expenditure		**6,883,277**	**-**	**6,883,277**	*6,208,684*
Net income		**(424,749)**	**-**	**(424,749)**	*88,367*
Reconciliation of funds:					
Total funds brought forward		**8,874,339**	**20,000**	**8,894,339**	*8,805,972*
Net movement in funds		**(424,749)**	**-**	**(424,749)**	*88,367*
Total funds carried forward		**8,449,590**	**20,000**	**8,469,590**	*8,894,339*

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 33 form part of these financial statements.

BALANCE SHEET
AS AT 31 JULY 2024

	Note		2024 £		2023 £
Fixed assets					
Investments	9		**50,000**		*75,000*
Tangible assets	10		**7,640,827**		*7,904,803*
			7,690,827		*7,979,803*
Current assets					
Debtors	11	**171,707**		*124,513*	
Cash at bank and in hand	17	**2,180,228**		*1,877,324*	
		2,351,935		*2,001,837*	
Creditors: amounts falling due within one year	12	**(1,173,333)**		*(948,062)*	
Net current assets			**1,178,602**		*1,053,775*
Total assets less current liabilities			**8,869,429**		*9,033,578*
Creditors: amounts falling due after more than one year	13		**(399,839)**		*(139,239)*
Total net assets			**8,469,590**		*8,894,339*
Charity funds					
Restricted funds	14		**20,000**		*20,000*
Unrestricted funds	14		**8,449,590**		*8,874,339*
Total funds			**8,469,590**		*8,894,339*

The Trustees 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 Trustees and signed on their behalf by:

Sarah Anthony
.....
Ms S J Anthony
Trustee
Date: 14 March 2025

.....
Mr M M Graham
Trustee

The notes on pages 18 to 33 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	16	**602,805**	*467,045*
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		**4,035**	-
Purchase of tangible fixed assets		**(303,936)**	*(357,820)*
Net cash used in investing activities		**(299,901)**	*(357,820)*
Cash flows from financing activities			
Repayments of borrowing		**-**	*(687,500)*
Net cash provided by/(used in) financing activities		**-**	*(687,500)*
Change in cash and cash equivalents in the year		**302,904**	*(578,275)*
Cash and cash equivalents at the beginning of the year		**1,877,324**	*2,455,599*
Cash and cash equivalents at the end of the year	17	**2,180,228**	*1,877,324*

The notes on pages 18 to 33 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

1. General information

Town Close Educational Trust Limited is a charitable company limited by guarantee, charity number 311293 and company number 00940118. The registered office is Town Close Educational Trust Limited, 14 Ipswich Road, Norwich, NR2 2LR.

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.

Town Close Educational Trust Limited 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.

2.2 Going concern

The Trustees have considered the principal risks and uncertainties affecting the School, in particular the challenges posed by the current economic climate, the continuing impact of higher energy costs and recent changes to employment related taxation.

The Trustees have also given consideration to the impact that the rising cost of living and the recently introduced VAT on private school fees might have on future pupil numbers.

The Trustees consider that the School's strong financial position, the strong surplus and the good relationship with the School's bank mean it remains appropriate to prepare the financial statements on a going concern basis.

2.3 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.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 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.

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the company 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 company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Investments

The School has provided capital funding to The Central Norwich Hockey Consortium (a registered charity). Funding has assisted with construction of artificial turf hockey pitches and associated facilities, which are available for school and community use. The funding is recognised as a programme related investment stated at cost less amortisation. The investment is being amortised by way of an annual grant to The Central Norwich Hockey Consortium on a straight line basis over 15 years, the period during which the school expects to utilise the facilities.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold land	- Not depreciated
Freehold buildings	- 20 to 50 years
Motor vehicles	- 5 years
Furniture, fittings and equipment	- 10 years
Computer equipment	- 3 years
Assets in course of construction	- Not depreciated during the period of construction

2.7 Debtors

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

2. Accounting policies (continued)

2.8 Cash at bank and in hand

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

2.9 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 Statement of financial activities as a finance cost.

2.10 Financial instruments

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

2.11 Operating leases

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

2.12 Pensions

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ("TPS"). This is a defined benefit scheme.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

2. Accounting policies (continued)

2.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company 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.

3. School fees

	2024 £	*2023* *£*
Gross Fees	**6,573,194**	*6,396,771*
Less: Bursaries and remissions	**(543,038)**	*(493,639)*
	6,030,156	*5,903,132*

4. Income from other activities

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Swimming pool income	43,443	**43,443**	*42,202*
Other hirings	31,664	**31,664**	*27,487*
After School care income	82,828	**82,828**	*82,755*
Other income	76,111	**76,111**	*40,922*
Fundraising	12,097	**12,097**	*4,934*
Music lessons	175	**175**	*490*
	246,318	**246,318**	*198,790*
	198,790	*198,790*	

5. School Expenses

	2024 £	*2023 £*
Teaching staff costs	**3,428,852**	*3,149,393*
Domestic and grounds staff costs	**539,418**	*503,628*
Housekeeping and provisions	**514,035**	*579,139*
Depreciation	**351,601**	*339,659*
Amortisation	**25,000**	*25,000*
Loss on disposal of assets in the course of construction	**216,191**	-
Teaching materials and other school expenses	**492,146**	*367,815*
General support costs - staff costs	**449,964**	*432,663*
- other	**158,187**	*139,708*
	6,175,394	*5,537,005*

The loss on disposal of assets in the course of construction represents the writing off of previously-capitalised planning and other works no longer deemed recoverable due to changes made to the designs and plans for the asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

6. Governance costs

	2024 £	2023 £
Staff costs	**44,502**	*42,791*
Audit fees	**14,800**	*15,013*
Professional fees	**109,664**	*43,430*
General office expenses	**17,576**	*15,523*
	186,542	*116,757*

10% of general office expenses are allocated to governance. Staff costs are allocated on the basis of estimated time spent, being 9% allocated to governance.

7. Auditors' remuneration

	2024 £	2023 £
Fees payable to the company's auditor for the audit of the company's annual accounts	**14,800**	*14,225*
Fees payable to the company's auditor in respect of:		
All taxation advisory services not included above	**12,260**	*500*
All assurance services not included above	**650**	*615*
All non-audit services not included above	**5,135**	*1,010*

8. Staff costs

	2024 £	2023 £
Wages and salaries	**3,552,945**	*3,325,852*
Social security costs	**304,837**	*282,442*
Contribution to pension schemes	**604,953**	*520,181*
	4,462,735	*4,128,475*

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

	2024 No.	2023 No.
Average no. of employees	**129**	*129*

8. Staff costs (continued)

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

	2024 No.	2023 No.
In the band £60,001 - £70,000	-	2
In the band £70,001 - £80,000	3	-
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-

Employers' pension contributions in respect of the above employees was as follows:

	2024 £	2023 £
In the band £60,001 - £70,000	-	30,376
In the band £70,001 - £80,000	44,290	-
In the band £80,001 - £90,000	-	9,523
In the band £90,001 - £100,000	-	21,865
In the band £100,001 - £110,000	24,905	-

The key management personnel comprise trustees, who are unpaid, together with the Headmaster and the Bursar. The total employee remuneration (including employers' national insurance costs) of the key management personnel was £237,173 (2023: £230,445).

Included within the above staff costs are termination payments made to three former members of staff totalling £36,894 (2023: £Nil).

9. Investments

	Programme Related Investments £
Cost	
At 1 August 2023	**375,000**
At 31 July 2024	**375,000**
Amortisation	
At 1 August 2023	**300,000**
Charge for the year	**25,000**
At 31 July 2024	**325,000**
Net book value	
At 31 July 2024	**50,000**
At 31 July 2023	*75,000*

The School provided capital funding to The Central Norwich Hockey Consortium (a registered charity). The funding assisted with the construction of artificial turf hockey pitches and associated facilities, which are available for school and community use. The funding is recognised as a programme related investment and stated at cost less amortisation. The investment is being amortised by way of an annual grant to The Central Norwich Hockey Consortium on a straight line basis over 15 years, the period during which the School expects to utilise the facilities.

10. Tangible fixed assets

	Freehold property £	Motor vehicles £	Furniture, fittings and equipment £	Assets in the course of construction £	Total £
Cost or valuation					
At 1 August 2023	**11,740,375**	**236,220**	**2,027,848**	**480,626**	**14,485,069**
Additions	**-**	**9,900**	**138,814**	**155,222**	**303,936**
Disposals	**-**	**(44,378)**	**(57,141)**	**(216,191)**	**(317,710)**
Transfers between classes	**-**	**-**	**174,370**	**(174,370)**	**-**
At 31 July 2024	**11,740,375**	**201,742**	**2,283,891**	**245,287**	**14,471,295**
Depreciation					
At 1 August 2023	**4,540,697**	**218,121**	**1,821,448**	**-**	**6,580,266**
Charge for the year	**216,341**	**11,866**	**123,394**	**-**	**351,601**
On disposals	**-**	**(44,378)**	**(57,021)**	**-**	**(101,399)**
At 31 July 2024	**4,757,038**	**185,609**	**1,887,821**	**-**	**6,830,468**
Net book value					
At 31 July 2024	**6,983,337**	**16,133**	**396,070**	**245,287**	**7,640,827**
At 31 July 2023	*7,199,678*	*18,099*	*206,400*	*480,626*	*7,904,803*

The disposal of assets in the course of construction represents the writing off of previously-capitalised planning and other works no longer deemed recoverable due to changes made to the designs and plans for the asset.

Included in the net book value of property displayed above are the following amounts ascribable to land:

	2024 £	*2023 £*
Land	**1,925,062**	*1,925,062*
Buildings	**5,058,275**	*5,274,603*
	6,983,337	*7,199,665*

11. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	**80,847**	*39,792*
Other debtors	**850**	*-*
Prepayments and accrued income	**90,010**	*84,721*
	171,707	*124,513*

12. Creditors: Amounts falling due within one year

	2024 £	2023 £
Fee deposits	**25,500**	*22,500*
Trade creditors	**53,716**	*190,758*
Other taxation and social security	**77,191**	*73,015*
Fees in advance	**793,247**	*469,271*
Other creditors	**74,295**	*51,291*
Accruals and deferred income	**149,384**	*141,227*
	1,173,333	*948,062*

	2024 £	2023 £
Deferred income at 1 August 2023	**505,979**	*585,209*
Resources deferred during the year	**1,054,672**	*505,979*
Amounts released from previous periods	**(505,979)**	*(585,209)*
	1,054,672	*505,979*

Deferred income is included within the fees in advance and accruals and deferred income categories of creditors.

13. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Fee deposits	152,439	139,239
Fees in advance	247,400	-
	399,839	139,239

14. Statement of funds

Statement of funds - current year

	Balance at 1 August 2023 £	Income £	Expenditure £	Balance at 31 July 2024 £
Unrestricted funds				
Designated Funds	89,054	-	-	89,054
General funds	8,785,285	6,458,528	(6,883,277)	8,360,536
Total Unrestricted funds	8,874,339	6,458,528	(6,883,277)	8,449,590
Restricted funds				
Chakravarty donation	20,000	-	-	20,000
Total of funds	8,894,339	6,458,528	(6,883,277)	8,469,590

Following a receipt of £84,263 in 2013 the Governors decided to designate these funds for use in future capital projects, which will recognise the contribution of the Timothy Alston Foundation. In 2021 other donations of £4,791 were transferred into this fund by the Trustees.

The Chakravarty donation fund represents a donation, plus associated gift aid receivable, made to the Charity towards the fitting out of a new science lab.

14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2022 £	*Income £*	*Expenditure £*	*Balance at 31 July 2023 £*
Unrestricted funds				
Designated Funds	*89,054*	-	-	*89,054*
General funds	*8,696,918*	*6,297,051*	*(6,208,684)*	*8,785,285*
Total Unrestricted funds	*8,785,972*	*6,297,051*	*(6,208,684)*	*8,874,339*
Restricted funds				
Chakravarty donation	*20,000*	-	-	*20,000*
Total of funds	*8,805,972*	*6,297,051*	*(6,208,684)*	*8,894,339*

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	7,640,827	-	**7,640,827**
Intangible fixed assets	50,000	-	**50,000**
Current assets	2,331,935	20,000	**2,351,935**
Creditors due within one year	(1,173,333)	-	**(1,173,333)**
Creditors due in more than one year	(399,839)	-	**(399,839)**
Total	8,449,590	20,000	**8,469,590**

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	*Restricted funds 2023 £*	*Total funds 2023 £*
Tangible fixed assets	*7,904,803*	-	*7,904,803*
Intangible fixed assets	*75,000*	-	*75,000*
Current assets	*1,981,837*	*20,000*	*2,001,837*
Creditors due within one year	*(948,062)*	-	*(948,062)*
Creditors due in more than one year	*(139,239)*	-	*(139,239)*
Total	*8,874,339*	*20,000*	*8,894,339*

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	**(424,749)**	*88,367*
Adjustments for:		
Depreciation charges	**351,601**	*339,637*
Amortisation charges	**25,000**	*25,000*
Loss on disposal of assets in the course of construction	**216,191**	*-*
(Profit)/loss on the sale of fixed assets	**(3,915)**	*7,624*
(Increase)/decrease in debtors	**(47,194)**	*10,806*
Increase/(decrease) in creditors	**485,871**	*(4,389)*
Net cash provided by operating activities	**602,805**	*467,045*

17. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	**2,180,228**	*1,877,324*
Total cash and cash equivalents	**2,180,228**	*1,877,324*

18. Analysis of changes in net debt

	At 1 August 2023 £	Cash flows £	At 31 July 2024 £
Cash at bank and in hand	**1,877,324**	**302,904**	**2,180,228**
	1,877,324	**302,904**	**2,180,228**

19. Pension commitments

The School participates in the Teachers' Pension Scheme ("the TPS") for teaching staff. The pension charge for the year includes contributions payable to the TPS of £510,596 (2023: £405,876) and at the year-end £60,926 (2023: £47,127) was accrued in respect of contributions to this scheme.

The School also operates a defined contribution scheme for non-teaching staff. The total cost of this for the year was £94,357 (2023: £114,305) and at the year-end £10,495 (2023: £1,457) was accrued in respect of contributions to this scheme.

Teachers' Pension Scheme

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest valuation of the Teachers' Pension Scheme was carried out as at 31 March 2020. The valuation was published by the Department for Education on 26 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates previously set at 23.68% of pensionable pay (including a 0.08% administration levy) increased by 5% on 1 April 2024.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The valuation result was implemented from 1 April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme. The School has set out above the information available on the scheme.

20. Operating lease commitments

At 31 July 2024 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Operating leases which expire		
Not later than 1 year	**30,834**	*10,730*
Later than 1 year and not later than 5 years	**100,544**	*34,270*
Later than 5 years	**91,875**	*99,875*
	223,253	*144,875*

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2024 £	2023 £
Operating lease rentals	**28,240**	*10,730*

21. Related party transactions

Four trustees had expenses reimbursed by the School during the year totalling £1,323 (2023: one trustee totalling £80). During the year, no Trustees received any remuneration or other benefits (2023: £Nil).

The Company is a founding co-member of the Central Norwich Hockey Consortium Limited, a registered charity. The School's funding is recognised as a programme related investment. The School hires the hockey pitch operated by the consortium and during the year fees totalling £8,050 (2023: £9,050) were payable. In additon, income of £4,234 was received from the Central Norwich Hockey Consortium in respect of one-off staff costs (2023: £Nil). The School currently expects to use the facilities for a period of 15 years and is amortising the original investment by way of annual grant to the consortium. A grant, in the form of amortisation of the programme related investment, of £25,000 was made to the consortium (2023: £25,000).

A senior member of staff rents school property as living accommodation. The rental income for the year relating to this was £9,800 (2023: £8,700).

A close family member of a trustee was employed by the school on a temporary basis during the prior year. Total wages payable during the year were £Nil (2023: £380). A close family member of another trustee was engaged by the school on a voluntary basis during the year and had associated expenses reimbursed by the School totalling £527 (2023: £Nil).

During the year, the School purchased goods and services totalling £2,617 (2023: £3,239) from a business owned by close family of the School's bursar.

Town Close Educational Trust Ltd

England & Wales - Charity number 311293

Accounts

Registered number: 00940118
Charity number: 311293

TOWN CLOSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

TOWN CLOSE EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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TOWN CLOSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2023

Trustees	Ms S J Anthony Dr S A Patel Mr D Costello Mr A M A Fennell Mr A J Fish (resigned 29 August 2023) Mr M M Graham Ms J L North Dr S Kaushal Mr A M Possener Ms F V Fenton-Stone (appointed 20 February 2023) Ms H R Ripman (appointed 15 September 2022) Ms I Webster (appointed 1 September 2023)
Company registered number	00940118
Charity registered number	311293
Registered office	Town Close Educational Trust Limited 14 Ipswich Road Norwich NR2 2LR
Company secretary	Mrs K D Artherton
Independent auditors	Larking Gowen LLP Statutory Auditors 1st Floor Prospect House Rouen Road Norwich Norfolk NR1 1RE
Bankers	Handelsbanken Suite B 1 Prince of Wales Road Norwich NR1 1BD
Solicitors	Leathes Prior 74 The Close Norwich Norfolk NR1 4DR
Headmaster	Mr C Wilson

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2023

The Trustees present their report and audited financial statements for the year ended 31 July 2023 which comply with the requirements of the Charities Acts 2011, with other current statutory requirements and with the requirements of the charity's governing document. The Trustees have adopted the provisions of the 2019 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" in preparing the annual report and financial statements of the charity.

Principal activity and status

Town Close is an independent preparatory school, established in 1932 and, as Town Close House Educational Trust Limited, providing day education for girls and boys between the ages of 2 and 14. The Trust is a company limited by guarantee (company number 940118), incorporated upon trusts set out in the scheme of the Charity Commission dated 7 October 1968 (registered charity number 311293). Since 2012, the School has no longer used the word 'House' in its branding. With a change to the articles required for the reason outlined below, Trustees took the opportunity to also remove the word 'House' from the name of the Trust with effect from 8 July 2021.

Mission and objectives of the School

The Trust is governed by its Memorandum and Articles of Association. These were last amended on 20 June 2021 in order to remove the right of the Norwich Town Close Estate Charity to 'require the appointment of up to three persons as Governors'. The Charity had previously owned the site on which the School is housed but, following the purchase of the site by the Trust in 2016, this clause was no longer relevant. The articles were previously amended on 9 September 2011 in order to change the format to that specified by the Companies Act 2006 and to allow for more up-to-date working practices such as the use of electronic communications. The 2011 amendment also enabled the Trust to revise its primary objects from being "to acquire and carry on in the United Kingdom any boarding or day school or schools for the education of either sex or both sexes", specifying particularly Town Close House Preparatory School, Norwich, to "for the public benefit to advance education of young people (under the age of 21) through the provision, support, conduct and maintenance of a day and/or boarding school or schools and such other ancillary educational activities and other associated activities for the benefit of the community." In furtherance of these objects, Town Close aims, by the education of all its pupils, to develop an awareness of their full potential and encourage them to strive to attain this potential. It expects to equip them with the intellectual, emotional and physical attributes, as well as moral and spiritual values, that they need to live their lives fruitfully.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Structure, Governance and Management

The Trustees are the Governors of the School and Directors of the Company. (The single term 'Trustee(s)' is used in this annual report in describing the discharging of their various duties.)

The Trustees who served during the year ended 31 July 2023 were as follows:

Mrs SJ Anthony * (Chair)
Mrs K D Artherton – (Secretary)
Mr D Costello
Mr A Fennell *
Mrs F Fenton-Stone (appointed 20 February 2023)
Mr AJ Fish * (Chair of Finance & General Purposes Committee and Joint Deputy Chair - resigned July 2023)
Mr M Graham (Chair of Finance & General Purposes Committee)*
Dr S Kaushal
Mrs L North
Dr S Patel
Mr A Possener *
Mrs R Ripman (appointed 15 September 2022)
(*indicates membership of the Finance & General Purposes Committee during the year ended 31 July 2023.)

Trustees retire from office by rotation and are eligible for re-appointment in accordance with the Articles of Association. Appointments to vacancies arising during the year are made by the Trustees on the recommendations of the Nominations Committee. The functions of this Committee include reviewing the composition of the Governing Body and its sub-committees, overseeing succession planning and members' induction, and training and development. Trustees receive at least termly reports from the Head on the work of the School, supplemented by monthly management accounts and briefing materials circulated by the Bursar (who is also Clerk to the Governors).

Governing body meetings are often preceded by information sessions from staff on aspects of the School's academic and other activities. Trustees liaise with staff by attendance at School events and activities, and individual Governors attend occasional national and/or local training and information seminars and workshops. In addition to this, one Trustee is appointed to be a Liaison Governor and comes into School regularly to meet with different members of staff. Staff may ask to attend one of these sessions or are selected in rotation by one of the Deputy Heads. The Liaison Governor reports back to Trustees annually or more regularly if required.

The Trustees, meeting formally as the Governing Body at least three times a year and, guided by the Finance and General Purposes Committee, determine the general strategy and policy of the School, review its overall management and control, and oversee regulatory compliance in accordance with the terms of its registration with the Department for Education. The day-to-day affairs of the School are run by the Head, with the support of a Senior Management Team, and by the Bursar – a key member of that team.

Key Management Personnel – Pay policy for senior staff

Key management personnel are considered to be the board of directors, who are also Trustees, the Head and the Bursar who, collectively, are in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 21 to the accounts.

The pay of the Head and Bursar is increased annually in line with any general increase given to teaching staff as agreed by the Governing Body. Their pay is also benchmarked against other Heads and Bursars in similar schools and is reviewed to consider whether it continues to be appropriate in the light of this and of:
(a) performance;
(b) any changes in individual responsibilities or functions;
(c) structural changes in the School;
(d) relative salaries of others on the Leadership scale or those on the main scale;
(e) any other elements agreed by the Committee to be relevant.

In the absence of any significant grounds, under any of these headings, for increasing the fixed salary, the expectation is that their salary will remain at the fixed point.

Public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken. An annual review of this is conducted and reported to the Governing Body and the Trust continues to review its activities regularly to ensure public benefit is a consideration in all decisions. To this end, public benefit is a regular agenda item for meetings of the SMT, Heads of Department have public benefit as a reporting criteria and it is regularly discussed at common room meetings.
The provision of education to a large number of pupils remains the Trust's core charitable purpose and activity and its fundamental contribution to public benefit. In a practice which accords with principles set out in the Charity Commission's general guidance on public benefit, Town Close has for some years provided bursary assistance to the parents of a number of pupils who are unable to pay the full fees and has a means-tested framework for providing such assistance. This has been applied in respect of pupils already in the School and to new admissions. Recipients of bursary awards are spread throughout the School, and from the nineteen pupils in receipt of financial support this year, sixteen received a remission of 50% or more with seven pupils receiving at least 75% fees remission and three receiving 100% remission.

More broadly, the Trust provides public benefit by opening the School's sports and other facilities to outside users, including school-age children, some usage being without charge. The limitations imposed because of the pandemic reduced throughout the year and the demand for access to the swimming pool, Sports Hall and the Read Hall for the performing arts has continued to grow over the last year almost back to pre-pandemic levels.

Access to the School library was given free of charge to The Norfolk Reading Project (TNRP) for use to train volunteers to go into primary schools to support children's reading. This is something that has been needed more than ever since the national lockdowns with the resulting impact this has had on children's mental health and academic attainment. TNRP had previously used the Norfolk and Norwich Millennium Library for their training sessions but, like many other public buildings, this was closed for an extended period due to the pandemic. Not only did Town Close provide alternative accommodation but doing so free of charge meant TNRP can use its limited resources on other aspects of their work. This work continues to grow with TNRP being invited to all public school events to publicise the excellent work that they do.

Public benefit (continued)

The School is part of a hockey consortium formed with a local sports club (Norwich Dragons Hockey Club) and what was a local maintained sector school (The Hewett School). While the Hewett School no longer exists, Town Close's substantial contribution to the development is enabling its successor school (The Hewett Academy), while not a member of the Consortium, to extend hockey provision to pupils for whom there was previously no opportunity. It also enables the partner hockey club to run free coaching sessions introducing the sport to local children. Other local schools can hire the pitch at a reduced hourly rate.

The Hockey Consortium also sublets land free of charge to another independent school on which a second artificial turf has been constructed. One of the conditions associated with the sub-lease was that this second pitch must be made available for community use in the evenings and at weekends.

Other activities through which Town Close has provided public benefit consistent with its aims and objectives have included: the provision of five free places to the School's summer holiday club for children from a local school in receipt of pupil premium; free use of the School swimming pool for a local maintained school for children with complex needs; the free use of the main sports field for maintained school events e.g. sports days and donating books to other schools.

The School has also been instrumental in supporting maintained schools across Norfolk to introduce the use of Goblin electric go-karts. The cars come in kit form which children between the ages of 9 to 11 are able to build and race. The project aims to inspire children to take an interest in engineering in a fun and innovative way. The Head of DT helped source funding to support the initial cost of the kits and then provided training sessions to share learning and to give instruction in how to introduce the project in their schools. He went on to find a suitable venue for a Norfolk-based racing event and coordinated a group of sponsors. 18 schools took 25 cars to the event, along with an average of 6 pupils per car. This would not have happened without Town Close's involvement and without the School agreeing to release the Head of DT to work on this project. Over the last three years, the Head of DT has continued to work with Greenpower and helped to secure grant funding for maintained schools to introduce the category of go-karts for secondary age pupils (F24). He attended several external events and visited other schools to generate interest in this category, as well as holding meetings and twilight sessions at Town Close School. He secured the use of the Lotus test track for the inaugural F24 event in Norfolk held in June 2019 which attracted participants from across the region and further afield. Another F24 heat was held at the Lotus track again in July this year. Also, this year Hellesdon High School and the Action Community Enterprises in Rackheath were able to secure funding with the help of the Head of DT to enable them to begin to build their involvement in F24 through the acquisition of the car building kit.

The School has a minibus fleet which is not used during school holidays, this year two local Scout groups have being making use of the School's minibuses with Cringleford Scouts taking an expedition to the Peak District and another group taking their scouts to a Jamboree in London.

The School's charity for this year was the Zoological Society of East Anglia and the School community raised £4,934 for this worthy cause.

Strategic objectives and achievements

The strategic objectives for the year were encapsulated by a five-year strategic plan for the School, presented internally in February 2023. The Ethos of the School forms the foundations for that plan.

School Ethos - To provide a broad and balanced curriculum, underpinned by academic rigour that develops interested, passionate and morally confident citizens of the future.

The five-year plan provides a roadmap for delivering the School's vision - To build on the School's reputation as Norwich's finest day co-educational Prep School for children age 2-14. To offer our pupils an unrivalled educational experience with the space to grow.

A clear strategy has been developed to deliver the aims of the plan through;

1. **Investing in our community;** we have formalised school partnerships with local state schools and augmented our outreach programme including a programme of Read Hall lectures open to the public.
2. **Investing in our pupils;** Academic investment has included the embedding of the creative curriculum from Nursery to Yr4 and weaving through all academic provision our commitment to sustainability. Pastoral investment has focussed on the significance of the class teacher and tutor and supporting this structure with greater emphasis placed on prefects and top birds (Pre-Prep Head of House equivalents). The introduction of pastoral leads has provided greater dexterity in responding to the pastoral needs of the pupils. Co-Curricular investment has seen the development of the range and quantity of clubs on offer.
3. **Investing in our estate;** a broad body of work including greater sports provision on site, as well as developing and enhancing current assets.
4. **Investing in Sustainability;** greater emphasis on sustainable purchasing, and the reduction of the School's carbon footprint through looking at sustainable energy supply, the reduction of waste and making necessary travel as sustainable as possible.
5. **Investing in our staff;** introduction of mental health first aiders to augment the wellbeing programme already in existence, investment in EDI champions, and a reinvigorated staff recognition scheme.

Whilst the delivery of the aims of the plan, is a priority for the Senior Management Team and Board of Trustees, safeguarding and compliance with Keeping Children Safe in Education remains the overarching priority of the School.

Operational performance

Year 8 pupils who sat their Common Entrance exams in the Summer Term 2023 performed very well. 93% of all grades were A* to C grades. An impressive 47% of the overall grades were graded as either A* or A.
These results were the strongest set of results for our Year 8 cohorts since 2019, with the average grade sitting above a B grade.

Pupils performed stronger overall in English, French, History, Theology Philosophy and Religion, and Spanish when comparing their results to the year group average.

The following awards were given to our pupils at their Senior Schools:

- 9 Academic Scholarships
- 13 Sports Scholarships
- 2 Music Scholarships
- 1 Art Scholarship
- 3 Headmaster's Awards
- 1 Academic Exhibition
- 1 English Award
- 1 Modern Foreign Languages Scholarship
- 3 places were given for the Talented Athlete Development Programme at Gresham's School

The School continues to use standardised NFER 11+ Common Entrance exams, alongside other in-house testing, for Year 6 pupils to monitor attainment and progress. These showed that 88% of pupils were working at age-related expectations or above in English, and 58% in maths, with 83% making strong or accelerated progress.

CAT 4 testing was brought in for all children in the Prep department, to provide yearly data on the progress of the children, benchmarked against national data.

Town Close life resumed in full this year with a full range of con-curricular and extra-curricular activities being offered to the widest range of pupils. Chess, cookery and golf clubs have been added to the already extensive range on offer. Theatre trips, residential trips, sports day, prize day, concerts and performances were all well attended by pupils, parents, staff, Governors and the wider School community.

The highlight event of the year was the celebration of the School's 90th anniversary with a tea party being held for 800 pupils, parents, staff, Governors, dignitaries and alumni. Maypole dancing, a wishing tree, and a gift of a native tree for every pupil, member of staff and governor encapsulated the spirit of Town Close School whilst reinforcing our commitment to sustainability and community outreach.

Financial review and reserves policy

The School's principal source of funding is from fee income.

As reported in the statement of financial activities and income and expenditure account later in this Report, the School's net income for the year, after depreciation, was £88,367 (2022: £139,136). This was another positive outturn following a pattern of strong performance over the past ten years and more, that has facilitated a major development programme and continuous investment in improving the quality of Town Close's educational provision and reflects very effective financial planning and management. It should be noted that the cash position as at 31st July 2023 includes payments for the entirety of the next school year from parents electing to pay in advance.

In the last year £357,820 was invested in capital items. A significant proportion of this was spent on IT hardware, pool relining and investment in the pool air handling unit to make it more efficient and effective.

The School remains in a strong financial position. This means that there is capacity to respond to new demands, greater challenges and enhanced opportunities that might arise.

The Trustees have considered the principal risks and uncertainties, in particular the challenges posed by the current economic climate and possible changes to existing fiscal legislation. The Trustees have formed a working group to consider the implications for both the School and for parents of any loss of charitable benefit a change of Government may bring. This working group is considering the implications of the loss of business rate relief and the potential financial impact of the introduction of VAT. The working group's remit includes planning, modelling and forecasting of various scenarios, arising from a possible change of VAT status for the School. The Trustees consider that the School's strong financial position, the surplus and the good relationship with the School's bank mean it remains appropriate to prepare the financial statements on a going concern basis (Note 2.2 to the Financial Statements refers).

The policy of the Trustees is to maintain reserves at a level that is sufficient to enable the School to continue to operate as a going concern for the foreseeable future. At the present time the reserves, amounting to £8,894,339 (2022: £8,805,972) and held in the General and Designated Funds, are fully invested in the fabric of the School. Capitalised expenditure on the School's premises and equipment was initially financed by the School's secured loan facility but more recently this facility has been cleared, this being possible due to the successful operating performance outlined in this and recent Reports.

The Trust is not empowered to deliver any surplus by way of a dividend, bonus or other method to its members.

Objectives and Plans

Objectives for the next year and the medium term include:

- Set the strategic direction of the School, through the implementation of year one of the five-year strategic plan.
- Invest in
    - Community
    - Pupils
        - Academia
        - Pastoral
        - Co-Curricular
    - Estate
    - Sustainability
    - Staff
- Develop the sporting offering on site, making current assets more efficient and investing in new facilities to enhance the sporting offering for our pupils whilst supporting the School's sustainability pledge.
- Obtain Cyber Essentials accreditation.
- Obtain Allergy awareness accreditation.
- Obtain Greenflag accreditation.

Investment power

The Trustees are empowered to invest funds in a manner appropriate to the financial requirements of the School, having regard to the security of any investments made and the requirements of the Charity Commissioners' order. The only investment held by the School has provided capital funding to the Central Norwich Hockey Consortium, a registered charity of which it is a member. The funding is recognised as a programme related investment and assisted with the construction of an artificial turf hockey pitch which is available to the School and for community use (see note 9).

Asset cover for funds

The Trustees are satisfied that on a fund-by-fund basis the assets are sufficient to fulfil all the School's current obligations.

Systems review and risk management

The Trustees' Risk Management Policy and accompanying risk register are monitored by a working group comprising a number of Trustees and the School's Bursar. The work of this group is grounded in the operational aspects of the School, but it also has an important strategic role in reviewing higher level issues such as the educational, economic, legal and political context in which the School operates, and thereby helps to inform the Trustees' strategic planning and decision-making. The Risk Management Working Group reports at least annually to the Trustees. This committee in turn seeks specific advice and guidance on systems matters from the appointed auditor or from other professional advisers when required.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Statement of Trustees' responsibilities

The Trustees (who are also directors of Town Close House Educational Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

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

In so far as each of the Trustees is aware:

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

Auditor

Larking Gowen have been appointed as auditor in accordance with s485 (4) of the Companies Act 2006.

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

Sarah Anthony

.....

Ms S J Anthony

Date: 15TH MARCH 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE EDUCATIONAL TRUST LIMITED

Opinion

We have audited the financial statements of Town Close Educational Trust Limited (the 'charitable company') for the year ended 31 July 2023 which comprise the Statement of financial activities, the Balance sheet, the 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 charitable company's affairs as at 31 July 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE EDUCATIONAL TRUST LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any 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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE EDUCATIONAL TRUST LIMITED (CONTINUED)

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.

Auditors' 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 Auditors' 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:

Due to the field in which the company operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with safeguarding regulations, the Charity Commission and the Companies Act 2006. In addition, we considered the provisions of other laws and regulations which, whilst not having a direct impact on the financial statements, are fundamental to the company's ability to operate including health and safety; employment law, and compliance with various other regulations relevant to the conduct of the company's operations running a school.

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations, accidents in the school, potential litigation or claims and fraud;
- Enquiries with management about any known instances of health and safety breaches, safeguarding issues or GDPR breaches.
- Review of legal and professional fees to confirm matters where the company engaged lawyers during the year;
- Review of financial statement disclosures, and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Review of board minutes and any relevant correspondence with external authorities;
- Challenging assumptions and judgments made by management in their significant accounting estimates;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale of any significant transactions outside the normal course of business.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

J Grimmer FCA DChA (Senior statutory auditor)
for and on behalf of
Larking Gowen LLP
Statutory Auditors
Norwich
1st Floor Prospect House
Rouen Road
Norwich
Norfolk
NR1 1RE

Date: 3 April 2024

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Income from:					
Charitable activities:					
School fees		**5,903,133**	**-**	**5,903,133**	*5,457,795*
School trips		**110,525**	**-**	**110,525**	*70,726*
Holiday activities		**84,603**	**-**	**84,603**	*74,292*
Income from other activities	4	**198,790**	**-**	**198,790**	*144,145*
Total income		**6,297,051**	**-**	**6,297,051**	*5,746,958*
Expenditure on:					
Costs of generating funds					
Fundraising and publicity		**57,088**	**-**	**57,088**	*56,618*
Charitable activities:					
School expenses		**5,537,005**	**-**	**5,537,005**	*5,015,930*
School trips		**125,517**	**-**	**125,517**	*105,234*
Repairs, renewals and grounds		**332,034**	**-**	**332,034**	*287,633*
Interest payable		**32,659**	**-**	**32,659**	*32,876*
Other support cost - governance		**116,757**	**-**	**116,757**	*109,481*
Other charitable activities		**7,624**	**-**	**7,624**	*-*
Total expenditure		**6,208,684**	**-**	**6,208,684**	*5,607,772*
Net income		**88,367**	**-**	**88,367**	*139,186*
Reconciliation of funds:					
Total funds brought forward		**8,785,972**	**20,000**	**8,805,972**	*8,666,786*
Net movement in funds		**88,367**	**-**	**88,367**	*139,186*
Total funds carried forward		**8,874,339**	**20,000**	**8,894,339**	*8,805,972*

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 33 form part of these financial statements.

TOWN CLOSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 00940118

BALANCE SHEET
AS AT 31 JULY 2023

	Note		2023 £		2022 £
Fixed assets					
Investments	9		**75,000**		*100,000*
Tangible assets	10		**7,904,803**		*7,894,244*
			7,979,803		*7,994,244*
Current assets					
Debtors	11	**124,513**		*135,319*	
Cash at bank and in hand	17	**1,877,324**		*2,455,599*	
		2,001,837		*2,590,918*	
Creditors: amounts falling due within one year	12	**(948,062)**		*(1,000,651)*	
Net current assets			**1,053,775**		*1,590,267*
Total assets less current liabilities			**9,033,578**		*9,584,511*
Creditors: amounts falling due after more than one year	13		**(139,239)**		*(778,539)*
Total net assets			**8,894,339**		*8,805,972*
Charity funds					
Restricted funds	14		**20,000**		*20,000*
Unrestricted funds	14		**8,874,339**		*8,785,972*
Total funds			**8,894,339**		*8,805,972*

The Trustees 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 Trustees and signed on their behalf by:

Sarah Anthony
.....
Ms S J Anthony

.....
Mr M M Graham

Date: 15TH MARCH 2024

The notes on pages 17 to 33 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	16	**467,045**	*421,657*
Cash flows from investing activities			
Purchase of tangible fixed assets		**(357,820)**	*(166,091)*
Net cash used in investing activities		**(357,820)**	**(166,091)**
Cash flows from financing activities			
Repayments of borrowing		**(687,500)**	*(50,000)*
Net cash used in financing activities		**(687,500)**	**(50,000)**
Change in cash and cash equivalents in the year		**(578,275)**	**205,566**
Cash and cash equivalents at the beginning of the year		**2,455,599**	*2,250,033*
Cash and cash equivalents at the end of the year	17	**1,877,324**	*2,455,599*

The notes on pages 17 to 33 form part of these financial statements.

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

1. General information

Town Close Educational Trust Limited is a charitable company limited by guarantee, charity number 311293 and company number 00940118. The registered office is Town Close Educational Trust Limited, 14 Ipswich Road, Norwich, NR2 2LR.

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.

Town Close Educational Trust Limited 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.

2.2 Going concern

The Trustees have considered the principal risks and uncertainties, in particular the challenges posed by the current economic climate, in particular the rising inflation and exceptional increase in utility costs. The Trustees have also given consideration to the impact that the rising cost of living might have on future pupil numbers. The Trustees consider that the School's strong financial position, the strong surplus and the good relationship with the School's bank mean it remains appropriate to prepare the financial statements on a going concern basis.

Further detail is provided in the Trustees' report.

2.3 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.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 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.

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the company 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 company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Investments

The School has provided capital funding to The Central Norwich Hockey Consortium (a registered charity). Funding has assisted with construction of artificial turf hockey pitches and associated facilities, which are available for school and community use. The funding is recognised as a programme related investment stated at cost less amortisation. The investment is being amortised by way of an annual grant to The Central Norwich Hockey Consortium on a straight line basis over 15 years, the period during which the school expects to utilise the facilities.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold land	- Not depreciated
Freehold buildings	- 20 to 50 years
Motor vehicles	- 5 years
Furniture, fittings and equipment	- 10 years
Computer equipment	- 3 years
Assets in course of construction	- Not depreciated during the period of construction

2.7 Debtors

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

2. Accounting policies (continued)

2.8 Cash at bank and in hand

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

2.9 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 Statement of financial activities as a finance cost.

2.10 Financial instruments

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

2.11 Operating leases

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

2.12 Pensions

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ("TPS"). This is a defined benefit scheme.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

2. Accounting policies (continued)

2.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company 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.

3. School fees

	2023	*2022*
	£	*£*
Gross Fees	**6,396,771**	*5,875,240*
Less: Bursaries and remissions	**(493,639)**	*(417,445)*
	5,903,132	*5,457,795*

4. Income from other activities

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Swimming pool income	42,202	**42,202**	*30,765*
Other hirings	27,487	**27,487**	*19,460*
After School care income	82,755	**82,755**	*69,497*
Other income	40,922	**40,922**	*14,755*
Fundraising	4,934	**4,934**	*9,129*
Music lessons	490	**490**	*539*
	198,790	**198,790**	*144,145*
	144,145	*144,145*	

5. School Expenses

	2023 £	*2022 £*
Teaching staff costs	**3,149,393**	*2,852,258*
Domestic and grounds staff costs	**503,628**	*465,165*
Housekeeping and provisions	**579,139**	*458,079*
Depreciation	**339,659**	*339,868*
Amortisation	**25,000**	*25,000*
Teaching materials and other school expenses	**367,815**	*332,707*
General support costs - staff costs	**432,663**	*412,702*
- other	**139,708**	*130,151*
	5,537,005	*5,015,930*

6. Governance costs

	2023 £	2022 £
Staff costs	**42,791**	*40,817*
Audit fees	**15,013**	*13,908*
Professional fees	**43,430**	*40,295*
General office expenses	**15,523**	*14,461*
	116,757	*109,481*

10% of general office expenses are allocated to governance. Staff costs are allocated on the basis of estimated time spent, being 9% allocated to governance.

7. Auditors' remuneration

	2023 £	2022 £
Fees payable to the company's auditor for the audit of the company's annual accounts	**15,013**	*13,908*

8. Staff costs

	2023 £	2022 £
Wages and salaries	**3,325,852**	*2,984,347*
Social security costs	**282,442**	*261,469*
Contribution to pension schemes	**520,181**	*525,126*
	4,128,475	*3,770,942*

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

	2023 No.	2022 No.
Average no. of employees	**129**	*124*

8. Staff costs (continued)

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

	2023 No.	*2022* *No.*
In the band £60,001 - £70,000	**2**	*2*
In the band £80,001 - £90,000	**1**	*1*
In the band £90,001 - £100,000	**1**	*1*

Employers' pension contributions in respect of the employees whose earnings were between £60,001 and £70,000 were £30,376 (2022: £28,969). Employers' pension contributions in respect of the employee whose earnings were between £80,001 and £90,000 were £9,523 (2022: £19,164). Employers' pension contributions in respect of the employee whose earnings were between £90,001 and £100,000 were £21,865 (2022: £21,484).

The key management personnel comprise trustees, who are unpaid, together with the Headmaster and the Bursar. The total employee remuneration (including employers' national insurance costs) of the key management personnel was £230,445 (2022: £249,838).

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

9. Investments

	Programme Related Investments £
Cost	
At 1 August 2022	**375,000**
At 31 July 2023	**375,000**
Amortisation	
At 1 August 2022	**275,000**
Charge for the year	**25,000**
At 31 July 2023	**300,000**
Net book value	
At 31 July 2023	**75,000**
At 31 July 2022	*100,000*

The School has provided capital funding to The Central Norwich Hockey Consortium (a registered charity). Funding has assisted with the construction of artificial turf hockey pitches and associated facilities, which are available for school and community use. The funding is recognised as a programme related investment and stated at cost less amortisation. The investment is being amortised by way of an annual grant to The Central Norwich Hockey Consortium on a straight line basis over 15 years, the period during which the School expects to utilise the facilities.

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

10. Tangible fixed assets

	Freehold property £	Motor vehicles £	Furniture, fittings and equipment £	Assets in the course of construction £	Total £
Cost or valuation					
At 1 August 2022	**11,696,523**	**236,220**	**2,000,346**	**238,897**	**14,171,986**
Additions	**43,852**	**-**	**72,239**	**241,729**	**357,820**
Disposals	**-**	**-**	**(44,737)**	**-**	**(44,737)**
At 31 July 2023	**11,740,375**	**236,220**	**2,027,848**	**480,626**	**14,485,069**
Depreciation					
At 1 August 2022	**4,317,920**	**206,500**	**1,753,322**	**-**	**6,277,742**
Charge for the year	**222,777**	**11,621**	**105,239**	**-**	**339,637**
On disposals	**-**	**-**	**(37,113)**	**-**	**(37,113)**
At 31 July 2023	**4,540,697**	**218,121**	**1,821,448**	**-**	**6,580,266**
Net book value					
At 31 July 2023	**7,199,678**	**18,099**	**206,400**	**480,626**	**7,904,803**
At 31 July 2022	*7,378,603*	*29,720*	*247,024*	*238,897*	*7,894,244*

Included within freehold property are land and buildings split as follows:

	2023 £	2022 £
Land	**1,925,062**	*1,925,062*
Buildings	**5,274,603**	*5,453,541*
	7,199,665	*7,378,603*

11. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	**39,792**	*31,999*
Prepayments and accrued income	**84,721**	*103,320*
	124,513	*135,319*

12. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	**-**	*50,000*
Fee deposits	**22,500**	*21,997*
Trade creditors	**190,758**	*106,703*
Other taxation and social security	**73,015**	*70,241*
Fees in advance	**469,271**	*532,926*
Other creditors	**51,291**	*47,448*
Accruals and deferred income	**141,227**	*171,336*
	948,062	*1,000,651*

	2023 £	2022 £
Deferred income at 1 August 2022	**585,209**	*658,113*
Resources deferred during the year	**505,979**	*585,209*
Amounts released from previous periods	**(585,209)**	*(658,113)*
	505,979	*585,209*

Deferred income is included within the fees in advance and accruals and deferred income categories of creditors.

13. Creditors: Amounts falling due after more than one year

	2023 £	*2022* *£*
Bank loans	-	*637,500*
Fee deposits	**139,239**	*141,039*
	139,239	*778,539*

A breakdown of the maturity of the bank loans is as follows:

	2023 £	*2022* *£*
Bank loans		
Due in less than one year	-	*50,000*
Due within one to two years	-	*50,000*
Due within two to five years	-	*150,000*
Due in more than five years	-	*437,500*
	-	*687,500*

The bank loan was secured by a legal charge over the property at 14 Ipswich Road, Norwich. The loan carried interest at a rate of 2.3% over the bank base rate and was paid off in full in this financial year.

14. Statement of funds

Statement of funds - current year

	Balance at 1 August 2022 £	Income £	Expenditure £	Balance at 31 July 2023 £
Unrestricted funds				
Designated Funds	**89,054**	**-**	**-**	**89,054**
General funds	**8,696,918**	**6,297,051**	**(6,208,684)**	**8,785,285**
Total Unrestricted funds	**8,785,972**	**6,297,051**	**(6,208,684)**	**8,874,339**
Restricted funds				
Chakravarty donation	**20,000**	**-**	**-**	**20,000**
Total of funds	**8,805,972**	**6,297,051**	**(6,208,684)**	**8,894,339**

Following a receipt of £84,263 in 2013 the Governors decided to designate these funds for use in future capital projects, which will recognise the contribution of the Timothy Alston Foundation. In 2021 other donations of £4,791 were transferred into this fund by the Trustees.

The Chakravarty donation fund represents a donation, plus associated gift aid receivable, made to the Charity towards the fitting out of a new science lab.

14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2021 £	*Income* £	*Expenditure* £	*Balance at 31 July 2022* £
Unrestricted funds				
Designated Funds	*89,054*	-	-	*89,054*
General funds	*8,557,732*	*5,750,985*	*(5,611,799)*	*8,696,918*
Total Unrestricted funds	*8,646,786*	*5,750,985*	*(5,611,799)*	*8,785,972*
Restricted funds				
Chakravarty donation	*20,000*	-	-	*20,000*
Total of funds	*8,666,786*	*5,750,985*	*(5,611,799)*	*8,805,972*

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	7,904,803	-	**7,904,803**
Intangible fixed assets	75,000	-	**75,000**
Current assets	1,981,837	20,000	**2,001,837**
Creditors due within one year	(948,062)	-	**(948,062)**
Creditors due in more than one year	(139,239)	-	**(139,239)**
Total	8,874,339	20,000	**8,894,339**

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	*Restricted funds 2022 £*	*Total funds 2022 £*
Tangible fixed assets	*7,894,244*	-	*7,894,244*
Intangible fixed assets	*100,000*	-	*100,000*
Current assets	*2,570,918*	*20,000*	*2,590,918*
Creditors due within one year	*(1,000,651)*	-	*(1,000,651)*
Creditors due in more than one year	*(778,539)*	-	*(778,539)*
Total	*8,785,972*	*20,000*	*8,805,972*

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	**88,367**	*139,186*
Adjustments for:		
Depreciation charges	**339,637**	*339,869*
Amortisation charges	**25,000**	*25,000*
Loss on the sale of fixed assets	**7,624**	-
Decrease in debtors	**10,806**	*955*
Decrease in creditors	**(4,389)**	*(83,353)*
Net cash provided by operating activities	**467,045**	*421,657*

17. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	**1,877,324**	*2,455,599*

18. Analysis of changes in net debt

	At 1 August 2022 £	Cash flows £	At 31 July 2023 £
Cash at bank and in hand	**2,455,599**	**(578,275)**	**1,877,324**
Debt due within 1 year	**(50,000)**	**50,000**	**-**
Debt due after 1 year	**(637,500)**	**637,500**	**-**
	1,768,099	**109,225**	**1,877,324**

19. Pension commitments

The School participates in the Teachers' Pension Scheme ("the TPS") for teaching staff. The pension charge for the year includes contributions payable to the TPS of £405,876 (2022: £373,626) and at the year-end £48,584 (2022: £45,132) was accrued in respect of contributions to this scheme.

The School also operates a defined contribution scheme for non-teaching staff. The total cost of this for the year was £114,305 (2022: £151,500). There were no amounts outstanding at the end of the year (2022: £Nil) to the non-teaching staff defined contribution scheme.

Teachers' Pension Scheme

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest valuation of the Teachers' Pension Scheme was carried out as at 31 March 2020. The valuation was published by the Department for Education on 26 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates currently set at 23.68% of pensionable pay (including a 0.08% administration levy) will increase by 5% on 1 April 2024.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The valuation result is due to be implemented from 1 April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group has set out above the information available on the scheme.

20. Operating lease commitments

At 31 July 2023 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Operating leases which expire		
Not later than 1 year	**10,730**	*10,270*
Later than 1 year and not later than 5 years	**34,270**	*36,541*
Later than 5 years	**99,875**	*107,875*
	144,875	*154,686*

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2023 £	2022 £
Operating lease rentals	**10,730**	*10,270*

21. Related party transactions

One trustee had expenses reimbursed by the School during the year totalling £80 (2022: £129). During the year, no Trustees received any remuneration or other benefits (2022: £Nil).

The Company is a founding co-member of the Central Norwich Hockey Consortium Limited, a registered charity. The School's funding is recognised as a programme related investment. The School hires the hockey pitch operated by the consortium and during the year fees totalling £9,050 (2022: £7,700) were payable. In additon, income of £Nil was received from the Central Norwich Hockey Consortium in respect of one-off staff costs (2022: £7,207). The School currently expects to use the facilities for a period of 15 years and is amortising the original investment by way of annual grant to the consortium. A grant, in the form of amortisation of the programme related investment, of £25,000 was made to the consortium (2022: £25,000).

A senior member of staff rents school property as living accommodation. The rental income for the year relating to this was £8,700 (2022: £3,625).

A close family member of a trustee was employed by the school on a temporary basis during the year. Total wages payable during the year were £380 (2022: £380).

During the year, the School purchased goods and services totalling £3,239 (2022: £Nil) from a business owned by close family of the School's bursar.

Town Close Educational Trust Ltd

England & Wales - Charity number 311293

Accounts

Registered number: 00940118
Charity number: 311293

TOWN CLOSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

TOWN CLOSE EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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TOWN CLOSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2022

Trustees	Ms S J Anthony Dr S A Patel Mr D Costello (appointed 27 April 2022) Mr A M A Fennell Mr A J Fish Mr M M Graham Ms S Jack (resigned 29 July 2022) Mr A W S Kingham (resigned 29 July 2022) Ms J L North Dr S Kaushal (appointed 4 February 2022) Mr A M Possener Ms S C Waddington (resigned 29 July 2022)
Company registered number	00940118
Charity registered number	311293
Registered office	Town Close Educational Trust Limited 14 Ipswich Road Norwich NR2 2LR
Company secretary	Mrs K D Artherton
Independent auditors	Larking Gowen LLP Statutory Auditors King Street House 15 Upper King Street Norwich Norfolk NR3 1RB
Bankers	Handelsbanken Suite B 1 Prince of Wales Road Norwich NR1 1BD
Solicitors	Leathes Prior 74 The Close Norwich Norfolk NR1 4DR
Headmaster	Mr N Bevington (resigned 31 August 2021) Mr C Wilson (appointed 1 September 2021)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2022

The Trustees present their report and audited financial statements for the year ended 31 July 2022 which comply with the requirements of the Charities Acts 1993 and 2006, with other current statutory requirements and with the requirements of the charity's governing document. The Trustees have adopted the provisions of the 2019 Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

Principal activity and status

Town Close is an independent preparatory school, established in 1932 and, as Town Close House Educational Trust Limited, providing day education for girls and boys between the ages of 2 and 14. The Trust is a company limited by guarantee (company number 940118), incorporated upon trusts set out in the scheme of the Charity Commission dated 7 October 1968 (registered charity number 311293). Since 2012, the School has no longer used the word 'House' in its branding. With a change to the articles required for the reason outlined below, Trustees took the opportunity to also remove the word 'House' from the name of the Trust with effect from 8 July 2021.

Mission and objectives of the School

The Trust is governed by its Memorandum and Articles of Association. These were last amended on 20 June 2021 in order to remove the right of the Norwich Town Close Estate Charity to 'require the appointment of up to three persons as Governors'. The Charity had previously owned the site on which the School is housed but, following the purchase of the site by the Trust in 2016, this clause was no longer relevant. The articles were previously amended on 9 September 2011 in order to change the format to that specified by the Companies Act 2006 and to allow for more up-to-date working practices such as the use of electronic communications. The 2011 amendment also enabled the Trust to revise its primary objects from being "to acquire and carry on in the United Kingdom any boarding or day school or schools for the education of either sex or both sexes", specifying particularly Town Close House Preparatory School, Norwich, to "for the public benefit to advance education of young people (under the age of 21) through the provision, support, conduct and maintenance of a day and/or boarding school or schools and such other ancillary educational activities and other associated activities for the benefit of the community." In furtherance of these objects, Town Close aims, by the education of all its pupils, to develop an awareness of their full potential and encourage them to strive to attain this potential. It expects to equip them with the intellectual, emotional and physical attributes, as well as moral and spiritual values, that they need to live their lives fruitfully.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

Structure, Governance and Management

The Trustees are the Governors of the School and Directors of the Company. (The single term 'Trustee(s)' is used in this annual report in describing the discharging of their various duties.)

The Trustees who served during the year ended 31 July 2022 were as follows:

SJ Anthony * (Chairman)
K D Artherton – Secretary (appointed 21st July 2022)
D Costello (appointed 27th April 2022)
A Fennell *
AJ Fish * (Chairman of Finance & General Purposes Committee and Joint Deputy Chairman)
M Graham *
S Kaushal (appointed 4th February 2022)
AWS Kingham (resigned 29th July 2022)
S Jack (Joint Deputy Chairman) (resigned 29th July 2022)
L North
B J Ogg - Secretary (retired 21st July 2022)
Dr S Patel
A Possener *
SC Waddington (resigned 29th July 2022)
(*indicates membership of the Finance & General Purposes Committee during the year ended 31 July 2022.)

Trustees retire from office by rotation and are eligible for re-appointment in accordance with the Articles of Association. Appointments to vacancies arising during the year are made by the Trustees on the recommendations of the Nominations Committee. The functions of this Committee include reviewing the composition of the Governing Body and its sub-committees, overseeing succession planning and members' induction, and training and development. Trustees receive at least termly reports from the Head on the work of the School, supplemented by monthly management accounts and briefing materials circulated by the Bursar (who is also Clerk to the Governors).

Governing body meetings are often preceded by information sessions from staff on aspects of the School's academic and other activities. Trustees liaise with staff by attendance at School events and activities, and individual Governors attend occasional national and/or local training and information seminars and workshops. In addition to this, one Trustee is appointed to be a Liaison Governor and comes into School regularly to meet with different members of staff. Staff may ask to attend one of these sessions or are selected in rotation by one of the Deputy Heads. The Liaison Governor reports back to Trustees annually or more regularly if required.

The Trustees, meeting formally as the Governing Body at least three times a year and, guided by the Finance and General Purposes Committee, determine the general strategy and policy of the School, review its overall management and control, and oversee regulatory compliance in accordance with the terms of its registration with the Department for Education. The day-to-day affairs of the School are run by the Head, with the support of a Senior Management Team, and by the Bursar – a key member of that team.

Key Management Personnel – Pay policy for senior staff

Key management personnel are considered to be the board of directors, who are also Trustees, the Head and the Bursar who, collectively, are in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 21 to the accounts.

The pay of the Head and Bursar is increased annually in line with any general increase given to teaching staff as agreed by the Governing Body. Their pay is also benchmarked against other Heads and Bursars in similar schools and is reviewed to consider whether it continues to be appropriate in the light of this and of:

(a) performance;
(b) any changes in individual responsibilities or functions;
(c) structural changes in the School;
(d) relative salaries of others on the Leadership scale or those on the main scale;
(e) any other elements agreed by the Committee to be relevant.

In the absence of any significant grounds, under any of these headings, for increasing the fixed salary, the expectation is that their salary will remain at the fixed point.

Public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken. An annual review of this is conducted and reported to the Governing Body and the Trust continues to review its activities regularly to ensure public benefit is a consideration in all decisions. To this end, public benefit is a regular agenda item for meetings of the SMT, Heads of Department have public benefit as a reporting criteria and it is regularly discussed at common room meetings.

The provision of education to a large number of pupils remains the Trust's core charitable purpose and activity and its fundamental contribution to public benefit. In a practice which accords with principles set out in the Charity Commission's general guidance on public benefit, Town Close has for some years provided bursary assistance to the parents of a number of pupils who are unable to pay the full fees and has a means-tested framework for providing such assistance. This has been applied in respect of pupils already in the School and to new admissions. Recipients of bursary awards are spread throughout the School, and from the nineteen pupils in receipt of financial support this year, sixteen received a remission of 50% or more with eight pupils receiving at least 75% fees remission and three receiving 100% remission.

More broadly, the Trust provides public benefit by opening the School's sports and other facilities to outside users, including school-age children, some usage being without charge. The limitations imposed because of the pandemic reduced throughout the year and the demand for access to the swimming pool, Sports Hall and the Read Hall for the performing arts has continued to grow over the last year almost back to pre-pandemic levels.

Access to the School library was given free of charge to The Norfolk Reading Project (TNRP) for use to train volunteers to go into primary schools to support children's reading. This is something that has been needed more than ever since the national lockdowns with the resulting impact this has had on children's mental health and academic attainment. TNRP had previously used the Norfolk and Norwich Millennium Library for their training sessions but, like many other public buildings, this was closed for an extended period due to the pandemic. Not only did Town Close provide alternative accommodation but doing so free of charge meant TNRP can use its limited resources on other aspects of their work. This work continues to grow with TNRP being invited to all public school events to publicise the excellent work that they do.

Public benefit (continued)

The School is part of a hockey consortium formed with a local sports club (Norwich Dragons Hockey Club) and what was a local maintained sector school (The Hewett School). While the Hewett School no longer exists, Town Close's substantial contribution to the development is enabling its successor school (The Hewett Academy), while not a member of the Consortium, to extend hockey provision to pupils for whom there was previously no opportunity. It also enables the partner hockey club to run free coaching sessions introducing the sport to local children. Other local schools can hire the pitch at a reduced hourly rate.

The Hockey Consortium also sublets land free of charge to another independent school on which a second Astroturf has been constructed. One of the conditions associated with the sub-lease was that this second pitch must be made available for community use in the evenings and at weekends.

Other activities through which Town Close has provided public benefit consistent with its aims and objectives have included: the provision of five free places to the School's summer holiday club for children from a local school in receipt of pupil premium; free use of the School swimming pool for a local maintained school for children with complex needs; the free use of the main sports field for maintained school events e.g. sports days and donating books to other schools.

The School has also been instrumental in supporting maintained schools across Norfolk to introduce the use of Goblin electric go-karts. The cars come in kit form which children between the ages of 9 to 11 are able to build and race. The project aims to inspire children to take an interest in engineering in a fun and innovative way. The Head of DT helped source funding to support the initial cost of the kits and then provided training sessions to share learning and to give instruction in how to introduce the project in their schools. He went on to find a suitable venue for a Norfolk-based racing event and coordinated a group of sponsors. 18 schools took 25 cars to the event, along with an average of 6 pupils per car. This would not have happened without Town Close's involvement and without the School agreeing to release the Head of DT to work on this project. Over the last three years, the Head of DT has continued to work with Greenpower and helped to secure grant funding for maintained schools to introduce the category of go-karts for secondary age pupils (F24). He attended several external events and visited other schools to generate interest in this category, as well as holding meetings and twilight sessions at Town Close School. He secured the use of the Lotus test track for the inaugural F24 event in Norfolk held in June 2019 which attracted participants from across the region and further afield. Another F24 heat was held at the Lotus track again in July this year. Also, this year Hellesdon High School and the Action Community Enterprises in Rackheath were able to secure funding with the help of the Head of DT to enable them to begin to build their involvement in F24 through the acquisition of the car building kit.

The School has a minibus fleet which is not used during school holidays, this year two local Scout groups have being making use of the School's minibuses with Cringleford Scouts taking an expedition to the Peak District and another group taking their scouts to a Jamboree in London.

The School featured in the Eastern Daily Press for its fund raising activities to support the Ukrainian appeal; raising thousands for this worthy cause.

The School's charity for this year was the Jenny Lind Children's' Hospital and the School community raised £9,143 for this worthy cause. This resulted in Town Close School being named the Norfolk and Norwich Hospital's School Charity Champion in 2022.

Strategic objectives and achievements

The strategic objectives for the year entailed transitioning the School back to pre-pandemic expectations, within government guidelines, which saw the return of wide reaching events and celebrations across School life including:

- Residential trips
- The school's ASA camping trips
- Geography fieldtrips
- Platinum Jubilee celebrations
- School Plays
- Sports' tours
- Theatre trips
- Day excursions to local and national historical sites
- School concerns
- Art exhibition
- Exhibiting at the Royal Norfolk Show

In February 2022 the School received a 'Focussed Compliance and Educational Quality' Inspection by the Independent Schools' Inspectorate, receiving the highest grading possible of '**excellent**' across both categories of educational quality, whilst also confirming compliance in all areas of the Focussed Compliance Inspection.

Sustainability was placed at the heart of school life. The School Council and reformed Eco-Committee provided the student voice, which was added to the wider thoughts of the school community, resulting in the following changes:

- Regular Eco-Committee meetings, looking at gaining green flag accreditation.
- Replacement of lighting throughout the school with LED lighting.
- Cleaning products substituted for environmentally friendly alternatives.
- Consumable paper products changed for sustainable options.
- In depth food waste analysis.

The operational structure of the safeguarding team was changed in favour of a singular DSL (designated safeguarding lead), supported by DDSLs (Deputy designated safeguarding leads) from across the school community. In addition, following observations during the pandemic, Pastoral Leads were created to enhance the work of the tutors in supporting the needs of the children.

Operational performance

Entrance exams and scholarship assessments for senior schools returned to being face to face. The pupils involved worked incredibly hard towards these, with a significant proportion of their preparation being carried out in the uncertainty of the pandemic. The results they achieved are to be commended and their resilience celebrated. Across our year 8 pupils; 9 sports scholarships, 6 academic scholarships, 6 headmasters' awards and 1 all round scholarship (The Tring Scholarship) were awarded from Norwich School, Greshams, Langley Senior School, Norwich High School for Girls, and Uppingham School.

Common Entrance results were, once again, strong with 89% of results being graded A* to C, a significant achievement in exams of such a challenging nature, particularly given the fact that these pupils had experienced two extended periods of hybrid learning during national lockdowns, as well as other shorter periods due to isolations.

Standardised NFER 11+ Common Entrance exams were used, alongside other in-house testing, for Year 6 pupils to monitor attainment and progress. These showed that 91% of pupils were working at age-related expectations or above in English, and 64% in maths, with 98% making sufficient progress.

A bedrock of the education Town Close provides has always been the broad range of co-curricular and extra-curricular activities that is offered to the widest possible range of pupils within the School. Clubs restarted this year as did face to face music lessons, concerts and performances. Sports day and prize day were attended by pupils, parents and the wider School community and residential trips resumed.

Christopher Wilson took up the role of Head. He appreciated the chance of gaining an understanding of School life pre-pandemic and learning the qualities the School extols.

The end of the July saw the retirement of the Bursar, Mrs Benita Ogg and the recruitment of her successor, Mrs Kate Artherton.

Financial review and reserves policy

The School's principal source of funding is from fee income.

As reported in the statement of financial activities later in this Report, the School's net income for the year, after depreciation, was £139,136 (2021: £682,603) . This was another positive outturn following a pattern of strong performance over the past ten years and more, that has facilitated a major development programme and continuous investment in improving the quality of Town Close's educational provision and reflects very effective financial planning and management. It should be noted that the cash position as at 31st July 2022 includes payments for the entirety of the next school year from parents electing to pay in advance.

In the last year £166,092 was invested in capital items. A significant proportion of this was spent on IT hardware, grounds maintenance equipment and an additional payment in respect of the professional fees relating to the refurbishment of The Lodge.

The Trust's strong operating performance and balance sheet mean it is well placed operationally. This means that there is capacity to respond to new demands and opportunities that might arise. One such opportunity lies with the new science, art, music and dining building for which the School has planning permission. Work is continuing in order to ensure all pre-commencement conditions are discharged so that lawful implementation of the project can take place.

The School remains strong and the Trustees have considered the principal risks and uncertainties, in particular the challenges posed by the current economic climate. The Trustees consider that the School's strong financial position, the strong surplus and the good relationship with the School's bank mean it remains appropriate to prepare the financial statements on a going concern basis (Note 2.2 to the Financial Statements refers).

The policy of the Trustees is to maintain reserves at a level that is sufficient to enable the School to continue to operate as a going concern for the foreseeable future. At the present time the majority of the School's reserves, which amount to £8,805,972 (2021: £8,666,786), are invested in the fabric of the School. Free reserves amounted to £791,728 (2021: £453,764). Capitalised expenditure on the School's premises and equipment has substantially been financed by the Trust's secured loan facilities, but with a significant contribution from resources generated by the successful operating performance outlined in this and recent Reports.

The Trust is not empowered to deliver any surplus by way of a dividend, bonus or other method to its members.

Objectives and Plans

Objectives for the next year and the medium term include:

- Set the strategic direction of the School, through the development of the five year school plan.
- Develop a planned preventative maintenance schedule to inform future investment.
- Explore opportunities for netball courts both on and off site.
- Continuing to invest in pupil and staff wellbeing.
- Surveying all stakeholders, to benchmark current performance at the start of a new Head's incumbency and to inform future planning.
- Discharging all pre-commencement planning conditions attached to the new Prep building project and commencing development to secure the planning permission.
- Continuing to make sustainability and environmental issues a priority across all facets of school life including by working towards the Eco-Schools Green Flag Accreditation.

Investment power

The Trustees are empowered to invest funds in a manner appropriate to the financial requirements of the School, having regard to the security of any investments made and the requirements of the Charity Commissioners' order. The only investment held by the School has provided capital funding to the Central Norwich Hockey Consortium, a registered charity of which it is a member. The funding is recognised as a programme related investment and assisted with the construction of an AstroTurf hockey pitch which is available to the School and for community use (see note 9)

Asset cover for funds

The Trustees are satisfied that on a fund-by-fund basis the assets are sufficient to fulfil all the School's current obligations.

Systems review and risk management

The Trustees' Risk Management Policy and accompanying risk register are monitored by a working group comprising a number of Trustees and the School's Bursar. The work of this group is grounded in the operational aspects of the School, but it also has an important strategic role in reviewing higher level issues such as the educational, economic, legal and political context in which the School operates, and thereby helps to inform the Trustees' strategic planning and decision-making. The Risk Management Working Group reports at least annually to the Trustees. This committee in turn seeks specific advice and guidance on systems matters from the appointed auditor or from other professional advisers when required.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

Statement of Trustees' responsibilities

The Trustees (who are also directors of Town Close House Educational Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

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

In so far as each of the Trustees is aware:

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

Auditor

Larking Gowen have been appointed as auditor in accordance with s485 (4) of the Companies Act 2006.

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

Sarah Anthony
.....
Ms S J Anthony
Date: 17/3/23

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE EDUCATIONAL TRUST LIMITED

Opinion

We have audited the financial statements of Town Close Educational Trust Limited (the 'charitable company') for the year ended 31 July 2022 which comprise the Statement of financial activities, the Balance sheet, the 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 charitable company's affairs as at 31 July 2022 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 Auditors' 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 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE EDUCATIONAL TRUST LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any 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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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.

Auditors' 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 Auditors' 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:

Due to the field in which the company operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with safeguarding regulations, the Charity Commission and the Companies Act 2006. In addition, we considered the provisions of other laws and regulations which, whilst not having a direct impact on the financial statements, are fundamental to the company's ability to operate including health and safety; employment law, and compliance with various other regulations relevant to the conduct of the company's operations running a school.

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations, accidents in the school, potential litigation or claims and fraud;
- Enquiries with management about any known instances of health and safety breaches, safeguarding issues or GDPR breaches.
- Review of legal and professional fees to confirm matters where the company engaged lawyers during the year;
- Review of financial statement disclosures, and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Review of board minutes and any relevant correspondence with external authorities;
- Challenging assumptions and judgments made by management in their significant accounting estimates;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale of any significant transactions outside the normal course of business.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Larking Gowen LLP

J Grimmer FCA DChA (Senior statutory auditor)
for and on behalf of
Larking Gowen LLP
Statutory Auditors
Norwich
King Street House
15 Upper King Street
Norwich
Norfolk
NR3 1RB

Date: 3 March 2023

TOWN CLOSE EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:					
Donations		**-**	**-**	**-**	*27,391*
Charitable activities:					
School fees		**5,457,795**	**-**	**5,457,795**	*5,396,904*
School trips		**70,726**	**-**	**70,726**	*39,675*
Holiday activities		**74,292**	**-**	**74,292**	*68,111*
Income from other activities	4	**144,145**	**-**	**144,145**	*142,398*
Total income		**5,746,958**	**-**	**5,746,958**	*5,674,479*
Expenditure on:					
Costs of generating funds					
Fundraising and publicity		**56,618**	**-**	**56,618**	*51,892*
Charitable activities:					
School expenses		**5,015,930**	**-**	**5,015,930**	*4,589,058*
School trips		**105,234**	**-**	**105,234**	*37,079*
Repairs, renewals and grounds		**287,633**	**-**	**287,633**	*197,037*
Interest payable		**32,876**	**-**	**32,876**	*29,006*
Other support cost - governance		**109,481**	**-**	**109,481**	*87,804*
Total expenditure		**5,607,772**	**-**	**5,607,772**	*4,991,876*
Net income		**139,186**	**-**	**139,186**	*682,603*
Reconciliation of funds:					
Total funds brought forward		**8,646,786**	**20,000**	**8,666,786**	*7,984,183*
Net movement in funds		**139,186**	**-**	**139,186**	*682,603*
Total funds carried forward		**8,785,972**	**20,000**	**8,805,972**	*8,666,786*

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 34 form part of these financial statements.

TOWN CLOSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 00940118

BALANCE SHEET
AS AT 31 JULY 2022

	Note		2022 £		*2021 £*
Fixed assets					
Investments	9		**100,000**		*125,000*
Tangible assets	10		**7,894,244**		*8,068,022*
			7,994,244		*8,193,022*
Current assets					
Debtors	11	**135,319**		*136,274*	
Cash at bank and in hand		**2,455,599**		*2,250,033*	
		2,590,918		*2,386,307*	
Creditors: amounts falling due within one year	12	**(1,000,651)**		*(1,096,304)*	
Net current assets			**1,590,267**		*1,290,003*
Total assets less current liabilities			**9,584,511**		*9,483,025*
Creditors: amounts falling due after more than one year	13		**(778,539)**		*(816,239)*
Total net assets			**8,805,972**		*8,666,786*
Charity funds					
Restricted funds	14		**20,000**		*20,000*
Unrestricted funds	14		**8,785,972**		*8,646,786*
Total funds			**8,805,972**		*8,666,786*

The Trustees 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 Trustees and signed on their behalf by:

Sarah Anthony
.....
Ms S J Anthony

Date: 17/3/23

.....
Mr A J Fish

The notes on pages 17 to 34 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2022

	2022 £	*2021* *£*
Cash flows from operating activities		
Net cash used in operating activities	**421,657**	*1,032,751*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(166,091)**	*(186,183)*
Net cash used in investing activities	**(166,091)**	**(186,183)**
Cash flows from financing activities		
Repayments of borrowing	**(50,000)**	*(50,000)*
Net cash used in financing activities	**(50,000)**	**(50,000)**
Change in cash and cash equivalents in the year	**205,566**	**796,568**
Cash and cash equivalents at the beginning of the year	**2,250,033**	*1,453,465*
Cash and cash equivalents at the end of the year	**2,455,599**	*2,250,033*

The notes on pages 17 to 34 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

1. General information

Town Close Educational Trust Limited is a charitable company limited by guarantee, charity number 311293 and company number 00940118. The registered office is Town Close Educational Trust Limited, 14 Ipswich Road, Norwich, NR2 2LR.

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.

Town Close Educational Trust Limited 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.

2.2 Going concern

The Trustees have considered the principal risks and uncertainties, in particular the challenges posed by the current economic climate, in particular the rising inflation and exceptional increase in utility costs. The Trustees have also given consideration to the impact that the rising cost of living might have on future pupil numbers. The Trustees consider that the School's strong financial position, the strong surplus and the good relationship with the School's bank mean it remains appropriate to prepare the financial statements on a going concern basis.

Further detail is provided in the Trustees' report.

2.3 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.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 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.

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the company 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 company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Investments

The School has provided capital funding to The Central Norwich Hockey Consortium (a registered charity). Funding has assisted with construction of astroturf hockey pitches and associated facilities, which are available for school and community use. The funding is recognised as a programme related investment stated at cost less amortisation. The investment is being amortised by way of an annual grant to The Central Norwich Hockey Consortium on a straight line basis over 15 years, the period during which the school expects to utilise the facilities.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold land	- Not depreciated
Freehold buildings	- 20 to 50 years
Motor vehicles	- 5 years
Furniture, fittings and equipment	- 10 years
Computer equipment	- 3 years
Assets in course of construction	- Not depreciated during the period of construction

2.7 Debtors

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

2. Accounting policies (continued)

2.8 Cash at bank and in hand

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

2.9 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 Statement of financial activities as a finance cost.

2.10 Financial instruments

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

2.11 Operating leases

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

2.12 Pensions

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ("TPS"). This is a defined benefit scheme.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

2. Accounting policies (continued)

2.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company 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.

3. School fees

	2022	*2021*
	£	*£*
Gross Fees	**5,875,240**	*5,839,077*
Less: Bursaries and remissions	**(417,445)**	*(349,524)*
Less: Covid-19 rebate	**-**	*(92,649)*
	5,457,795	*5,396,904*

4. Income from other activities

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Swimming pool income	30,765	**30,765**	*15,092*
Other hirings	19,460	**19,460**	*6,714*
After School care income	69,497	**69,497**	*48,727*
Other income	14,755	**14,755**	*23,019*
Fundraising	9,129	**9,129**	*1,798*
Music lessons	539	**539**	*275*
Coronavirus Job Retention Scheme grant	-	**-**	*46,773*
	144,145	**144,145**	*142,398*
	142,398	*142,398*	

During the prior year, the School received exceptional government funding as part of the Coronavirus Job Retention Scheme. Funding represented some of the costs of employing certain staff unable to carry out their duties as a result of the coronavirus crisis. There were no such amounts received in 2022.

5. School Expenses

	2022 £	*2021 £*
Teaching staff costs	**2,852,258**	*2,733,190*
Domestic and grounds staff costs	**465,165**	*415,765*
Housekeeping and provisions	**458,079**	*309,523*
Depreciation	**339,868**	*335,011*
Amortisation	**25,000**	*25,000*
Teaching materials and other school expenses	**332,707**	*273,715*
General support costs - staff costs	**412,702**	*374,822*
- other	**130,151**	*122,038*
	5,015,930	*4,589,064*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

6. Governance costs

	2022 £	2021 £
Staff costs	**40,817**	*37,070*
Audit fees	**13,908**	*9,660*
Professional fees	**40,295**	*27,514*
General office expenses	**14,461**	*13,560*
	109,481	*87,804*

10% of general office expenses are allocated to governance. Staff costs are allocated on the basis of estimated time spent, being 9% allocated to governance.

7. Auditors' remuneration

	2022 £	2021 £
Fees payable to the company's auditor for the audit of the company's annual accounts	**13,908**	*9,660*

8. Staff costs

	2022 £	2021 £
Wages and salaries	**2,984,347**	*2,808,867*
Social security costs	**261,469**	*246,691*
Contribution to pension schemes	**525,126**	*505,289*
	3,770,942	*3,560,847*

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

	2022 No.	2021 No.
Average no. of employees	**124**	*122*

8. Staff costs (continued)

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

	2022	*2021*
	No.	*No.*
In the band £60,001 - £70,000	**2**	*-*
In the band £80,001 - £90,000	**1**	*1*
In the band £90,001 - £100,000	**1**	*-*
In the band £100,001 - £110,000	**-**	*1*

Employers' pension contributions in respect of the employees whose earnings were between £60,001 and £70,000 were £28,969 (2021: n/a). Employers' pension contributions in respect of the employee whose earnings were between £80,001 and £90,000 were £19,164 (2021: £18,596). Employers' pension contributions in respect of the employee whose earnings were between £90,001 and £100,000 were £21,484 (2021: n/a). Employers' pension contributions in respect of the employee whose earnings were between £100,001 and £110,000 in the prior year were £23,723.

The key management personnel comprise trustees, who are unpaid, together with the Headmaster and the Bursar. The total employee remuneration (including employers' national insurance costs) of the key management personnel was £249,838 (2021: £247,795).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

9. Investments

	Programme Related Investments £
Cost	
At 1 August 2021	**375,000**
At 31 July 2022	**375,000**
Amortisation	
At 1 August 2021	**250,000**
Charge for the year	**25,000**
At 31 July 2022	**275,000**
Net book value	
At 31 July 2022	**100,000**
At 31 July 2021	*125,000*

The School has provided capital funding to The Central Norwich Hockey Consortium (a registered charity). Funding has assisted with the construction of astroturf hockey pitches and associated facilities, which are available for school and community use. The funding is recognised as a programme related investment and stated at cost less amortisation. The investment is being amortised by way of an annual grant to The Central Norwich Hockey Consortium on a straight line basis over 15 years, the period during which the School expects to utilise the facilities.

10. Tangible fixed assets

	Freehold property £	Motor vehicles £	Furniture, fittings and equipment £	Assets in the course of construction £	Total £
Cost or valuation					
At 1 August 2021	**11,657,483**	**215,520**	**1,938,410**	**194,482**	**14,005,895**
Additions	**39,040**	**20,700**	**61,936**	**44,415**	**166,091**
At 31 July 2022	**11,696,523**	**236,220**	**2,000,346**	**238,897**	**14,171,986**
Depreciation					
At 1 August 2021	**4,092,544**	**196,103**	**1,649,226**	**-**	**5,937,873**
Charge for the year	**225,376**	**10,397**	**104,096**	**-**	**339,869**
At 31 July 2022	**4,317,920**	**206,500**	**1,753,322**	**-**	**6,277,742**
Net book value					
At 31 July 2022	**7,378,603**	**29,720**	**247,024**	**238,897**	**7,894,244**
At 31 July 2021	*7,564,939*	*19,417*	*289,184*	*194,482*	*8,068,022*

Included within freehold property are land and buildings split as follows:

	2022 £	*2021 £*
Land	**1,925,062**	*1,925,062*
Buildings	**5,453,541**	*5,639,877*
	7,378,603	*7,564,939*

11. Debtors

	2022 £	*2021 £*
Due within one year		
Trade debtors	**31,999**	*33,991*
Prepayments and accrued income	**103,320**	*102,283*
	135,319	*136,274*

12. Creditors: Amounts falling due within one year

	2022 £	*2021 £*
Bank loans	**50,000**	*50,000*
Fee deposits	**21,997**	*27,494*
Trade creditors	**106,703**	*170,746*
Other taxation and social security	**70,241**	*63,326*
Fees in advance	**532,926**	*604,847*
Other creditors	**47,448**	*52,589*
Accruals and deferred income	**171,336**	*127,302*
	1,000,651	*1,096,304*

	2022 £	*2021 £*
Deferred income at 1 August 2021	**658,113**	*700,923*
Resources deferred during the year	**585,209**	*658,113*
Amounts released from previous periods	**(658,113)**	*(700,923)*
	585,209	*658,113*

Deferred income is included within the fees in advance and accruals and deferred income categories of creditors.

13. Creditors: Amounts falling due after more than one year

	2022 £	*2021* *£*
Bank loans	**637,500**	*687,500*
Fee deposits	**141,039**	*128,739*
	778,539	*816,239*

A breakdown of the maturity of the bank loans is as follows:

	2022 £	*2021* *£*
Bank loans		
Due in less than one year	**50,000**	*50,000*
Due within one to two years	**50,000**	*50,000*
Due within two to five years	**150,000**	*150,000*
Due in more than five years	**437,500**	*487,500*
	687,500	*737,500*

The bank loan is secured by a legal charge over the property at 14 Ipswich Road, Norwich. The loan carries interest at a rate of 2.3% over the bank base rate and is repayable by quarterly instalments of £12,500 with a bullet repayment of £512,500 at maturity on 13 April 2026.

14. Statement of funds

Statement of funds - current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Balance at 31 July 2022 £
Unrestricted funds				
Designated Funds	**89,054**	**-**	**-**	**89,054**
General funds	**8,557,732**	**5,750,985**	**(5,611,799)**	**8,696,918**
Total Unrestricted funds	**8,646,786**	**5,750,985**	**(5,611,799)**	**8,785,972**
Restricted funds				
Chakravarty donation	**20,000**	**-**	**-**	**20,000**
Total of funds	**8,666,786**	**5,750,985**	**(5,611,799)**	**8,805,972**

Following a receipt of £84,263 in 2013 the Governors decided to designate these funds for use in future capital projects, which will recognise the contribution of the Timothy Alston Foundation. In 2021 other donations of £4,791 were transferred into this fund by the Trustees.

The Chakravarty donation fund represents a donation, plus associated gift aid receivable, made to the Charity towards the fitting out of a new science lab.

14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2020 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Balance at 31 July 2021 £*
Unrestricted funds					
Designated Funds	*84,263*	*-*	*-*	*4,791*	*89,054*
General funds	*7,899,920*	*5,651,879*	*(4,991,876)*	*(2,191)*	*8,557,732*
Total Unrestricted funds	*7,984,183*	*5,651,879*	*(4,991,876)*	*2,600*	*8,646,786*
Restricted funds					
Chakravarty donation	*-*	*20,000*	*-*	*-*	*20,000*
PTA donation	*-*	*2,600*	*-*	*(2,600)*	*-*
	-	*22,600*	*-*	*(2,600)*	*20,000*
Total of funds	*7,984,183*	*5,674,479*	*(4,991,876)*	*-*	*8,666,786*

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	7,894,686	-	**7,894,686**
Intangible fixed assets	100,000	-	**100,000**
Current assets	2,570,476	20,000	**2,590,476**
Creditors due within one year	(1,006,651)	-	**(1,006,651)**
Creditors due in more than one year	(772,539)	-	**(772,539)**
Total	8,785,972	20,000	**8,805,972**

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	*Restricted funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	*8,068,022*	*-*	*8,068,022*
Intangible fixed assets	*125,000*	*-*	*125,000*
Current assets	*2,366,307*	*20,000*	*2,386,307*
Creditors due within one year	*(1,096,304)*	*-*	*(1,096,304)*
Creditors due in more than one year	*(816,239)*	*-*	*(816,239)*
Total	*8,646,786*	*20,000*	*8,666,786*

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	*2021 £*
Net income for the year (as per Statement of Financial Activities)	**139,186**	*682,603*
Adjustments for:		
Depreciation charges	**339,869**	*335,011*
Amortisation charges	**25,000**	*25,000*
Decrease/(increase) in debtors	**955**	*(22,726)*
Increase/(decrease) in creditors	**(83,353)**	*12,863*
Net cash provided by operating activities	**421,657**	*1,032,751*

17. Analysis of cash and cash equivalents

	2022 £	*2021 £*
Cash at bank and in hand	**2,455,599**	*2,250,033*

18. Analysis of changes in net debt

	At 1 August 2021 £	Cash flows £	Other non-cash changes £	At 31 July 2022 £
Cash at bank and in hand	**2,250,033**	**205,566**	**-**	**2,455,599**
Debt due within 1 year	**(50,000)**	**50,000**	**(50,000)**	**(50,000)**
Debt due after 1 year	**(687,500)**	**-**	**50,000**	**(637,500)**
	1,512,533	**255,566**	**-**	**1,768,099**

19. Pension commitments

The School participates in the Teachers' Pension Scheme ("the TPS") for teaching staff. The pension charge for the year includes contributions payable to the TPS of £373,626 (2021: £362,273) and at the year-end £45,132 (2021: £42,427) was accrued in respect of contributions to this scheme. There were no amounts outstanding at the end of the year (2021: £Nil) to the non-teaching staff defined contribution scheme.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016.

Teachers' Pension Scheme

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation was carried out as at 31 March 2016 and determined the current level of contributions, which are paid at a rate of 23.68% (including an administration levy of 0.8%).

A copy of the latest valuation report can be found on the Teachers' Pension Scheme website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School has accounted for its contributions as if it were a defined contribution scheme.

Scheme changes

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

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

19. Pension commitments (continued)

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

20. Operating lease commitments

At 31 July 2022 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	*2021* *£*
Operating leases which expire		
Not later than 1 year	**10,270**	*10,270*
Later than 1 year and not later than 5 years	**36,541**	*38,811*
Later than 5 years	**107,875**	*115,875*
	154,686	*164,956*

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2022 £	*2021* *£*
Operating lease rentals	**10,270**	*15,864*

21. Related party transactions

One trustee had expenses reimbursed by the School during the year totalling £129 (2021: £Nil). During the year, no Trustees received any remuneration or other benefits (2021: £Nil).

The Company is a founding co-member of the Central Norwich Hockey Consortium Limited, a registered charity. The School's funding is recognised as a programme related investment. The School hires the hockey pitch operated by the consortium and during the year fees totalling £7,700 (2021: £5,638) were payable. In additon, income of £7,207 was received from the Central Norwich Hockey Consortium in respect of one-off staff costs (2021: £Nil). The School currently expects to use the facilities for a period of 15 years and is amortising the original investment by way of annual grant to the consortium. A grant, in the form of amortisation of the programme related investment, of £25,000 was made to the consortium in the year (2021: £25,000).

A senior member of staff rents school property as living accommodation. The rental income for the year relating to this was £3,625 (2021: £Nil).

A close family member of a trustee was employed by the school on a temporary basis during the year. Total wages payable during the year were £380 (2021: £Nil).

Town Close Educational Trust Ltd

England & Wales - Charity number 311293

Accounts

Registered number: 00940118
Charity number: 311293

TOWN CLOSE EDUCATIONAL TRUST LIMITED (FORMERLY TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED)

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

TOWN CLOSE EDUCATIONAL TRUST LIMITED (FORMERLY TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED)

(A company limited by guarantee)

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TOWN CLOSE EDUCATIONAL TRUST LIMITED (FORMERLY TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED)

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2021

Trustees	Ms S J Anthony Dr S A Patel (appointed 16 March 2021) Ms C R Costello (resigned 31 July 2021) Mr A M A Fennell Mr A J Fish Mr M M Graham Ms S Jack Mr A W S Kingham Ms J L North Ms N Ovenden (resigned 31 July 2021) Mr A M Possener Ms S C Waddington
Company registered number	00940118
Charity registered number	311293
Registered office	Town Close Educational Trust Limited 14 Ipswich Road Norwich NR2 2LR
Company secretary	Mrs B Ogg
Independent auditors	Larking Gowen LLP Statutory Auditors King Street House 15 Upper King Street Norwich Norfolk NR3 1RB
Bankers	Handelsbanken Suite B 1 Prince of Wales Road Norwich NR1 1BD
Solicitors	Leathes Prior 74 The Close Norwich Norfolk NR1 4DR
Headmaster	Mr N Bevington (resigned 31 August 2021) Mr C Wilson (appointed 1 September 2021)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2021

The Trustees present their report and audited financial statements for the year ended 31 July 2021 which comply with the requirements of the Charities Acts 1993 and 2006, with other current statutory requirements and with the requirements of the charity's governing document. The Trustees have adopted the provisions of the 2019 Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

Principal activity and status

Town Close is an independent preparatory school, established in 1932 and, as Town Close House Educational Trust Limited, providing day education for girls and boys between the ages of 2 and 14. The Trust is a company limited by guarantee (company number 940118), incorporated upon trusts set out in the scheme of the Charity Commission dated 7 October 1968 (registered charity number 311293). Since 2012, the School has no longer used the word 'House' in its branding. With a change to the articles required for the reason outlined below, Trustees took the opportunity to also remove the word 'House' from the name of the Trust with effect from 8 July 2021.

Mission and objectives of the School

The Trust is governed by its Memorandum and Articles of Association. These were last amended on 20 June 2021 in order to remove the right of the Norwich Town Close Estate Charity to 'require the appointment of up to three persons as Governors'. The Charity had previously owned the site on which the School is housed but, following the purchase of the site by the Trust in 2016, this clause was no longer relevant. The articles were previously amended on 9 September 2011 in order to change the format to that specified by the Companies Act 2006 and to allow for more up-to-date working practices such as the use of electronic communications. The 2011 amendment also enabled the Trust to revise its primary objects from being "to acquire and carry on in the United Kingdom any boarding or day school or schools for the education of either sex or both sexes", specifying particularly Town Close House Preparatory School, Norwich, to "for the public benefit to advance education of young people (under the age of 21) through the provision, support, conduct and maintenance of a day and/or boarding school or schools and such other ancillary educational activities and other associated activities for the benefit of the community." In furtherance of these objects, Town Close aims, by the education of all its pupils, to develop an awareness of their full potential and encourage them to strive to attain this potential. It expects to equip them with the intellectual, emotional and physical attributes, as well as moral and spiritual values, that they need to live their lives fruitfully.

Structure, Governance and Management

The Trustees are the Governors of the School and Directors of the Company. (The single term 'Trustee(s)' is used in this annual report in describing the discharging of their various duties.)

The Trustees who served during the year ended 31 July 2021 were as follows:

SJ Anthony * (Chairman)
CR Costello (resigned 31 July 2021)
A Fennell *
AJ Fish * (Chairman of Finance & General Purposes Committee and Joint Deputy Chairman)
M Graham *
AWS Kingham
S Jack (Joint Deputy Chairman)
L North
N Ovenden (resigned 31 July 2021)
Dr S Patel (appointed 16 March 2021)
A Possener *
SC Waddington

(*indicates membership of the Finance & General Purposes Committee during the year ended 31 July 2021.)

Trustees retire from office by rotation and are eligible for re-appointment in accordance with the Articles of Association. Appointments to vacancies arising during the year are made by the Trustees on the recommendations of the Nominations Committee. The functions of this Committee include reviewing the composition of the Governing Body and its sub-committees, overseeing succession planning and members' induction, and training and development. Trustees receive at least termly reports from the Headteacher on the work of the School, supplemented by monthly management accounts and briefing materials circulated by the Bursar (who is also Clerk to the Governors).

Governing body meetings are often preceded by information sessions from staff on aspects of the School's academic and other activities. Trustees liaise with staff by attendance at School events and activities, and individual Governors attend occasional national and/or local training and information seminars and workshops. In addition to this, one Trustee is appointed to be a Liaison Governor and comes into School regularly to meet with different members of staff. Staff may ask to attend one of these sessions or are selected in rotation by one of the Deputy Heads. The Liaison Governor reports back to Trustees annually or more regularly if required.

The Trustees, meeting formally as the Governing Body at least three times a year and, guided by the Finance and General Purposes Committee, determine the general strategy and policy of the School, review its overall management and control, and oversee regulatory compliance in accordance with the terms of its registration with the Department for Education. The day-to-day affairs of the School are run by the Headteacher, with the support of a Senior Management Team, and by the Bursar – a key member of that team.

Key Management Personnel – Pay policy for senior staff

Key management personnel are considered to be the board of directors, who are also Trustees, the Headteacher and the Bursar who, collectively, are in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 20 to the accounts.

The pay of the Headteacher and Bursar is increased annually in line with any general increase given to teaching staff as agreed by the Governing Body. Their pay is also benchmarked against other Heads and Bursars in similar schools and is reviewed to consider whether it continues to be appropriate in the light of this and of:
(a) performance;
(b) any changes in individual responsibilities or functions;
(c) structural changes in the School;
(d) relative salaries of others on the Leadership scale or those on the main scale;
(e) any other elements agreed by the Committee to be relevant.

In the absence of any significant grounds, under any of these headings, for increasing the fixed salary, the expectation is that their salary will remain at the fixed point.

Public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken. A working group of the Governing Body has specific, on-going responsibility for oversight of this area, and the Trust continues to review its activities regularly to ensure public benefit is a consideration in all decisions. To this end, a commentary on public benefit forms part of each section of the School's Development Plan.

The provision of education to a large number of pupils remains the Trust's core charitable purpose and activity

and its fundamental contribution to public benefit. In a practice which accords with principles set out in the Charity Commission's general guidance on public benefit, Town Close has for some years provided bursary assistance to the parents of a number of pupils who are unable to pay the full fees, and has a means-tested framework for providing such assistance. This has been applied in respect of pupils already in the School and to new admissions. Recipients of bursary awards are spread throughout the School, and from the eighteen pupils in receipt of financial support this year, fourteen received a remission of 50% or more with seven pupils receiving at least 75% fees remission and one receiving 100% remission until they left the School during the year.

More broadly, the Trust provides public benefit by opening the School's sports and other facilities to outside users, including school-age children, some usage being without charge. Despite the limitations imposed because of the pandemic, the demand for access to the swimming pool, Sports Hall and the Read Hall for the performing arts continued over the last year with scrupulous precautions being put in place to keep users safe and to ensure compliance with Government requirements including those of Test and Trace.

Access to the School library was given free of charge to the Norfolk Reading Project for use to train volunteers to go into primary schools to support children's reading. This is something that has been needed more than ever since the national lockdowns with the resulting impact this has had on children's mental health and academic attainment. The Project had previously used the Forum for their training sessions but, like many other public buildings, this was closed for an extended period due to the pandemic. Not only did Town Close provide alternative accommodation but doing so free of charge meant the Project can use its limited resources on other aspects of their work.

The School is part of a hockey consortium formed with a local sports club (Norwich Dragons Hockey Club) and what was a local maintained sector school (The Hewett School). While the Hewett School no longer exists, Town Close's substantial contribution to the development is enabling its successor school (The Hewett Academy), while not a member of the Consortium, to extend hockey provision to pupils for whom there was previously no opportunity. It also enables the partner hockey club to run free coaching sessions introducing the sport to local children. Other local schools are able to hire the pitch at a reduced hourly rate. While use of this facility was also much reduced during the year, due to the pandemic, whenever guidance allowed it was reopened and run in a safe manner to allow users to reap the benefits of resuming outdoor activities.

The Hockey Consortium also sublets land free of charge to another independent school on which a second Astroturf has been constructed. One of the conditions associated with the sub-lease was that this second pitch must be made available for community use in the evenings and at weekends.

Other activities through which Town Close has provided public benefit consistent with its aims and objectives have included: the provision of three free places to the School's summer holiday club for children from a local school in receipt of pupil premium; free use of the School swimming pool for a local maintained school for children with complex needs; the free use of the main sports field for maintained school events eg sports days; donating books to other schools, and providing free access to a dinosaur trail put on in the School grounds.

The School has also been instrumental in supporting maintained schools across Norfolk to introduce the use of Goblin electric go-karts. The cars come in kit form which children between the ages of 9 to 11 are able to build and race. The project aims to inspire children to take an interest in engineering in a fun and innovative way. The Head of DT helped source funding to support the initial cost of the kits and then provided training sessions to share learning and to give instruction in how to introduce the project in their schools. He went on to find a suitable venue for a Norfolk-based racing event and coordinated a group of sponsors. 18 schools took 25 cars to the event, along with an average of 6 pupils per car. This would not have happened without Town Close's involvement and without the School agreeing to release the Head of DT to work on this project. Over the last three years, the Head of DT has continued to work with Greenpower and, in particular, helped to secure grant funding for maintained schools to introduce the category of go-karts for secondary age pupils (F24). He attended several external events and visited other schools to generate interest in this category, as well as

holding meetings and twilight sessions at Town Close School. He secured the use of the Lotus test track for the inaugural F24 event in Norfolk held in June 2019 which attracted participants from across the region and further afield. Another F24 heat was held at the Lotus track again in July this year, once Government guidance allowed such events to go ahead.

Having been successful in bidding for a grant of £3000 from the Royal Society to support a project linked to the environment, Town Close invited the Wherry School to work collaboratively on it. The Wherry School is a local maintained school which specialises in providing for children and young people with autism. Town Close provided funding for the Wherry School to purchase large planting trugs, seeds, compost, nitrogen dioxide diffusion tubes and other resources to carry out research. Although COVID-19 restrictions meant that pupils could not physically work together, pupils from each school shared results. In addition. Mrs Laing, the Deputy Head of the Pre Prep Department was supported by the School to sit on the judging panel that awarded Partnership Grants from the Royal Society. The grants are made to schools in order for them to run investigative STEM projects in partnership with STEM professionals from academia or industry.

While the coronavirus pandemic temporarily prevented the School from offering some of the ways in which public benefit has previously been delivered, parents of pupils not able to attend School physically received a rebate off the spring term fees in recognition of the financial effect of lockdown on many of them. In addition, parents of a further 8 pupils were given greater financial assistance because of the even worse financial impact of the pandemic on their particular financial circumstances. This further assistance was means tested in the same way as normal bursarial support would be. The School also gave free access to a library of recorded lessons and downloadable learning resources created by school staff during each lockdown. This online hub contains a wide variety of educational resources including music classes, story time, challenge sheets, mindfulness exercises and a range of age appropriate mental health tools and information. The hub is open to anyone with internet access and has already been accessed by almost 15,000 visitors.

Strategic objectives and achievements

- The School continued to assess the risk of the spread of coronavirus within the School and put in place appropriate control measures to minimise that risk. Plans for action to be taken in different scenarios potentially caused by the pandemic were put in place in order to ensure pupils continued to receive a high quality education and felt safe and secure.
- Further functionality in the School's online portal was developed, linking it to the Management Information System, for example, by integrating reply slips so they can be completed electronically on the portal.
- Trip planning software was introduced to allow efficient preparation of trips and provide multiple, secure access points for information.
- An electronic recording system for safeguarding records was introduced to improve security and access where needed and facilitate smoother and more efficient tracking of concerns.
- ISEB 11+ Common Entrance exams were used instead of KS2 SATs to measure pupils' progress in Year 6.
- Teacher deployment in art, computing, music, geography, science and English was reorganised to ensure the most effective use possible of specialist teachers, to manage workload and to maximise the efficiency of teacher deployment within the timetable.
- Further specialist support dog training was not provided for the school assistance dog because of the pandemic. This was also why raising funds for the development of a science, art, music and dining building was put on hold.

Operational performance

Entrance exams and scholarship assessments for senior schools switched almost entirely to remote assessments, which changed the nature of what pupils needed to do. An emergency holiday course for Year 8s was arranged in order to go through new practice papers prepared by the School. This preparation paid off and

pupils in their final year worked particularly hard to achieve excellent results and deserve great credit for their efforts, particularly in such difficult circumstances. Their talent was acknowledged by gaining offers for 23 academic scholarships or other awards to a variety of senior schools. Common Entrance results were, once again, strong with 84% of results being graded A to C, a significant achievement in exams of such a challenging nature, particularly given the fact that these pupils had experienced two extended periods of hybrid learning during national lockdowns, as well as other shorter periods due to isolations. Given the wider context that GCSEs, A Levels and SATs tests were all cancelled in favour of teacher assessments, it was a remarkable achievement for pupils to have entered these exams at all.

ISEB 11+ Common Entrance exams were used, alongside other in-house testing, for Year 6 pupils to monitor attainment and progress. These showed that 88% of pupils were working at age-related expectations or above in both Maths and English.

The school encourages the widest possible participation of pupils in a broad range of co-curricular and extra-curricular activities but these were, once again, curtailed this year due to the pandemic. However, where possible, clubs continued to run and performances were filmed with 'bubbles' of children being kept separate during rehearsals and filming. While fixtures were cancelled, sports lessons continued as normally as possible and individual music lessons were held remotely when face to face tuition was not possible. Once restrictions relaxed towards the end of the academic year, the School made every effort to welcome parents to events that could be run outside including all sports days and F24 races at Bedford and at the Lotus test track. Socially distanced performances of Joseph and the Amazing Technicolour Dreamcoat were also held. While some residential trips had to be cancelled, Year 8 pupils were able to enjoy the annual trip to the Lake District run by Real Adventure.

Having won the Tes Pre Prep/Prep School of the Year Award in 2020, the School was pleased to be shortlisted for another award in 2020/21, this being the Independent Schools of the Year 'Pre Prep School of the Year' category . The judges cited the fact that the School remained open to a large number of children of keyworkers throughout the second lockdown and admired the sentiment of 'never truly being closed': "No matter the circumstances, no matter the restrictions, we remained open – open to learn, to laugh and to grow together."

All schools were shut again from 5 January 2021 except to children of key workers, vulnerable children and those in Nursery, due to the pandemic. The School had planned for this eventuality and so a full timetable of virtual lessons was delivered immediately, with an adapted timetable of live lessons and recorded resources for Year 1 and below, reflecting their different needs. Once again the School had a high number of pupils registered as children of key workers with between 215 and 222 continuing to come into School every day. This was again very demanding for academic staff, being required to teach both virtually and physically at the same time. Despite the significant challenges, the quality of this provision led to a very high number of letters and emails thanking the School. In addition, all pupils in Years 7 and 8 had to be given lateral flow tests before returning to School after the Christmas holiday, necessitating setting up and staffing a test centre. Twice-weekly testing then continued for both staff and older pupils until home testing kits were provided in March.

All pupils were able to return to School on 8 March 2021 but with additional restrictions advised by Government guidance. The School continued to provide as normal a routine as possible, while closely following the guidance and continually risk assessing the situation in order to put relevant control measures in place. Once restrictions were relaxed a little, the School ensured that as many activities as possible could take place by providing socially distanced, safe ways to run events such as sports days, assemblies and Prize Giving. Trustees were very pleased that the School once again rose to these challenges and, despite all the difficulties encountered, was able to overcome them and to continue to provide for all pupils in a variety of different ways.

After eight years as Headmaster at Town Close, in November 2020, N Bevington was appointed to the position of Head of Junior School at Dulwich College (Singapore). Trustees were very grateful for the energy and innovation Mr Bevington had brought to the School, and pleased that he was taking such a positive next step in his career. Recruitment of his successor took place during the spring lockdown, a time that was already

incredibly challenging for all staff. In addition, the weather was so bad that short-list interviews were postponed and the School had to attract potential candidates under the most difficult and stressful circumstances. However, the success of the process showed how well the School was set up to cope. The Senior Management Team and all members of teaching and support staff were exceptional. Trustees all gave up time to help with the process in whatever way they could, even if it was on a remote basis and were delighted to appoint Mr Chris Wilson to the position, following nine years as Head at Locker's Park in Hemel Hempstead.

Financial review and reserves policy

The School's principal source of funding is from fee income.

As reported in the statement of financial activities and income and expenditure account later in this Report, the School's net income for the year, after depreciation, was £682,603 (2020: £546,630) . This was another very positive outturn following a pattern of strong performance over the past ten years and more, that has facilitated a major development programme and continuous investment in improving the quality of Town Close's educational provision, and reflects very effective financial planning and management. It should be noted that the cash position as at 31st July 2021 includes payments for the entirety of the next school year from parents electing to pay in advance.

In the last year £208,317 was invested in capital items most of which was spent on IT hardware and on work to improve and increase the accessible outdoor play spaces. As many separate areas as possible were developed in order to facilitate the need to keep pupils segregated when this was required by COVID restrictions.

Work on renovating and extending the Lodge, which was purchased along with the site in 2016, was completed and will provide accommodation for the incoming Headteacher. The Trust's pattern of operating performance and the state of the balance sheet continue to leave the Trust well placed operationally and in its capacity to respond to new demands and opportunities that might arise. The School has been given planning permission for a new science, art, music and dining building and work will continue to ensure all pre-commencement conditions are discharged so that lawful implementation of the project can take place.

Given the significant impact of the coronavirus pandemic, Trustees have given consideration to how this might affect the School's finances in the short to medium term. Fee debtors continue to be low and, while pupil numbers are lower than they have been, the main reason for this has been relocations out of the area, particularly several families moving back to their homes in Europe. Despite this, enquires for places continue unabated. However, Trustees are aware that a number of parents' businesses have been, and will continue to be, adversely affected by the pandemic and the associated restrictions and will continue to require additional financial support. They are also mindful that the withdrawal of Government support through grants such as the Coronavirus Job Retention Scheme and other financial incentives will adversely affect the income of some.

Having considered the principal risks and uncertainties, however, Trustees feel that the School's strong financial position, the strong surplus and the good relationship with the School's bank mean that it remains appropriate to prepare the financial statements on a going concern basis. It is also possible that economic conditions will result in a shrinking of the wider market for independent education in the medium term but experience suggests that the impact of this will be gradual and that the School will be able to adjust to this in a timely manner should it prove to be necessary. The Trustees nevertheless remain conscious of the continuing economic uncertainty and challenges facing independent schools, and will continue to exercise great care and prudence in their budgeting for the years ahead.

The policy of the Trustees is to maintain reserves at a level that is sufficient to enable the School to continue to operate as a going concern for the foreseeable future. At the present time the reserves, amounting to £8,666,786 (2020: £7,984,183) and held in the General and Designated Funds, are fully invested in the fabric of the School. Capitalised expenditure on the School's premises and equipment has substantially been

financed by the Trust's secured loan facilities, but with a significant contribution from resources generated by the successful operating performance outlined in this and recent Reports.

The Trust is not empowered to deliver any surplus by way of a dividend, bonus or other method to its members.

Objectives and Plans

Objectives for the next year and the medium term include:

- Focussing on pupil and staff wellbeing, including through access to counselling services, and working to ensure pupils do not feel isolated from the School community when having to work remotely.
- Continuing to assess the risk of the spread of coronavirus within the School and putting in place appropriate control measures to minimise the risk. Maintaining plans for action to be taken in different scenarios potentially caused by the pandemic, in order to ensure pupils continue to receive a high quality education and feel safe and secure.
- Surveying all stakeholders, to benchmark current performance at the start of a new Headteacher's incumbency and to inform future planning.
- Embedding the use of the electronic recording system for safeguarding records, to improve security and access, where needed, and facilitate smoother and more efficient tracking of concerns.
- Reintroducing domestic residential trips to widen our educational offering.
- Discharging all pre-commencement planning conditions attached to the new Prep building project and commencing development in order to secure the planning permission.
- Continuing to make sustainability and environmental issues a priority across all facets of school life including by working towards the Eco-Schools Green Flag Accreditation.

Investment power

The Trustees are empowered to invest funds in a manner appropriate to the financial requirements of the School, having regard to the security of any investments made and the requirements of the Charity Commissioners' order. The only investment held by the School has provided capital funding to The Central Norwich Hockey Consortium, a registered charity of which it is a member. The funding is recognised as a programme related investment and assisted with the construction of an AstroTurf hockey pitch which is available to the School and for community use (see note 9)

Asset cover for funds

The Trustees are satisfied that on a fund-by-fund basis the assets are sufficient to fulfil all the School's current obligations.

Systems review and risk management

The Trustees' Risk Management Policy and accompanying risk register are monitored by a working group comprising a number of Trustees and the School's Bursar. The work of this group is grounded in the operational aspects of the School, but it also has an important strategic role in reviewing higher level issues such as the educational, economic, legal and political context in which the School operates, and thereby helps to inform the Trustees' strategic planning and decision-making. The Risk Management Working Group reports at least annually to the Trustees. This committee in turn seeks specific advice and guidance on systems matters from the appointed auditor or from other professional advisers when required.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Town Close House Educational Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

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

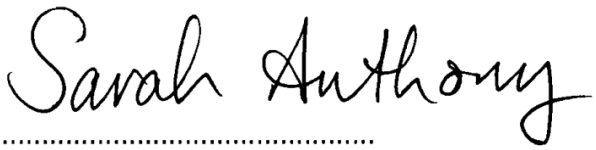
In so far as each of the Trustees is aware:

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

Auditor

Larking Gowen have been appointed as auditor in accordance with s485 (4) of the Companies Act 2006.

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



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Sarah Anthony
Chair of Governors

Date: 19 November 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE EDUCATIONAL TRUST LIMITED (FORMERLY TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED)

Opinion

We have audited the financial statements of Town Close Educational Trust Limited (formerly Town Close House Educational Trust Limited) (the 'charitable company') for the year ended 31 July 2021 which comprise the Statement of financial activities, the Balance sheet, the 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 charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any 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 Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 Trustees' 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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.

Auditors' 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 Auditors' 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:

Due to the field in which the company operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with safeguarding regulations, the Charity Commission and the Companies Act 2006. In addition, we considered the provisions of other laws and regulations which, whilst not having a direct impact on the financial statements, are fundamental to the company's ability to operate including health and safety; employment law, and compliance with various other regulations relevant to the conduct of the company's operations running a school.

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations, accidents in the school, potential litigation or claims and fraud;
- Enquiries with management about any known instances of health and safety breaches, safeguarding issues or GDPR breaches.
- Review of legal and professional fees to confirm matters where the company engaged lawyers during the year;
- Review of financial statement disclosures, and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Review of board minutes and any relevant correspondence with external authorities;
- Challenging assumptions and judgments made by management in their significant accounting estimates;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale of any significant transactions outside the normal course of business.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

J Grimmer FCA DChA (Senior statutory auditor)
for and on behalf of
Larking Gowen LLP
Statutory Auditors
Norwich
King Street House
15 Upper King Street
Norwich
Norfolk
NR3 1RB

5 January 2022

TOWN CLOSE EDUCATIONAL TRUST LIMITED (FORMERLY TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED)

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2021

	Note	General funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from:					
Donations		**4,791**	**22,600**	**27,391**	*-*
Charitable activities:					
School fees		**5,396,904**	**-**	**5,396,904**	*5,161,949*
School trips		**39,675**	**-**	**39,675**	*31,282*
Holiday activities		**68,111**	**-**	**68,111**	*69,680*
Income from other activities	4	**142,398**	**-**	**142,398**	*305,632*
Total income		**5,651,879**	**22,600**	**5,674,479**	*5,568,543*
Expenditure on:					
Costs of generating funds					
Fundraising and publicity		**51,892**	**-**	**51,892**	*31,854*
Charitable activities:					
School expenses		**4,589,058**	**-**	**4,589,058**	*4,675,266*
School trips		**37,079**	**-**	**37,079**	*40,306*
Repairs, renewals and grounds		**197,037**	**-**	**197,037**	*164,734*
Interest payable		**29,006**	**-**	**29,006**	*31,470*
Other support cost - governance		**87,804**	**-**	**87,804**	*78,283*
Total expenditure		**4,991,876**	**-**	**4,991,876**	*5,021,913*
Net income		**660,003**	**22,600**	**682,603**	*546,630*
Transfers between funds	14	**2,600**	**(2,600)**	**-**	*-*
Net income		**662,603**	**20,000**	**682,603**	*546,630*
Reconciliation of funds:					
Total funds brought forward		**7,984,183**	**-**	**7,984,183**	*7,437,553*
Net movement in funds		**662,603**	**20,000**	**682,603**	*546,630*
Total funds carried forward		**8,646,786**	**20,000**	**8,666,786**	*7,984,183*

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 33 form part of these financial statements.

TOWN CLOSE EDUCATIONAL TRUST LIMITED (FORMERLY TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED)

(A company limited by guarantee)
REGISTERED NUMBER: 00940118

BALANCE SHEET
AS AT 31 JULY 2021

	Note		2021 £		*2020 £*
Fixed assets					
Intangible assets	9		**125,000**		*150,000*
Tangible assets	10		**8,068,022**		*8,216,850*
			8,193,022		*8,366,850*
Current assets					
Debtors	11	**136,274**		*113,548*	
Cash at bank and in hand		**2,250,033**		*1,453,465*	
		2,386,307		*1,567,013*	
Creditors: amounts falling due within one year	12	**(1,096,304)**		*(1,075,041)*	
Net current assets			**1,290,003**		*491,972*
Total assets less current liabilities			**9,483,025**		*8,858,822*
Creditors: amounts falling due after more than one year	13		**(816,239)**		*(874,639)*
Total net assets			**8,666,786**		*7,984,183*
Charity funds					
Restricted funds:					
Restricted funds	14		**20,000**		-
Unrestricted funds	14		**8,646,786**		*7,984,183*
Total funds			**8,666,786**		*7,984,183*

The Trustees 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 Trustees and signed on their behalf by:

Sarah Anthony
.....
Ms S J Anthony

.....
Mr A J Fish

Date: 19 November 2021

The notes on pages 17 to 33 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021

	2021 £	*2020* *£*
Cash flows from operating activities		
Net cash used in operating activities	**1,032,751**	*861,456*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(186,183)**	*(471,581)*
Net cash used in investing activities	**(186,183)**	**(471,581)**
Cash flows from financing activities		
Repayments of borrowing	**(50,000)**	*(50,000)*
Net cash used in financing activities	**(50,000)**	**(50,000)**
Change in cash and cash equivalents in the year	**796,568**	**339,875**
Cash and cash equivalents at the beginning of the year	**1,453,465**	*1,113,590*
Cash and cash equivalents at the end of the year	**2,250,033**	*1,453,465*

The notes on pages 17 to 33 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1. General information

Town Close Educational Trust Limited is a charitable company limited by guarantee, charity number 311293 and company number 00940118. The registered office is Town Close Educational Trust Limited, 14 Ipswich Road, Norwich, NR2 2LR.

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.

Town Close Educational Trust Limited (formerly Town Close House Educational Trust Limited) 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.

2.2 Going concern

Having considered the principal risks and uncertainties, in particular the challenges posed by the coronavirus pandemic and the resulting economic conditions, the Trustees feel that the School's strong financial position, the strong surplus and the good relationship with the School's bank mean that it remains appropriate to prepare the financial statements on a going concern basis.

Further detail is provided in the Trustees' report.

2.3 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.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2. Accounting policies (continued)

2.4 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 company 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 company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Intangible assets and amortisation

The School has provided capital funding to The Central Norwich Hockey Consortium (a registered charity). Funding has assisted with construction of astroturf hockey pitches and associated facilities, which are available for school and community use. The funding is recognised as a programme related investment stated at cost less amortisation. The investment is being amortised by way of an annual grant to The Central Norwich Hockey Consortium on a straight line basis over 15 years, the period during which the school expects to utilise the facilities.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on the following basis:

Programme related investment	- 15 years

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold land	- Not depreciated
Freehold buildings	- 20 to 50 years
Motor vehicles	- 5 years
Furniture, fittings and equipment	- 10 years
Computer equipment	- 3 years
Assets in course of construction	- Not depreciated during the period of construction

2.7 Debtors

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

2.8 Cash at bank and in hand

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

2.9 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 Statement of financial activities as a finance cost.

2.10 Financial instruments

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

2. Accounting policies (continued)

2.11 Operating leases

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

2.12 Pensions

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ("TPS"). This is a defined benefit scheme.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

2.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company 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.

3. Turnover

	2021	*2020*
	£	*£*
Gross Fees	**5,839,077**	*5,836,289*
Less: Bursaries and remissions	**(349,524)**	*(345,033)*
Less: Covid-19 rebate	**(92,649)**	*(329,307)*
	5,396,904	*5,161,949*

4. Income from other activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Swimming pool income	15,092	-	**15,092**	*21,247*
Other hirings	6,714	-	**6,714**	*15,864*
After School care income	48,727	-	**48,727**	*56,762*
Other income	23,019	-	**23,019**	*21,652*
Fundraising	1,798	-	**1,798**	*4,752*
Music lesson	275	-	**275**	*25,162*
Coronavirus Job Retention Scheme grant	46,773	-	**46,773**	*160,193*
	142,398	-	**142,398**	*305,632*
	145,439	*160,193*	*305,632*	

During the year the School received exceptional government funding as part of the Coronavirus Job Retention Scheme. Funding represents some of the costs of employing certain staff unable to carry out their duties as a result of the coronavirus crisis.

5. School Expenses

	2021 £	*2020 £*
Teaching salaries	**2,733,190**	*2,873,514*
Domestic and grounds staff salaries	**415,765**	*405,096*
Housekeeping and provisions	**309,523**	*347,112*
Depreciation	**335,011**	*333,296*
Amortisation	**25,000**	*25,000*
Teaching materials and other school expenses	**273,715**	*212,599*
General support costs - staff costs	**374,822**	*360,277*
- other	**122,038**	*118,372*
	4,589,064	*4,675,266*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

6. Governance costs

	2021 £	2020 £
Staff costs	**37,070**	*35,632*
Audit fees	**9,660**	*8,955*
Professional fees	**27,514**	*20,544*
General office expenses	**13,560**	*13,152*
	87,804	*78,283*

10% of general office expenses are allocated to governance. Staff costs are allocated on the basis of estimated time spent, being 9% allocated to governance.

7. Auditors' remuneration

	2021 £	2020 £
Fees payable to the company's auditor for the audit of the company's annual accounts	**9,660**	*8,955*

8. Staff costs

	2021 £	2020 £
Wages and salaries	**2,808,867**	*2,968,954*
Social security costs	**246,691**	*230,969*
Contribution to pension schemes	**505,289**	*474,596*
	3,560,847	*3,674,519*

In the prior year, staff costs included a sum of £31,370 in respect of redundancy settlements, with no such amounts in the current year.

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

	2021 No.	2020 No.
Average no. of employees	**122**	*128*

8. Staff costs (continued)

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

	2021	*2020*
	No.	*No.*
In the band £70,001 - £80,000	**-**	*1*
In the band £80,001 - £90,000	**1**	-
In the band £100,001 - £110,000	**1**	*1*

Employers' pension contributions in respect of the employee whose earnings were between £80,001 and £90,000 were £18,596 (2020: £17,772). Employers' pension contributions in respect of the employee whose earnings were between £100,001 and £110,000 were £23,723 (2020: £22,438).

The key management personnel comprise the Headmaster and the Bursar. The total employee remuneration (including employer's national insurance costs) of the key management personnel was £247,795 (2020: £242,669).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

9. Intangible assets

	Programme Related Investments £
Cost	
At 1 August 2020	**375,000**
At 31 July 2021	**375,000**
Amortisation	
At 1 August 2020	**225,000**
Charge for the year	**25,000**
At 31 July 2021	**250,000**
Net book value	
At 31 July 2021	**125,000**
At 31 July 2020	*150,000*

The School has provided capital funding to The Central Norwich Hockey Consortium (a registered charity). Funding has assisted with the construction of astroturf hockey pitches and associated facilities, which are available for school and community use. The funding is recognised as a programme related investment and stated at cost less amortisation. The investment is being amortised by way of an annual grant to The Central Norwich Hockey Consortium on a straight line basis over 15 years, the period during which the School expects to utilise the facilities.

10. Tangible fixed assets

	Freehold property £	Motor vehicles £	Furniture, fittings and equipment £	Assets in the course of construction £	Total £
Cost or valuation					
At 1 August 2020	**11,142,196**	**215,520**	**1,786,630**	**675,366**	**13,819,712**
Additions	**-**	**-**	**151,780**	**34,403**	**186,183**
Transfers between classes	**515,287**	**-**	**-**	**(515,287)**	**-**
At 31 July 2021	**11,657,483**	**215,520**	**1,938,410**	**194,482**	**14,005,895**
Depreciation					
At 1 August 2020	**3,877,612**	**182,339**	**1,542,911**	**-**	**5,602,862**
Charge for the year	**214,932**	**13,764**	**106,315**	**-**	**335,011**
At 31 July 2021	**4,092,544**	**196,103**	**1,649,226**	**-**	**5,937,873**
Net book value					
At 31 July 2021	**7,564,939**	**19,417**	**289,184**	**194,482**	**8,068,022**
At 31 July 2020	*7,264,584*	*33,181*	*243,719*	*675,366*	*8,216,850*

11. Debtors

	2021 £	*2020 £*
Due within one year		
Trade debtors	**33,991**	*25,883*
Prepayments and accrued income	**102,283**	*87,665*
	136,274	*113,548*

12. Creditors: Amounts falling due within one year

	2021 £	*2020 £*
Bank loans	**50,000**	*50,000*
Fee deposits	**27,494**	*21,600*
Trade creditors	**170,746**	*71,498*
Other taxation and social security	**63,326**	*62,916*
Fees in advance	**604,847**	*681,947*
Other creditors	**52,589**	*81,839*
Accruals and deferred income	**127,302**	*105,241*
	1,096,304	*1,075,041*

	2021 £	*2020 £*
Deferred income at 1 August 2020	**700,923**	*706,662*
Resources deferred during the year	**658,113**	*700,923*
Amounts released from previous periods	**(700,923)**	*(706,662)*
	658,113	*700,923*

Deferred income is included within the fees in advance & accruals and deferred income categories of creditors.

13. Creditors: Amounts falling due after more than one year

	2021 £	*2020 £*
Bank loans	**687,500**	*737,500*
Fee deposits	**128,739**	*137,139*
	816,239	*874,639*

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021 £	*2020 £*
Bank loans		
Amount due in less than one year	**50,000**	*50,000*
Amount due within one to two years	**50,000**	*50,000*
Amount due within two to five years	**150,000**	*150,000*
Amount due in more than five years	**487,500**	*537,500*
	737,500	*787,500*

The bank loan is secured by a legal charge over the property at 14 Ipswich Road, Norwich. The loan carries interest at a rate of 2.3% over the bank base rate and is repayable by quarterly repayments of £12,500 with a bullet repayment of £512,500 at maturity on 13 April 2026.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

14. Statement of funds

Statement of funds - current year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2021 £
Unrestricted funds					
Designated Funds	**84,263**	**-**	**-**	**4,791**	**89,054**
General funds	**7,899,920**	**5,651,879**	**(4,991,876)**	**(2,191)**	**8,557,732**
Total Unrestricted funds	**7,984,183**	**5,651,879**	**(4,991,876)**	**2,600**	**8,646,786**
Restricted funds					
Chakravarty donation	**-**	**20,000**	**-**	**-**	**20,000**
PTA donation	**-**	**2,600**	**-**	**(2,600)**	**-**
	-	**22,600**	**-**	**(2,600)**	**20,000**
Total of funds	**7,984,183**	**5,674,479**	**(4,991,876)**	**-**	**8,666,786**

Following a receipt of a donation of £84,263 in 2013 the Govenors decided to designate these funds to specific projects in the future in the name of the Timothy Alston Foundation. There have been no movements in this fund since receipt.

The Chakravarty donation fund represents a donation, plus associated gift aid receivable, made to the Charity towards the fitting out of a new science lab.

The PTA donation was made towards the purchasing of outdoor equipment. The balance has been transferred to unrestricted funds as the monies have been spent on fixed assets, upon whose use there are no further restrictions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2019 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Balance at 31 July 2020 £*
Unrestricted funds					
Designated Funds	*84,263*	*-*	*-*	*-*	*84,263*
General funds	*7,353,290*	*5,408,350*	*(5,021,913)*	*160,193*	*7,899,920*
Total Unrestricted funds	*7,437,553*	*-*	*(5,021,913)*	*160,193*	*7,984,183*
Restricted funds					
Government grants	*-*	*160,193*	*-*	*(160,193)*	*-*
Total of funds	*7,437,553*	*160,193*	*(5,021,913)*	*-*	*7,984,183*

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	**Restricted funds 2021 £**	**Total funds 2021 £**
Tangible fixed assets	8,068,022	-	**8,068,022**
Intangible fixed assets	125,000	-	**125,000**
Current assets	2,366,307	20,000	**2,386,307**
Creditors due within one year	(1,096,304)	-	**(1,096,304)**
Creditors due in more than one year	(816,239)	-	**(816,239)**
Total	8,646,786	20,000	**8,666,786**

15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	*Total funds 2020 £*
Tangible fixed assets	*8,216,850*	*8,216,850*
Intangible fixed assets	*150,000*	*150,000*
Current assets	*1,567,013*	*1,567,013*
Creditors due within one year	*(1,075,041)*	*(1,075,041)*
Creditors due in more than one year	*(874,639)*	*(874,639)*
Total	*7,984,183*	*7,984,183*

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	*2020 £*
Net income for the year (as per Statement of Financial Activities)	**682,603**	*546,630*
Adjustments for:		
Depreciation charges	**335,011**	*333,296*
Amortisation charges	**25,000**	*25,000*
Decrease/(increase) in debtors	**(22,726)**	*39,370*
Increase/(decrease) in creditors	**12,863**	*(82,840)*
Net cash provided by operating activities	**1,032,751**	*861,456*

17. Analysis of cash and cash equivalents

	2021 £	*2020 £*
Cash at bank and in hand	**2,250,033**	*1,453,465*
Total cash and cash equivalents	**2,250,033**	*1,453,465*

18. Analysis of changes in net debt

	At 1 August 2020	Cash flows	Other non-cash changes	At 31 July 2021
	£	£	£	£
Cash at bank and in hand	**1,453,465**	**796,568**	**-**	**2,250,033**
Debt due within 1 year	**(50,000)**	**50,000**	**(50,000)**	**(50,000)**
Debt due after 1 year	**(737,500)**	**-**	**50,000**	**(687,500)**
	665,965	**846,568**	**-**	**1,512,533**

19. Pension commitments

The School participates in the Teachers' Pension Scheme ("the TPS") for teaching staff. The pension charge for the year includes contributions payable to the TPS of £362,273 (2020: £335,256) and at the year-end £42,427 (2020: £48,152) was accrued in respect of contributions to this scheme. There were no amounts outstanding at the end of the year (2020: £Nil) to the non-teaching staff defined contribution scheme.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016.

Teachers' Pension Scheme

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The previous actuarial valuation was carried out as at 31 March 2012 and determined the contributions for the period, which were paid at a rate of 16.48%. This rate has been paid since September 2015.

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%).

19. Pension commitments (continued)

A copy of the latest valuation report can be found on the Teachers' Pension Scheme website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Scheme changes

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

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

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

20. Operating lease commitments

At 31 July 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	*2020*
	£	*£*
Operating leases which expire		
Not later than 1 year	**10,270**	*15,864*
Later than 1 year and not later than 5 years	**38,811**	*41,081*
Later than 5 years	**115,875**	*123,875*
	164,956	*180,820*

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2021	*2020*
	£	*£*
Operating lease rentals	**15,864**	*27,951*

21. Related party transactions

No trustees had expenses reimbursed by the School during the year (2020: 5 trustees, travel costs totalling £1,008). During the year, no Trustees received any remuneration or other benefits (2020 - £nil).

The Company is a founding co-member of the Central Norwich Hockey Consortium Limited, a registered charity. The School's funding is recognised as a programme related investment. The School hires the hockey pitch operated by the consortium and during the year fees totalling £5,638 (2020: £7,500) were payable. The School currently expects to use the facilities for a period of 15 years and is amortising the original investment by way of annual grant to the consortium. A grant, in the form of amortisation of the programme related investment, of £25,000 was made to the consortium in the year (2020: £25,000).

Town Close Educational Trust Ltd

England & Wales - Charity number 311293

Accounts

Registered number: 00940118
Charity number: 311293

TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED
(A company limited by guarantee)

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TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2020

Trustees	Ms S J Anthony Mr D J H Bolton (retired 30 August 2019) Dr S M Carroll (resigned 24 March 2020) Ms C R Costello Mr A M A Fennell Mr A J Fish Mr M M Graham Ms S Jack Mr A W S Kingham Ms J L North (appointed 19 June 2020) Ms N Ovenden Mr A M Possener Ms S C Waddington
Company registered number	00940118
Charity registered number	311293
Registered office	Town Close House Educational Trust Limited 14 Ipswich Road Norwich NR2 2LR
Company secretary	Mrs B Ogg
Independent auditors	Larking Gowen LLP Statutory Auditors King Street House 15 Upper King Street Norwich Norfolk NR3 1RB
Bankers	Handelsbanken Suite B 1 Prince of Wales Road Norwich NR1 1BD
Solicitors	Leathes Prior 74 The Close Norwich Norfolk NR1 4DR
Headmaster	Mr N Bevington

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2020

The Trustees present their report and audited financial statements for the year ended 31 July 2020 which comply with the requirements of the Charities Acts 1993 and 2006, with other current statutory requirements and with the requirements of the charity's governing document. The Trustees have adopted the provisions of the 2005 Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

Principal activity and status

Town Close is an independent preparatory school, established in 1932 and, as Town Close House Educational Trust Limited, providing day education for girls and boys between the ages of 2 and 14. The Trust is a company limited by guarantee (company number 940118), incorporated upon trusts set out in the scheme of the Charity Commission dated 7 October 1968 (registered charity number 311293).

Mission and objectives of the School

The Trust is governed by its Memorandum and Articles of Association. The Trust's primary objects are "for the public benefit to advance education of young people (under the age of 21) through the provision, support, conduct and maintenance of a day and/or boarding school or schools and such other ancillary educational activities and other associated activities for the benefit of the community." In furtherance of these objects, Town Close aims, by the education of all its pupils, to develop an awareness of their full potential and encourage them to strive to attain this potential. It expects to equip them with the intellectual, emotional and physical attributes, as well as moral and spiritual values, that they need to live their lives fruitfully.

Structure, Governance and Management

The Trustees are the Governors of the School and Directors of the Company. (The single term 'Trustee(s)' is used in this annual report in describing the discharging of their various duties.)

The Trustees who served during the year ended 31 July 2020 were as follows:

SJ Anthony * (Chairman from 31.8.19)
DJH Bolton* (Chairman until 30.8.19 when he resigned as a Trustee)
Dr SM Carroll (resigned as a Trustee on 24.3.20)
CR Costello
AMA Fennell * (joined the Finance and General Purposes Committee on 1.9.19)
AJ Fish * (Chairman of Finance & General Purposes Committee and Joint Deputy Chairman)
MM Graham *
AWS Kingham
S Jack (Joint Deputy Chairman)
JL North (from 19.6.20)
N Ovenden
AM Possener *
SC Waddington
(*indicates membership of the Finance & General Purposes Committee during the year ended 31 July 2020.)

Trustees retire from office by rotation and are eligible for re-appointment in accordance with the Articles of Association. Appointments to vacancies arising during the year are made by the Trustees on the recommendations of the Nominations Committee. This functions of this Committee include reviewing the composition of the Governing Body and its sub-committees, overseeing succession planning and members' induction and training and development. Trustees receive at least termly reports from the Headmaster on the work of the School, supplemented by monthly management accounts and briefing materials circulated by the Bursar (who is also Clerk to the Governors).

Governing body meetings are often preceded by information sessions from staff on aspects of the School's academic and other activities. Trustees liaise with staff by attendance at School events and activities, and individual governors attend occasional national and/or local training and information seminars and workshops. In addition to this, one Trustee is appointed to be a Liaison Governor and comes into School regularly to meet with different members of staff. Staff may ask to attend one of these sessions or are selected in rotation by one of the Deputy Heads. The Liaison Governor reports back to Trustees annually or more regularly if required.

The Trustees, meeting formally as the Governing Body at least three times a year and, guided by the Finance and General Purposes Committee, determine the general policy of the School, review its overall management and control, and oversee regulatory compliance in accordance with the terms of its registration with the Department for Education. The day-to-day affairs of the School are run by the Headmaster, with the support of his Senior Management Team, and by the Bursar – a key member of that team.

Key Management Personnel – Pay policy for senior staff

Key management personnel are considered to be the board of directors, who are also Trustees, the Headmaster and the Bursar who, collectively, are in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 22 to the accounts.

The pay of the Headmaster and Bursar is increased annually in line with any general increase given to teaching staff as agreed by the Governing Body. Their pay is also benchmarked against other Heads and Bursars in similar schools and is reviewed to consider whether it continues to be appropriate in the light of this and of:
(a) performance;
(b) any changes in individual responsibilities or functions;
(c) structural changes in the School;
(d) relative salaries of others on the Leadership scale or those on the main scale;
(e) any other elements agreed by the Committee to be relevant.

In the absence of any significant grounds, under any of these headings, for increasing the fixed salary, the expectation is that their salary will remain at the fixed point.

Public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken. A working group of the Governing Body has specific, on-going responsibility for oversight of this area, and the Trust continues to review its activities regularly to ensure public benefit is a consideration in all decisions. To this end, a commentary on public benefit forms part of each section of the School's Development Plan.

The provision of education to a large number of pupils remains the Trust's core charitable purpose and activity and its fundamental contribution to public benefit. In a practice which accords with principles set out in the Charity Commission's general guidance on public benefit, Town Close has for some years provided bursary assistance to the parents of a number of pupils who are unable to pay the full fees, and has a means-tested framework for providing such assistance. This has been applied in respect of pupils already in the School and to new admissions. Recipients of bursary awards are spread throughout the School, and from the twenty pupils in receipt of financial support this year, eighteen received a remission of 50% or more.

More broadly, the Trust provides public benefit by opening the School's sports and other facilities to outside users, including school-age children, some usage being without charge. In addition to the growing demand for such access to the Sports Hall and of the Read Hall for the performing arts, the AstroTurf provides a programme of educational and sporting use by outside parties. This involves a hockey consortium formed with

a local sports club (Norwich Dragons Hockey Club) and what was a local maintained sector school (The Hewett School). While the Hewett School no longer exists, Town Close's substantial contribution to the development is enabling its successor school (The Hewett Academy), while not a member of the Consortium, to extend hockey provision to pupils for whom there was previously no opportunity whilst enabling the partner hockey club to run free coaching sessions introducing the sport to local children. The Hockey Consortium subsequently sublet land free of charge to another independent school and a second Astroturf was constructed. One of the conditions associated with the sub-lease was that this second pitch must be made available for community use in the evenings and at weekends.

Other activities by means of which Town Close has provided public benefit consistent with its aims and objectives have included: the provision of five free places to the School's summer holiday club for children from a local school in receipt of pupil premium; free use of the School swimming pool for a local maintained school for children with complex needs; the free use of the main sports field for maintained school events eg sports days; inviting pupils from local maintained and independent schools to hear visiting authors and to watch school performances; the provision of work experience placements for pupils from local schools and for prospective teachers; donating books to other schools, and providing free access to a Puppet Theatre performance and a yoga session to very young children.

The School has also been instrumental in supporting maintained schools across Norfolk to introduce the use of Goblin go-karts. The Head of DT helped them source funding to support the initial cost and then provided training sessions to share learning and to give instruction in how to introduce the project in their schools. He went on to find a suitable venue for a Norfolk-based racing event and coordinated a group of sponsors for this. 18 schools took 25 cars to the event, along with an average of 6 pupils per car. This would not have happened without Town Close's involvement and without the School agreeing to release the Head of DT to work on this project. Over the last year, the Head of DT has continued to work with Greenpower and, in particular, helped to secure grant funding for maintained schools to introduce the category of go-karts for secondary age pupils (F24). He attended several external events and visited other schools to generate interest in this category, as well as holding meetings and twilight sessions at Town Close School. He secured the use of the Lotus test track for the inaugural F24 event in Norfolk held in June 2019 which attracted participants from across the region and further afield.

While the coronavirus pandemic temporarily stopped some of these activities, a discount was applied to the summer term school fees for all parents in recognition of the financial effect of lockdown on many families. In addition, parents of a further 16 pupils were given greater financial assistance because of the even worse financial impact of the pandemic on their particular financial circumstances. This further assistance was means tested in the same way as normal bursarial support would be. The School also gave free access to a library of recorded lessons and downloadable learning resources created by School staff during lockdown. The online resources hub contains a wide variety of educational resources including music classes, story time, challenge sheets, mindfulness exercises and a range of age appropriate mental health tools and information. The hub is open to anyone with internet access and has already been accessed by over 12,000 visitors to the website.

Strategic objectives and achievements

- Further functionality in the School's online portal, which links to the Management Information System, was developed.
- School trip planning software was purchased that also integrates with the School's Management Information System, allowing for more efficient preparation and multiple access points to trip information.
- Following the successful creation of the woodland walk, the use of play areas was developed further, including by painting new play markings on the Pre Prep tarmac playground and creating an artificial grass play area outside the Nursery to provide extra outdoor space in the winter months.
- The School would have finished its participation in the formal KS2 assessments in 2020 had these not been cancelled due to the pandemic, because of the move from "best fit" to "exact fit", which is less compatible with the School's broad-based, subject specialist curriculum. Alternative assessments that maintain the School's ability to track progress empirically from Pre Prep upwards were explored.

- Following the successful introduction of the new feedback policy, policies and guidance continued to be developed to ensure teachers are deployed as efficiently as possible, managing workload and maximising the effectiveness of the time they deploy.
- A professionally trained school assistance dog was introduced in the Learning Support Department to add further to the School's provision for wellbeing, mental health and Learning Support.
- Membership of the Town Close Association for alumni continued to be developed, although raising funds for the development of the science, art, music and dining block, that will allow the School to enhance its public benefit and support a wider range of needs within the community was put on hold.
- Continuing investment in good quality teaching and support staff.
- To continue to offer membership of the Teachers' Pension Scheme to those eligible.

Operational performance

Common Entrance exams were cancelled due to the coronavirus pandemic, which was particularly disappointing for a cohort that seemed destined for excellent results. Entrance exams for most senior schools took place before lockdown and the vast majority of pupils had, therefore, already secured senior school spaces. Pupils in their final year worked particularly hard to achieve excellent results and deserve great credit for their efforts. Their talent was acknowledged by gaining offers for 30 academic scholarships or other awards to a variety of senior schools, the second highest number ever achieved by a Town Close Year 8 cohort and only marginally lower than the unprecedented 34 achieved in 2019. Of particular note was one pupil winning the Oundle Academic Scholarship, one of the most challenging of all senior school awards to win. In addition, 4 awards were offered to Year 6 pupils moving to senior schools at 11.

Key Stage 2 SATS were also cancelled in what was to be the last year of Town Close participating in these before moving to ISEB 11+ Common Entrance exams for Year 6 pupils. Town Close has valued participation in KS2 SATs as they have provided the only standardised external measure of attainment for pupils finishing Year 6. However, the new style and move to exact fit for writing has shifted the focus increasingly to intensive practising of narrow and artificial exercises, which the School has felt do not prepare children well for the requirements of the years ahead. Nevertheless, the School looked well placed to achieve strong results in its final year of KS2 SATs and it was disappointing that the assessments were not possible. This was especially the case given that last year's results were less strong due to a number of recent joiners not making the expected standard, as well as the school not focusing explicitly on writing assessments involving "exact fit".

The school encourages the widest possible participation of girls and boys in a broad range of co-curricular and extra-curricular activities, with the year once again seeing many notable successes:

The Town Close F24 racing team, comprised of Year 8 members of the after-school club, competed at Bedford before appearing for the second time in the international finals, this year held at Silverstone. The team came third in the world in the kit car category, an amazing achievement considering the small size of our school and young age of our pupils. Sadly, the pandemic prevented participation in the Year 6 team events scheduled for the summer or the 2020 F24 events.

Once again, the School undertook many successful extra-curricular trips allowing children invaluable learning beyond the classroom. Year 8 pupils stayed at Holt Hall for science and geography field work and Year 7 spent a week at Château de La Baudonnière undertaking French immersion. There were also numerous successful day trips such as Year 8's trip to Goldsmith Street as part of their geography studies. Sadly, the Year 6 Humanities Trip to Normandy, the Year 4 residential camp to Horsford, the Year 8 Real Adventure trip to the Lake District and all of the Adventure and Skills Academy camping trips had to be cancelled because of the pandemic.

The School hosted a number of successful events including grandparents' afternoons, the Christmas Fayre and World Book Day, where pupils dressed as characters from literature and gave presentations based on who they were playing and their role in the book concerned. There were successful concerts, including the Christmas Concert, and soloists' concerts for various year groups. The Carol Service included quality readings delivered

by pupils and outstanding anthems performed by the Chamber Choir, Senior Choir and 4Tissimo Choir. Pre Prep children performed beautiful Nativity plays for each year group, while Year 4 took to the stage with Porridge and Years 7&8 performed Peter Pan the week before lockdown, with performances recorded in front of a pupil audience and shared with parents via YouTube.

In sport, nine children qualified for the IAPS national finals at swimming, though the finals themselves were then cancelled. One pupil became the top Norfolk runner at the Regional Cross Country Championships. The School's rugby teams had one of their strongest seasons for a while in what has often been the least strong sport for Town Close pupils. There were strong performances by the girls' teams in the IAPS hockey, strong netball results and the internal House cross-country events all took place just before lockdown.

The School was shortlisted for the Tes Pre Prep/Prep School of the Year Award in January and was named the winner of this very prestigious award at a special ceremony in London in February. The judges cited achievements in engineering, pupil-led initiatives to promote equality and lessen environmental impact and outstanding academic results.

All schools were shut on March 20th except to children of key workers and vulnerable children, due to the pandemic. Given the very short notice of closure, the School was not in a position to deliver virtual lessons for the last week of term but provided work for children online with work packs for younger children. In the summer term, the number of children registered as key worker children and attending school regularly rose to 185, which we believe to be the highest number of any school nationally. Alongside continuing physical provision for these pupils, Town Close developed a remote learning model for all children which, from the start of the summer term, involved a full timetable delivered live via Zoom for pupils in Years 2-8, except games, music and computing. There was an adapted timetable of live lessons and recorded resources for Year 1 and below, reflecting their different needs. This was particularly demanding for academic staff, many of whom were required to teach both virtually and physically at the same time using software with which they were not familiar.

Despite the significant challenges, the quality of this provision led to a very high number of letters and emails thanking the school and a surge in admissions enquiries later in the summer term. All children in Nursery, Reception, Year 1 and Year 6 were able to return on June 1st, albeit under very different conditions from normal. Despite the restrictiveness of the guidance, which involved segregated bubbles of no more than 15 pupils, the School was able to welcome all pupils from Nursery to Year 8 back on June 22nd for the final three weeks of term. A special outdoor prizegiving was held just for Year 8 pupils at the end of term, which was filmed and edited, with younger prize winners being awarded their prizes in class bubbles. The film was released on YouTube and watched by 543 families, more than would normally attend the event physically. Trustees were very pleased that the School rose to this challenge and, despite all the difficulties encountered, was able to overcome these and to continue to provide for all pupils in a variety of different ways.

Financial review and reserves policy

The School's principal source of funding is from fee income.

As reported in the statement of financial activities and income and expenditure account later in this Report, the School's net income for the year, after depreciation, was £546,630 (2019: £355,471). This was another very positive outturn following a pattern of strong performance over the past ten years and more that has facilitated a major development programme and continuous investment in improving the quality of Town Close's educational provision, and reflects very effective financial planning and management. It should be noted that the cash position as at 31st July 2020 includes advance payments for the entirety of the next school year from parents electing to pay in advance.

In the last year £471,581 was invested in capital items with a large proportion of this being spent on work to renovate and extend the Lodge which was purchased along with the site in 2016. The Lodge is listed and so

the project has been challenging but the building will be a useful asset to the School. The Trust's pattern of operating performance and the state of the balance sheet continue to leave the Trust well placed operationally and in its capacity to respond to new demands and opportunities that might arise. The School has now been given planning permission for a new science, art, music and dining block allowing fundraising for the project to start in earnest when Trustees consider the time is right.

Given the significant impact of the coronavirus pandemic, Trustees have given consideration to how this might affect the School's finances in the short to medium term. The majority of the School's parent body appears to have been financially resilient despite the pandemic, many working in professions where income has not been adversely affected. While pupil recruitment was certainly affected during lockdown, the larger than usual number of late registrations has meant pupil numbers have held up well. Enquires for places continue unabated. However, Trustees are aware that a number of parents' incomes have been, and will continue to be, adversely affected by the ongoing pandemic and the associated restrictions and will continue to require additional financial support. They are also mindful that the withdrawal of Government support through grants such as the Coronavirus Job Support Scheme and other financial incentives will adversely affect the income of some. Withdrawal from the EU at the end of the 2020 will also have a detrimental impact upon the income and confidence of some current and prospective parents.

Having considered the principal risks and uncertainties, however, Trustees feel that the School's strong financial position, the strong surplus and the good relationship with the School's bank mean that it remains appropriate to prepare the financial statements on a going concern basis. It is also possible that economic conditions will result in a shrinking of the wider market for independent education in the medium term but experience suggests that the impact of this will be gradual and that the School will be able to adjust to this in a timely manner should it prove to be necessary. The Trustees nevertheless remain conscious of the continuing economic uncertainty and challenges facing independent schools, and will continue to exercise great care and prudence in their budgeting for the years ahead.

The policy of the Trustees is to maintain reserves at a level that is sufficient to enable the School to continue to operate as a going concern for the foreseeable future. At the present time the reserves, amounting to £7,984,183 (2019: £7,437,553), are fully invested in the fabric of the School. Capitalised expenditure on the School's premises and equipment has substantially been financed by the Trust's secured loan facilities, but with a significant contribution from resources generated by the successful operating performance outlined in this and recent Reports.

The Trust is not empowered to deliver any surplus by way of a dividend, bonus or other method to its members.

Objectives and Plans

Objectives for the next year and the medium term include:

- Continuing to assess the risk of the spread of coronavirus within the School and putting in place appropriate control measures to minimise the risk. Maintaining plans for action to be taken in different scenarios potentially caused by the pandemic in order to ensure pupils continue to receive a high quality education and feel safe and secure.
- Developing further functionality in the School's online portal, which links to the Management Information System, for example integrating reply slips so they can be completed electronically on the portal.
- Embedding trip planning software to allow efficient preparation of trips and multiple access points for information.
- Introducing an electronic recording system for safeguarding records to improve security and access where needed and facilitate smoother and more efficient tracking of concerns.
- Introducing ISEB 11+ Common Entrance exams instead of KS2 SATs.
- Reorganising teacher allocation in art, computing, music, geography, science and English to ensure the most effective distribution possible of specialist teachers, to manage workload and maximise the efficiency of teacher deployment within the timetable.

- Embark on specialist support dog training for the school assistance dog in the Learning Support Department to add further to her effectiveness in supporting pupil well-being, mental health and Learning Support.
- Developing the membership of the Town Close Association for alumni and raising funds for the development of a science, art, music and dining block, that will allow the School to enhance its public benefit and support a wider range of needs within the community.

Investment powers

The Trustees are empowered to invest funds in a manner appropriate to the financial requirements of the School, having regard to the security of any investments made and the requirements of the Charity Commissioners' order. The only investment held by the School has provided capital funding to The Central Norwich Hockey Consortium, a registered charity of which it is a member. The funding is recognised as a programme related investment and assisted with the construction of an AstroTurf hockey pitch which is available to the School and for community use (see note 9)

Asset cover for funds

The Trustees are satisfied that on a fund-by-fund basis the assets are sufficient to fulfil all the School's current obligations.

Systems review and risk management

The Trustees' Risk Management Policy and accompanying risk register are monitored by a working group comprising a number of Trustees and the School's Bursar. The work of this group is grounded in the operational aspects of the School, but it also has an important strategic role in reviewing higher level issues such as the educational, economic, legal and political context in which the School operates, and thereby helps to inform the Trustees' strategic planning and decision-making. The Risk Management Working Group reports at least annually to the Trustees. This committee in turn seeks specific advice and guidance on systems matters from the appointed auditor or from other professional advisers when required.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2020

Statement of Trustees' responsibilities

The Trustees (who are also directors of Town Close House Educational Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

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

In so far as each of the Trustees is aware:

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

Auditor

Larking Gowen have been appointed as auditor in accordance with s485 (4) of the Companies Act 2006.

ON BEHALF OF THE TRUSTEES

Sarah Anthony

Sarah Anthony
Chair of Governors
Date: 20 November 2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED

Opinion

We have audited the financial statements of Town Close House Educational Trust Limited (the 'charitable company') for the year ended 31 July 2020 which comprise the Statement of financial activities, the Balance sheet, the 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 charitable company's affairs as at 31 July 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 Auditors' 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 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

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED (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 Auditors' 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 the audit:

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 Trustees' 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED (CONTINUED)

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.

Auditors' 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 Auditors' 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 Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

J Grimmer FCA DChA (Senior statutory auditor)
for and on behalf of
Larking Gowen LLP
Statutory Auditors
Norwich
King Street House
15 Upper King Street
Norwich
Norfolk
NR3 1RB

14 December 2020

TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2020

	Note	General funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Income from:					
Charitable activities:					
School fees		**5,161,949**	**-**	**5,161,949**	*5,302,479*
School trips		**31,282**	**-**	**31,282**	*82,743*
Holiday activities		**69,680**	**-**	**69,680**	*73,412*
Income from other activities	4	**145,439**	**160,193**	**305,632**	*186,450*
Total income		**5,408,350**	**160,193**	**5,568,543**	*5,645,084*
Expenditure on:					
Costs of generating funds					
Fundraising and publicity		**31,854**	**-**	**31,854**	*39,069*
Charitable activities:					
School expenses	5	**4,675,266**	**-**	**4,675,266**	*4,805,366*
School trips		**40,306**	**-**	**40,306**	*107,276*
Repairs, renewals and grounds		**164,734**	**-**	**164,734**	*196,760*
Interest payable		**31,470**	**-**	**31,470**	*58,439*
Other support cost - governance		**78,283**	**-**	**78,283**	*82,703*
Total expenditure		**5,021,913**	**-**	**5,021,913**	*5,289,613*
Net income		**386,437**	**160,193**	**546,630**	*355,471*
Transfers between funds	14	**160,193**	**(160,193)**	**-**	*-*
Net income		**546,630**	**-**	**546,630**	*355,471*
Reconciliation of funds:					
Total funds brought forward		**7,437,553**	**-**	**7,437,553**	*7,082,082*
Net movement in funds		**546,630**	**-**	**546,630**	*355,471*
Total funds carried forward		**7,984,183**	**-**	**7,984,183**	*7,437,553*

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 16 to 31 form part of these financial statements.

TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 00940118

BALANCE SHEET
AS AT 31 JULY 2020

	Note		2020 £		*2019 £*
Fixed assets					
Intangible assets	9		**150,000**		*175,000*
Tangible assets	10		**8,216,850**		*8,078,565*
			8,366,850		*8,253,565*
Current assets					
Debtors	11	**113,548**		*152,918*	
Cash at bank and in hand		**1,453,465**		*1,113,590*	
		1,567,013		*1,266,508*	
Creditors: amounts falling due within one year	12	**(1,075,041)**		*(1,136,585)*	
Net current assets			**491,972**		*129,923*
Total assets less current liabilities			**8,858,822**		*8,383,488*
Creditors: amounts falling due after more than one year	13		**(874,639)**		*(945,935)*
Total net assets			**7,984,183**		*7,437,553*
Charity funds					
Unrestricted funds	14		**7,984,183**		*7,437,553*
Total funds			**7,984,183**		*7,437,553*

The Trustees 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 Trustees and signed on their behalf by:

Sarah Anthony

.....
Ms S J Anthony

.....
Mr A J Fish

Date: 20 November 2020

The notes on pages 16 to 31 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2020

	2020 £	*2019* *£*
Cash flows from operating activities		
Net cash used in operating activities	**861,456**	*899,447*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(471,581)**	*(358,291)*
Net cash used in investing activities	**(471,581)**	*(358,291)*
Cash flows from financing activities		
Repayments of borrowing	**(50,000)**	*(1,285,969)*
Net cash used in financing activities	**(50,000)**	*(1,285,969)*
Change in cash and cash equivalents in the year	**339,875**	*(744,813)*
Cash and cash equivalents at the beginning of the year	**1,113,590**	*1,858,403*
Cash and cash equivalents at the end of the year	**1,453,465**	*1,113,590*

The notes on pages 16 to 31 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

1. General information

Town Close House Educational Trust Limited is a charitable company limited by guarantee, charity number 311293 and company number 00940118. The registered office is Town Close House Educational Trust Limited, 14 Ipswich Road, Norwich, NR2 2LR.

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.

Town Close House Educational Trust Limited 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.

2.2 Going concern

Having considered the principal risks and uncertainties, in particular the challenges posed by the coronavirus pandemic and the resulting economic conditions, the Trustees feel that the School's strong financial position, the strong surplus and the good relationship with the School's bank mean that it remains appropriate to prepare the financial statements on a going concern basis.

Further detail is provided in the Trustees' report.

2.3 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.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2. Accounting policies (continued)

2.4 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 company 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 company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Intangible assets and amortisation

The School has provided capital funding to The Central Norwich Hockey Consortium (a registered charity). Funding has assisted with construction of astroturf hockey pitches and associated facilities, which are available for school and community use. The funding is recognised as a programme related investment stated at cost less amortisation. The investment is being amortised by way of an annual grant to The Central Norwich Hockey Consortium on a straight line basis over 15 years, the period during which the school expects to utilise the facilities.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on the following basis:

Programme related investment - 15 years

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold land	- Not depreciated
Freehold buildings	- 20 to 50 years
Motor vehicles	- 5 years
Furniture, fittings and equipment	- 10 years
Computer equipment	- 3 years
Assets in course of construction	- Not depreciated during the period of construction

2.7 Debtors

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

2.8 Cash at bank and in hand

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

2.9 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 Statement of financial activities as a finance cost.

2.10 Financial instruments

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

2. Accounting policies (continued)

2.11 Operating leases

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

2.12 Pensions

Retirement benefits to employees of the school are provided by the Teachers' Pension Scheme ("TPS"). This is a defined benefit scheme.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

2.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company 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.

3. Turnover

	2020	*2019*
	£	*£*
Gross Fees	**5,836,289**	*5,679,404*
Less: Bursaries and remissions	**(345,033)**	*(376,925)*
Less: Covid-19 discount	**(329,307)**	-
	5,161,949	*5,302,479*

4. Income from other activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Swimming pool income	21,247	-	**21,247**	*41,106*
Other hirings	15,864	-	**15,864**	*20,104*
After School care income	56,762	-	**56,762**	*72,027*
Other income	21,652	-	**21,652**	*21,079*
Fundraising	4,752	-	**4,752**	*8,647*
Music lessons	25,162	-	**25,162**	*23,487*
Coronavirus Job Retention Scheme grant	-	160,193	**160,193**	-
	145,439	160,193	**305,632**	*186,450*

During the year the School received exceptional government funding as part of the Coronavirus Job Retention Scheme. Funding represents some of the costs of employing certain staff unable to carry out their duties as a result of the coronavirus crisis.

5. School Expenses

	2020 £	*2019 £*
Teaching salaries	**2,873,514**	*2,794,664*
Domestic and grounds staff salaries	**405,096**	*459,737*
Housekeeping and provisions	**347,112**	*407,523*
Depreciation	**333,296**	*333,040*
Amortisation	**25,000**	*25,000*
Teaching materials and other school expenses	**212,599**	*288,274*
General support costs - staff costs	**360,277**	*366,926*
- other	**118,372**	*130,202*
	4,675,266	*4,805,366*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

6. Governance costs

	2020 £	2019 £
Staff costs	**35,632**	*31,359*
Audit fees	**8,955**	*7,237*
Professional fees	**20,544**	*31,142*
General office expenses	**13,152**	*12,965*
	78,283	*82,703*

10% of general office expenses are allocated to governance. Staff costs are allocated on the basis of estimated time spent, being 9% allocated to governance.

7. Auditors' remuneration

	2020 £	2019 £
Fees payable to the company's auditor for the audit of the company's annual accounts	**8,955**	*7,237*

8. Staff costs

	2020 £	2019 £
Wages and salaries	**2,968,954**	*3,035,142*
Social security costs	**230,969**	*216,792*
Contribution to pension schemes	**474,596**	*372,749*
	3,674,519	*3,624,683*

Staff costs include a sum of £31,370 in respect of redundancy settlements (2019: nil).

8. Staff costs (continued)

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

	2020 No.	*2019* *No.*
Average no. of employees	**128**	*130*

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

	2020 No.	*2019* *No.*
In the band £70,001 - £80,000	**1**	*1*
In the band £100,001 - £110,000	**1**	*1*

Company pension contributions in respect of the employee whose earnings were between £70,001 and £80,000 were £22,438 (2019: £16,022). Company pension contributions in respect of the employee whose earnings were between £100,001 and £110,000 were £17,772 (2019: £12,114).

The key management personnel comprise the Headmaster and the Bursar. The total employee remuneration (including employer's national insurance costs) of the key management personnel was £221,035 (2019: £205,339).

9. Intangible assets

	Programme Related Investments £
Cost	
At 1 August 2019	**375,000**
At 31 July 2020	**375,000**
Amortisation	
At 1 August 2019	**200,000**
Charge for the year	**25,000**
At 31 July 2020	**225,000**
Net book value	
At 31 July 2020	**150,000**
At 31 July 2019	*175,000*

The School has provided capital funding to The Central Norwich Hockey Consortium (a registered charity). Funding has assisted with the construction of astroturf hockey pitches and associated facilities, which are available for school and community use. The funding is recognised as a programme related investment and stated at cost less amortisation. The investment is being amortised by way of an annual grant to The Central Norwich Hockey Consortium on a straight line basis over 15 years, the period during which the School expects to utilise the facilities.

10. Tangible fixed assets

	Freehold property £	Motor vehicles £	Furniture, fittings and equipment £	Assets in the course of construction £	Total £
Cost or valuation					
At 1 August 2019	**11,101,994**	**215,520**	**1,702,561**	**328,056**	**13,348,131**
Additions	**40,202**	**-**	**84,069**	**347,310**	**471,581**
At 31 July 2020	**11,142,196**	**215,520**	**1,786,630**	**675,366**	**13,819,712**
Depreciation					
At 1 August 2019	**3,662,692**	**168,578**	**1,438,296**	**-**	**5,269,566**
Charge for the year	**214,920**	**13,761**	**104,615**	**-**	**333,296**
At 31 July 2020	**3,877,612**	**182,339**	**1,542,911**	**-**	**5,602,862**
Net book value					
At 31 July 2020	**7,264,584**	**33,181**	**243,719**	**675,366**	**8,216,850**
At 31 July 2019	*7,439,302*	*46,942*	*264,265*	*328,056*	*8,078,565*

11. Debtors

	2020 £	*2019 £*
Due within one year		
Trade debtors	**25,883**	*47,339*
Prepayments and accrued income	**87,665**	*105,579*
	113,548	*152,918*

12. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	**50,000**	*50,000*
Fee deposits	**21,600**	*20,700*
Trade creditors	**71,498**	*122,805*
Other taxation and social security	**62,916**	*63,784*
Fees in advance	**681,947**	*640,293*
Other creditors	**81,839**	*46,138*
Accruals and deferred income	**105,241**	*192,865*
	1,075,041	*1,136,585*

13. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	**737,500**	*787,500*
Fee deposits	**137,139**	*158,435*
	874,639	*945,935*

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2020 £	2019 £
Bank loans		
Amount due in less than one year	**50,000**	*50,000*
Amount due within one to two years	**50,000**	*50,000*
Amount due within two to five years	**150,000**	*150,000*
Amount due over 5 years	**537,500**	*587,500*
	787,500	*837,500*

The bank loan is secured by a legal charge over the property at 14 Ipswich Road, Norwich. The loan carries interest at a rate of 2.3% over the bank base rate and is repayable by quarterly repayments of £12,500 with a bullet repayment of £512,500 at maturity on 13 April 2026.

14. Statement of funds

Statement of funds - current year

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2020 £
Unrestricted funds					
Designated funds					
Designated Funds	**84,263**	**-**	**-**	**-**	**84,263**
General funds					
Unrestricted funds	**7,353,290**	**5,408,350**	**(5,021,913)**	**160,193**	**7,899,920**
Total Unrestricted funds	**7,437,553**	**5,408,350**	**(5,021,913)**	**160,193**	**7,984,183**

Following a receipt of a donation of £84,263 in 2013 the Govenors decided to designate these funds to specific projects in the future in the name of the Timothy Alston Foundation. There have been no movements in this fund since receipt.

Restricted funds					
Government grants	**-**	**160,193**	**-**	**(160,193)**	**-**
Total of funds	**7,437,553**	**5,568,543**	**(5,021,913)**	**-**	**7,984,183**

The transfer between unrestricted and restricted funds reflects the CJRS government grant being applied to fund the costs of furloughed staff.

14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2018 £	*Income £*	*Expenditure £*	*Balance at 31 July 2019 £*
Unrestricted funds				
Designated funds				
Designated Funds	*84,263*	*-*	*-*	*84,263*
General funds				
Unrestricted funds	*6,997,819*	*5,645,084*	*(5,289,613)*	*7,353,290*
Total Unrestricted funds	7,082,082	5,645,084	(5,289,613)	*7,437,553*

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	**Total funds 2020 £**
Tangible fixed assets	8,216,850	**8,216,850**
Intangible fixed assets	150,000	**150,000**
Current assets	1,567,013	**1,567,013**
Creditors due within one year	(1,075,041)	**(1,075,041)**
Creditors due in more than one year	(874,639)	**(874,639)**
Total	7,984,183	**7,984,183**

15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	*Total funds 2019 £*
Tangible fixed assets	8,078,565	*8,078,565*
Intangible fixed assets	175,000	*175,000*
Current assets	1,266,508	*1,266,508*
Creditors due within one year	(1,136,585)	*(1,136,585)*
Creditors due in more than one year	(945,935)	*(945,935)*
Total	7,437,553	*7,437,553*

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	*2019 £*
Net income for the period (as per Statement of Financial Activities)	**546,630**	*355,471*
Adjustments for:		
Depreciation charges	**333,296**	*333,040*
Amortisation charges	**25,000**	*25,000*
Decrease/(increase) in debtors	**39,370**	*(41,177)*
Increase/(decrease) in creditors	**(82,840)**	*227,113*
Net cash provided by operating activities	**861,456**	*899,447*

17. Analysis of cash and cash equivalents

	2020 £	*2019 £*
Cash at bank and in hand	**1,453,465**	*1,113,590*
Total cash and cash equivalents	**1,453,465**	*1,113,590*

18. Analysis of changes in net debt

	At 1 August 2019 £	Cash flows £	Other non-cash changes £	At 31 July 2020 £
Cash at bank and in hand	**1,113,590**	**339,875**	**-**	**1,453,465**
Debt due within 1 year	**(50,000)**	**50,000**	**(50,000)**	**(50,000)**
Debt due after 1 year	**(787,500)**	**-**	**50,000**	**(737,500)**
	276,090	**389,875**	**-**	**665,965**

19. Capital commitments

	2020 £	*2019 £*
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	**-**	*188,000*

20. Pension commitments

The School participates in the Teachers' Pension Scheme ("the TPS") for teaching staff. The pension charge for the year includes contributions payable to the TPS of £335,256 (2019: £276,958) and at the year-end £Nil (2019: £44,029) was accrued in respect of contributions to this scheme. The amounts outstanding at the end of the year are £331 (2019: £331) to the non-teaching staff defined contribution scheme.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016.

Teachers' Pension Scheme

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of

20. Pension commitments (continued)

benefits and many other factors.

The previous actuarial valuation was carried out as at 31 March 2012 and determined the contributions for the period, which were paid at a rate of 16.48%. This rate has been paid since September 2015.

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%).

A copy of the latest valuation report can be found on the Teachers' Pension Scheme website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Scheme changes

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

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

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

21. Operating lease commitments

At 31 July 2020 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	*2019* *£*
Operating leases which expire		
Not later than 1 year	**15,864**	*27,951*
Later than 1 year and not later than 5 years	**41,081**	*37,594*
Later than 5 years	**123,875**	*131,875*
	180,820	*197,420*

22. Related party transactions

Five trustees (2019: 9) had expenses totalling £1,008 (2019: £1,352) reimbursed by the School in relation to travel expenses. During the year, no Trustees received any remuneration or other benefits (2019 - £nil).

Dr R Carroll is the wife of Dr S M Carroll (governor - resigned on 24/03/2020) who is engaged as the School doctor and was paid £4,400 (2019: £5,000) in the year.

The Company is a founding co-member of the Central Norwich Hockey Consortium Limited, a registered charity. The School's funding is recognised as a programme related investment. The School hires the hockey pitch operated by the consortium and during the year fees totalling £7,500 (2019: £6,287) were payable. The School currently expects to use the facilities for a period of 15 years and is amortising the original investment by way of annual grant to the consortium. A grant of £25,000 was made to the consortium in the year (2019: £25,000).