

TERRA NOVA SCHOOL TRUST LIMITED

England & Wales · Charity number 525919

Details

Other names	TERRA NOVA SCHOOL
Status	Registered
Legal form	Charitable company
Company number	00554799
Registered	1963-01-23
Register	View on the Charity Commission register

Contact

Address	Terra Nova Preparatory School Jodrell Bank Holmes Chapel Crewe CW4 8BT
Phone	01477571251
Email	office@tnschool.co.uk
Website	www.tnschool.co.uk

Activities

Objects: To promote the advancement of education, including (but not limited to) the provision of preparatory schools (whether for boys, girls or co-educational) in the County of Cheshire.

Activities: The School's aim as an educational charity for children is to benefit the public by providing first class education, independent of the State system. A day school, with boarding facilities, which aims for the highest quality of academic tuition and the development of sporting, artistic and social skills. The School also makes available its facilities to members of the local community.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Cheshire East

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£3,418,923	£3,634,718	£1,194,640	75
2024-08-31	£3,871,975	£3,867,897	£1,410,435	77
2023-08-31	£3,443,371	£3,877,130	£1,406,359	75
2022-08-31	£3,879,727	£4,555,192	£1,839,835	82
2021-08-31	£3,517,103	£3,605,419	£2,475,681	79

Trustees

Name	Role	Appointed
Eleanor Jayne Lees-Jones	Chair	2019-07-01
Andrew Cameron Gilchrist-Dick		2016-09-30
Anna Rebecca Peak		2019-01-01
Ben Atkins		2023-10-30
Emily Sara Stanley		2017-12-11
Lotte Tulloch		2023-04-17
Mark Jonathan Grice		2017-05-08
Martin Andrew Boulton		2019-01-01

Linked charities

- PENSION TRUST FUND (525919-1)

TERRA NOVA SCHOOL TRUST LIMITED

England & Wales - Charity number 525919

Accounts

REGISTERED COMPANY NUMBER: 00554799 (England and Wales)
REGISTERED CHARITY NUMBER: 525919

**Trustees' Report and
Audited Financial Statements
for the Period 1 September 2024 to 31 July 2025
for
Terra Nova School Trust Limited
(A Company Limited by Guarantee)**

Banks Sheridan (Statutory Auditor)
Datum House
Electra Way
Creve
Cheshire
CW1 6ZF

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for the period 1 September 2024 to 31 July 2025**

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Terra Nova School Trust Limited

**Trustees' Report
for the period 1 September 2024 to 31 July 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and administration

Terra Nova School was founded in 1897 and was transferred to Terra Nova School Trust Limited, a company limited by guarantee and a registered charity, in 1955. The registered company number is 554799 and the registered charity number is 525919.

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association. Each Governor has undertaken to contribute a maximum of £1 to the assets of the company in the event of its winding up and as such is a member.

The school has an elected Board of Governors who also act as Trustees of the Charity and directors for the purposes of company law. A third of the Governors retire by rotation at each Annual General Meeting and are able to offer themselves for re-election. The Board of Governors meets a minimum of 3 times a year to consider matters of policy and strategy. The Finance and General Purposes Committee ("F & G P"), a sub-committee of the Board, also meets 3 times a year to exercise financial oversight and to prepare advice on other operational matters for the full Board. The Board also operates a Health & Safety Committee and a Safeguarding Committee which also meet 3 times a year to monitor the safety and wellbeing of the school's pupils and staff. Responsibility for the running of the School lies with the Board of Governors.

In line with generally accepted best practice for corporate governance, regular reviews of the Board's range of skills and training are undertaken to determine that the Governors have the necessary breadth of skills and experience. The Board has approved policies which cover conflict of interest, Governors' code of conduct and the recruitment of Governors. Role descriptions have also been drawn up for the Chair of Governors, the Governor who is the nominated safeguarding lead and the normal Governor function.

The remuneration of the Head and Bursar is set by the Board with reference to benchmarking surveys. The remuneration of the Senior Leadership Team is agreed by Governors following the Head's recommendation.

The Governors who served through the year were:

Mrs E J Lees-Jones - Chair
Mr M J Grice - Vice Chair (until 3rd December 2024)
Mrs E S Stanley
Mr A C Dick
Mr M A Boulton
Ms A R Peak
Ms K Campbell
Ms L Tulloch
Mr B Atkins - Vice Chair (from 3rd December 2024)
Mrs Y Lawson - Appointment terminated on 19th November 2024
Mr. N Parkin - Secretary

With support from the Governing body, the day-to-day management of the School is overseen by Headmistress Mrs C Westall and Bursar Mr N Parkin. They are supported by a Senior Leadership Team which currently consists of:

Mr M Greenwood	Deputy Headteacher and DSL
Mrs C Grey	Assistant Head Academic
Mrs J Price	Head of Pre-Prep (Since Sept 2024)

**Trustees' Report
for the period 1 September 2024 to 31 July 2025**

OBJECTIVES AND ACTIVITIES

Staff Changes

The end of the 2024-25 academic year, saw the following staff members leave:

Ms E Reynolds
Miss A De Donker
Mrs N Fox
Miss B Dungey

The following staff joined at the start of the 2024-25 academic year were:

Mr H Rosser
Mrs E Broadbent
Mrs C Wilshaw

Academic success

In June 2022, the School was inspected by the Independent Schools Inspectorate and graded excellent.

The average number of pupils in the School in the period to 31st July 2025 was 24 FTE in the Nursery, 69 in the Pre-Prep, and 133 in the Prep. This gives an overall total of 226 pupils (compared to 277 in the period to 31 August 2024 and 289 in the period to 31 August 2023). Note the Nursery figure for these 2 years was not tracked as FTE, therefore Nursery total pupil figures can be misleading as children are only part time, with each student adopting a variable number of sessions.. An increasing number of children make use of the flexi-boarding facilities. Numbers fluctuated following the introduction of VAT and increased costs to small business owners following the new government's policy, which had an impact on our pupils numbers. Current interest in Terra Nova school from prospective families is extremely positive.

In 2025, all pupils gained access to a Senior School of their choice when transferring to the secondary stage of education. Terra Nova continues to support a wide range of schools with some pupils leaving at 11+, but the majority of our students transferring at age 13+ with parents recognising the growth in confidence, maturity and achievement gained from the additional 2 years at Terra Nova.

This year, pupils were successful in winning:

- 1 Academic scholarship to Shrewsbury School
- 2 Michael Palin All rounder scholarships to Shrewsbury School
- 1 Music scholarship to Shrewsbury School
- 1 Drama scholarship to Shrewsbury School
- 1 Sports scholarship to Newcastle Under Lyme School
- 1 Sports scholarship to Repton School
- 1 Drama scholarship to Repton School
- 1 DT scholarship to Repton School
- 1 Art scholarship to Rugby School

Terra Nova is proud of its academic success but is also delighted to recognise pupil achievement in any form - be it academic, aesthetic or sporting. The school continues to support a breadth of pupil ability and retains its non-selective ethos offering a broad curriculum that meets individual pupil needs. Pupil success is recognised through assemblies, individual pupil commendation, or the wider media. Terra Nova is recognised for its committed approach and whole-hearted endeavour in transferring pupils to the next stage of their education.

Terra Nova School Trust Limited
Trustees' Report
for the period 1 September 2024 to 31 July 2025

Development of the School's site

The school continues to strive to improve its setting and facilities. The Governors continue to stringently assess the cost-benefit and feasibility of any significant capital expenditure 'CAPEX' projects.

During the 2024-25 financial year, £35k was spent on capital (CAPEX) projects, this is compared to £69k in the 2023-24 financial year. These projects included:

- Stage two of the school playground.
- Additional LED lighting to support the school's sustainability goals
- The installation of new windows and specific roofing works

Objectives and aims

The main objectives that the Governors hoped to focus upon that were detailed in last year's Strategic Report were as follows:

- the continued development of the school and raising of pupil numbers.
- the continued development of the boarding operation.
- to focus on the curriculum delivered and the classroom resources available in relation to the school's aim of continually enhancing teaching and learning.
- to continue to expand access to the school and to offer bursaries.
- refurbishment work in the main school building.

The Governors believe that although the 2024-25 financial year was a challenging one, progress has been made in almost all of these objectives:

- Despite a national decline in the demand for prep school boarding in recent years, our boarding services continue to demonstrate resilience. In September 2024, the Governors decided to suspend full-time boarding and introduce newly designed daily and weekly flexi-boarding options. This change provides parents with the flexibility to choose boarding times that suit their needs. The total income generated from boarding for the 2024-25 financial year amounted to £39.5k
- The development of teaching and learning has progressed with a strong retention rate and ongoing recruitment of outstanding teachers. Our strategic focus maintains academic rigour and high expectations for all students throughout the school, complemented by excellent pastoral care and a genuinely holistic approach to educating the entire child(ed).
- Following the introduction of VAT on school fees starting January 1, 2025, Terra Nova School observed a significant decrease in pupil enrolment during the academic year. The school is dedicated to boosting enrollment through targeted marketing initiatives. It is expected that the merger with Shrewsbury School will greatly enhance our marketing capabilities and help us stay competitive in the local area. Given these circumstances, it was essential to assess and adjust our bursary support, which was reduced to £67k this year, down from £154k in 2023-24.

Trustees' Report
for the period 1 September 2024 to 31 July 2025

Public benefit

The Governors have complied with the duty to have due regard to the Charity Commission's guidance on public benefit in the course of carrying out their responsibilities.

The school, which is already ethnically and socially diverse, has continued to focus on increasing the accessibility to a wider range of families.

The fees of 8 children were means tested and subsidised, either in full, or in part, in the 2024-25 academic year totalling £67k (compared to £154k in 2023-24). There was a substantial reduction in the affordability of bursaries and other discounts. In part, this is due to the imposition of VAT on independent school fees from 1st January 2025.

The school's facilities are made available to sports clubs and other groups when not required by the pupils. Examples of use during this period include:

- Use of the Sports facilities by local football and hockey clubs

Events where the school have supported the local community are as follows;

- food bank relief
- mother and baby clubs hosted by staff at the school

Each of the constituent parts of the school continue to be involved with raising awareness of and financial support for those less fortunate than themselves both at home and abroad.

During the year the following charities have benefited from the care and generosity of our pupils, staff and families:

- BBC Children in Need, Jeans for Genes, BBC Comic Relief, St. Luke's Hospice, One Project Ukraine, Save The Family, Silklife Food Bank, Macclesfield, The Big Clothes Movement, Congleton, Windyway Animal Rescue, Macclesfield, Northwich Hedgehog Rescue

Governors' responsibilities statement

The Governors, who are also directors for the purposes of company law, are responsible for preparing the Trustees report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Child protection

The school is committed to maintaining thorough and continuing child protection policies and procedures in accordance with legislation and good practice.

**Trustees' Report
for the period 1 September 2024 to 31 July 2025**

Statement of disclosure of information to auditors

The Governors who were in office on the date of the approval of these financial statements have confirmed that as far as they are aware there is no relevant audit information of which the auditors are unaware. Each of the Governors has confirmed that they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant information and to establish that the auditors are aware of that information.

Fundraising

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

Terra Nova School Trust Limited

Trustees' Report for the period 1 September 2024 to 31 July 2025

STRATEGIC REPORT

Plans for future periods

In March 2025, the governing body of Terra Nova School Trust Limited approved a motion to merge Terra Nova School with Shrewsbury School. This merger took place of 1 August 2025.

On 1 August 2025 the assets, liabilities, undertakings and activities of Terra Nova School Trust Limited were transferred to Shrewsbury School. Following this transfer the governors are to wind up the affairs of Terra Nova School Trust Limited and apply for it to be dissolved.

Financial position

Terra Nova School Trust Limited is reporting a deficit of £216k for the financial year 2024-25. It is important to note that the accounting period has been shortened from twelve (12) months to eleven (11) months to correspond with the financial year of Shrewsbury School. This financial deficit reported above also includes depreciation amounting to £127k for the same eleven (11) month duration.

It is crucial to highlight that during this financial year, Terra Nova School Trust Limited has experienced significant changes due to the merger with Shrewsbury School and has encountered unprecedented governmental changes along with increased operating expenses. These expenses include the introduction of VAT on school fees starting from 1st January 2025.

Beginning 1st April 2025, the Government also eliminated business rate relief for independent schools, which was previously set at 80%.

Furthermore, the Government announced in their Autumn budget an increase in Employer's National Insurance effective from 6th April 2025.

Summary

At the beginning of the 2024-25 financial year, Terra Nova School Trust Limited aimed to achieve a breakeven financial status, in contrast to the previous financial year (2023-24), during which the school recorded a modest yet commendable profit.

Nevertheless, Terra Nova School observed a decrease in pupil enrolment throughout the 2024-25 financial year, attributed to the introduction of VAT on school fees. Measures were taken to curtail expenses; however, it was not entirely feasible to compensate for the revenue loss resulting from the reduced student numbers.

After reviewing the financial year of 2024-25 and recognising the challenges that independent schools have encountered, we remain optimistic about our year-end results. We understand the significance of maintaining a 'viable' business moving forward and will collaborate with our new owner (Shrewsbury School) to achieve this in the upcoming academic year(s).

One off cost(s)

During the 2024-25 financial year, Terra Nova School Trust Limited incurred several large one-off costs.

Income and Expenditure for the 2024-25 academic year:

- Gross fee income decreased to £3.56m - compared to £4.26m in 2023-24.
- Primarily, this is a direct result of the introduction of VAT on school fees starting from 1st January 2025, Terra Nova School has observed a decline in pupil enrolment during the 2024-25 financial year, reaching a maximum of 230 students. This figure contrasts with a peak of 282 students in the 2023-24 financial year.
- While a reduction in pupil numbers was anticipated due to the introduction of VAT on school fees, the actual decline exceeded the school's expectations. Despite implementing measures to cut operating costs, it was not feasible to fully compensate for the revenue loss resulting from the decrease in student enrolment
- The balance sheet shows additions to fixed assets amounting to £35k, this compares to (£69k) in the 2023-24 financial year. All of which has been spent on improving the management of the estate.

Terra Nova School Trust Limited

**Trustees' Report
for the period 1 September 2024 to 31 July 2025**

Cash and cash equivalents

The amount of cash and cash equivalents at the year-end was £534k - compared to £902k in 2023-24.

The slight reduction in cash equivalents at year end directly relates to a decrease in parents wishing to take up enrolment in the fees in advance scheme. However, this continues to indicate financial stability, and promotes the work carried out to safeguard the finances of the school.

Creditors

Creditors amount falling due within one year has substantially decreased to £1m in 2024-25, compared to £1.92m in 2023-24. This is predominantly due to a reduction in uptake in relation to the fees in advance scheme, £347k in 2024-25 compared to £578k in 2023-24..

Trade creditors have increased to £134k - compared to £118k in 2023-24. These are accounted for, but do not require immediate payment, details relating to these costs are as follows:

- insurance rates
- business rates
- catering costs
- international tour holidays for 2025

Sureties have increased to £131k, compared to £124k in 2023-24. This is due to several parents enrolling children for future years and a smaller cohort of Year-8 leavers in comparison to previous years.

Reserves policy

The Governors have historically established a policy to keep available cash reserves at a minimum of £250k. This policy is evaluated based on the activities and the nature of the charitable company's income sources.

The Governors will make sure to maintain sufficient cash reserves to fulfil this obligation.

Determining the necessary reserves is a crucial aspect of the charitable company's planning, budgeting, and forecasting activities. It considers the risks associated with income and expenditure streams deviating from the budget, anticipated student numbers across different school sections, and the school's financial obligations. The reserves policy will undergo an annual review, which will consider projected student and fee levels, as well as future needs and opportunities.

Terra Nova School Trust Limited
Trustees' Report
for the period 1 September 2024 to 31 July 2025

STRATEGIC REPORT

Financial and risk management objectives and policies

Risk management

The Board of Governors is responsible for overseeing the management of risks faced by the school. The operational handling of these risks is delegated to sub-committees, primarily the Finance & General Purposes Committee and the Health & Safety Committee. Established protocols are in place to identify, assess, and manage risks.

The key controls used include:

- Formal agendas for all Board and Committee meetings.
- A clearly defined committee structure.
- A clear organisational structure and lines of reporting.
- Detailed delegated powers.
- Financial controls including long and short-term forecasting and management accounting.
- Vetting and interview procedures as required by law for the protection of children.
- Regular review of the strategic risks faced by the schools and the control measures in place to deal with them.
- Medium term strategic planning.

The Board has considered the major strategic risks facing the school and has prepared a risk analysis which is reviewed at Board meetings. The Governors consider that the most significant risks facing the school currently are

- Pupil enrolment numbers.
- Political changes and VAT implications on school fees, loss of business rate relief and the rise in employer National Insurance contributions effective from 6th April 2025
- Compliance with regulations and pension obligations

For each of these categories, the potential risks have been outlined, the possible impact on the school assessed, and existing controls documented. Any additional actions required to further reduce the risks have also been identified. These include:

Pupil numbers

The school continues to invest in targeted marketing to improve recruitment of pupils. The school focuses on retention of existing families through targeted communication and excellent parent partnership. It is anticipated that the merger with Shrewsbury School will only enhance the school's ability to recruit pupils.

Political change & VAT Implications

The school has preserved its connections with both local and national organisations and is actively engaged in planning and preparing for upcoming challenges and political shifts.

On July 29, 2024, the Government confirmed that VAT would be applied to independent school fees starting January 2025, whilst business rate relief, which was previously set at 80%, would be eliminated as of April 6, 2025.

The rapid implementation of VAT on independent school fees undoubtedly surprised the Governors and leaders of Terra Nova School. The Bursar and the Finance Team took proactive measures to comprehend the requirements and risks linked to the execution of this policy.

It remains uncertain whether this Government will impose any further financial measures on independent schools in the future

Regulatory compliance

The school has procedures for the Senior Leadership Team and the Board to monitor and approve regulatory requirements. Compliance with pension schemes including the 'Teachers Pension Scheme' continues to be a key priority for Terra Nova School. This includes the annual review and audit of these schemes.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Refer to page 1 for the relevant details.

Terra Nova School Trust Limited

**Trustees' Report
for the period 1 September 2024 to 31 July 2025**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00554799 (England and Wales)

Registered Charity number
525919

Registered office

Jodrell Bank
Holmes Chapel
Cheshire
CW4 8BT

Trustees

Mrs E J Lees-Jones Chair
Ms A R Peak
Mrs E S Stanley
Dr M A Boulton
M J Grice
A C Gilchrist-Dick
L E Tulloch
B Atkins Vice Chair
Y Lawson (resigned 19.11.24)

Company Secretary

N J Parkin

Senior Statutory Auditor

Darren Walley FCCA

Auditors

Banks Sheridan (Statutory Auditor)
Datum House
Electra Way
Crewe
Cheshire
CW1 6ZF

EVENTS SINCE THE END OF THE PERIOD

Information relating to events since the end of the period is given in the notes to the financial statements.

Terra Nova School Trust Limited

Trustees' Report
for the period 1 September 2024 to 31 July 2025

TRUSTEES' RESPONSIBILITY STATEMENT

The Governors, who are also directors for the purposes of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

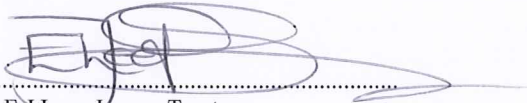
Company law requires the preparation financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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

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

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

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 31 Dec 2025 and signed on the board's behalf by:



Mrs E J Lees-Jones - Trustee

**Report of the Independent Auditors to the Members of
Terra Nova School Trust Limited**

Opinion

We have audited the financial statements of Terra Nova School Trust Limited (the 'charitable company') for the period ended 31 July 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 period 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements we draw your attention to note 1 of the financial statements which gives further details of the full merger with Shrewsbury School.

Our audit report is not modified in this respect.

All of the assets, liabilities, undertakings and activities of the charitable company will be transferred to Shrewsbury School, following this transfer the governors are to wind up the activities of the charitable company and apply for it to be formally dissolved.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of 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; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Terra Nova School Trust Limited**

Matters on which we are required to report by exception

In the light of the 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

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

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.

**Report of the Independent Auditors to the Members of
Terra Nova School Trust Limited**

Our 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 a Report of the Independent Auditors 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.

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

Irregularities, including fraud, are instances of non-compliance with law and regulations

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the charitable company, and its industry, we identified that the principal risks of non-compliance with laws and regulations related to Charities Act 2011, Charities SORP (FRS 102) pensions legislation, employment regulation and health and safety regulation. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the trustees and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgement and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charitable company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with the trustees. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misinterpretations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Terra Nova School Trust Limited**

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



Darren Walley FCCA (Senior Statutory Auditor)
for and on behalf of Banks Sheridan (Statutory Auditor)
Datum House
Electra Way
Crewe
Cheshire
CW1 6ZF

Date: 5-12-25

Terra Nova School Trust Limited

Statement of Financial Activities
for the period 1 September 2024 to 31 July 2025

	Notes	Unrestricted funds £	Restricted funds £	Period 1.9.24 to 31.7.25 Total funds £	Year Ended 31.8.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	2,002	6,415	8,417	53,753
Other trading activities	3	3,399,963	-	3,399,963	3,805,492
Investment income	4	10,543	-	10,543	12,730
Total		<u>3,412,508</u>	<u>6,415</u>	<u>3,418,923</u>	<u>3,871,975</u>
EXPENDITURE ON					
Charitable activities					
Staff costs	5	2,305,254	-	2,305,254	2,531,949
Education costs		582,256	-	582,256	479,764
Motor & travel costs		24,079	-	24,079	38,984
Premises costs		378,079	-	378,079	433,438
General administration costs		133,841	-	133,841	143,879
Legal & professional costs		57,275	-	57,275	77,916
Depreciation costs		127,403	-	127,403	132,619
Interest payable		569	-	569	1,534
Governance costs		25,962	-	25,962	27,814
Total		<u>3,634,718</u>	<u>-</u>	<u>3,634,718</u>	<u>3,867,897</u>
NET INCOME/(EXPENDITURE)		(222,210)	6,415	(215,795)	4,078
Transfers between funds	17	22,835	(22,835)	-	-
Net movement in funds		<u>(199,375)</u>	<u>(16,420)</u>	<u>(215,795)</u>	<u>4,078</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		1,154,601	255,834	1,410,435	1,406,357
TOTAL FUNDS CARRIED FORWARD		<u>955,226</u>	<u>239,414</u>	<u>1,194,640</u>	<u>1,410,435</u>

The notes form part of these financial statements

Terra Nova School Trust Limited

Balance Sheet
31 July 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible assets	11	1,346,677	228,745	1,575,422	1,667,951
CURRENT ASSETS					
Stocks	12	20,671	-	20,671	20,279
Debtors	13	119,058	-	119,058	899,297
Cash at bank and in hand		523,740	10,669	534,409	902,466
		<u>663,469</u>	<u>10,669</u>	<u>674,138</u>	<u>1,822,042</u>
CREDITORS					
Amounts falling due within one year	14	(1,002,228)	-	(1,002,228)	(1,924,254)
NET CURRENT ASSETS		<u>(338,759)</u>	<u>10,669</u>	<u>(328,090)</u>	<u>(102,212)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,007,918	239,414	1,247,332	1,565,739
CREDITORS					
Amounts falling due after more than one year	15	(52,692)	-	(52,692)	(155,304)
NET ASSETS		<u>955,226</u>	<u>239,414</u>	<u>1,194,640</u>	<u>1,410,435</u>
FUNDS					
Unrestricted funds	17			955,226	1,154,601
Restricted funds:					
Old appeals				73,547	78,645
Centenary appeal				38,581	48,603
Kennedy fund				67,840	69,960
SENCO				29,408	30,273
New playground 2024				19,369	24,099
OTN - School repair fund				4,354	4,254
Airdome				6,315	-
				<u>239,414</u>	<u>255,834</u>
TOTAL FUNDS				<u>1,194,640</u>	<u>1,410,435</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 5 December 2025 and were signed on its behalf by:

E J Lees-Jones - Trustee

The notes form part of these financial statements

Terra Nova School Trust Limited
Cash Flow Statement
for the period 1 September 2024 to 31 July 2025

Notes	Period 1.9.24 to 31.7.25 £	Year Ended 31.8.24 £
Cash flows from operating activities		
Cash generated from operations	1 (322,426)	47,967
Interest element of hire purchase payments paid	(569)	(1,534)
Net cash (used in)/provided by operating activities	<u>(322,995)</u>	<u>46,433</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(34,874)	(63,744)
Net cash used in investing activities	<u>(34,874)</u>	<u>(63,744)</u>
Cash flows from financing activities		
Capital repayments in year	(10,188)	(9,582)
Net cash used in financing activities	<u>(10,188)</u>	<u>(9,582)</u>
Change in cash and cash equivalents in the reporting period	<u>(368,057)</u>	<u>(26,893)</u>
Cash and cash equivalents at the beginning of the reporting period	<u>902,466</u>	<u>929,359</u>
Cash and cash equivalents at the end of the reporting period	<u><u>534,409</u></u>	<u><u>902,466</u></u>

The notes form part of these financial statements

Terra Nova School Trust Limited

Notes to the Cash Flow Statement
for the period 1 September 2024 to 31 July 2025

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Period 1.9.24 to 31.7.25 £	Year Ended 31.8.24 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(215,795)	4,078
Adjustments for:		
Depreciation charges	127,403	132,619
Interest element of hire purchase and finance lease rental payments	569	1,534
Increase in stocks	(392)	(7,833)
Decrease/(increase) in debtors	780,239	(708,899)
(Decrease)/increase in creditors	(1,014,450)	626,468
Net cash (used in)/provided by operations	(322,426)	47,967

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.24 £	Cash flow £	At 31.7.25 £
Net cash			
Cash at bank and in hand	902,466	(368,057)	534,409
	<u>902,466</u>	<u>(368,057)</u>	<u>534,409</u>
Debt			
Finance leases	(22,369)	10,188	(12,181)
	<u>(22,369)</u>	<u>10,188</u>	<u>(12,181)</u>
Total	880,097	(357,869)	522,228

The notes form part of these financial statements

Terra Nova School Trust Limited

Notes to the Financial Statements for the period 1 September 2024 to 31 July 2025

1. ACCOUNTING POLICIES

General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Terra Nova School, Jodrell Bank, Holmes Chapel, Cheshire, CW4 8BT.

Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

Basis of preparing the financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

Terra Nova School Trust Limited merged fully with Shrewsbury School on the 01 August 2025.

On 1 August 2025 the assets, liabilities, undertakings and activities of Terra Nova School Trust Limited were transferred to Shrewsbury School. Following this transfer the governors are to wind up the affairs of Terra Nova School Trust Limited and apply for it to be formally dissolved.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. These estimates and judgments are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets are sensitive to changes in the estimate useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the tangible assets and 'Tangible fixed assets' accounting policy for the useful lives for each class of asset.

Impairment of debtors

The school makes an estimate of the recoverable value of trade and other debtors. Where assessing the impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of the debtors.

Fund accounting

Unrestricted funds

These are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds

These are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds

These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Notes to the Financial Statements - continued
for the period 1 September 2024 to 31 July 2025

1. ACCOUNTING POLICIES - continued

Income

Recognition of income

Income from contracts for the supply of services is included in the Statement of Financial Activities (SoFA) when the school becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Fees receivables are stated after deducting allowances, scholarships and other remissions granted by the school.

Income with related expenditure

Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies

Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Investment income

This is included in the accounts when receivable.

Other income

This 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.

Expenditure

Recognition of expenditure

Expenditure is recognised on an accrual's basis. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Expenditure on raising funds

These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.

Expenditure on charitable activities

These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs

Governance costs

These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.

Other expenditure

These are support costs not allocated to a particular activity.

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates so as to write off their cost less residual amounts over their estimated useful economic lives. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount.

Freehold property	- Various rates between 2% and 33%
Fixture & fittings	- 10% straight line
Computer equipment	- 20% straight line
Motor vehicles	- 25% straight line

Notes to the Financial Statements - continued
for the period 1 September 2024 to 31 July 2025

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

The residual value and useful lives of assets are reviewed and adjusted if appropriate at each statement of financial position date.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making do allowance for obsolete and slow moving items.

Taxation

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

Hire purchase and leasing commitments

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

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

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

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

Fees in advance

Parents may, subject to contractual terms and conditions, pay to the school tuition fees in advance. The money may be returned, subject to specific conditions.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Notes to the Financial Statements - continued
for the period 1 September 2024 to 31 July 2025

1. ACCOUNTING POLICIES - continued

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Financial instruments

A financial asset of a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Pension costs and other post-retirement benefits

Retirement benefits to employees of the School are provided through two pension schemes, one defined benefit and one defined contribution. The pension costs charged in the Statement of Financial. Activities are determined as follows:

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

2. DONATIONS AND LEGACIES

	Period	
	1.9.24	Year Ended
	to	31.8.24
	31.7.25	31.8.24
	£	£
Donations	8,417	53,753

Included within donations received are amounts totalling £1,000 relating to the waiver of sureties being repaid once the children have left the school.

3. OTHER TRADING ACTIVITIES

Scholarships, bursaries and other awards were paid to 13 pupils (2024: 26).

Within this means tested bursaries totalling £67k were paid to 8 pupils (2024: £154k for 10 pupils).

Terra Nova School Trust Limited

Notes to the Financial Statements - continued
for the period 1 September 2024 to 31 July 2025

4. INVESTMENT INCOME

	Period 1.9.24 to 31.7.25 £	Year Ended 31.8.24 £
Bank interest receivable	10,543	12,730

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Staff costs	2,305,254	-	2,305,254
Education costs	582,256	-	582,256
Motor & travel costs	24,079	-	24,079
Premises costs	378,079	-	378,079
General administration costs	133,841	-	133,841
Legal & professional costs	57,275	-	57,275
Depreciation costs	127,403	-	127,403
Interest payable	569	-	569
Governance costs	-	25,962	25,962
	<u>3,608,756</u>	<u>25,962</u>	<u>3,634,718</u>

6. SUPPORT COSTS

	Governance costs £
Governance costs	<u>25,962</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	Period 1.9.24 to 31.7.25 £	Year Ended 31.8.24 £
Auditors' remuneration	7,000	6,000
Depreciation - owned assets	127,403	132,619
Hire of plant and machinery	4,216	3,161
Auditors remuneration - non audit services	<u>18,557</u>	<u>9,664</u>

Notes to the Financial Statements - continued
for the period 1 September 2024 to 31 July 2025

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 July 2025 nor for the year ended 31 August 2024.

Trustees' expenses

There were no trustees' expenses paid for the period ended 31 July 2025 nor for the year ended 31 August 2024.

9. STAFF COSTS

	Period 1.9.24 to 31.7.25 £	Year Ended 31.8.24 £
Wages and salaries	1,797,587	1,997,243
Social security costs	183,218	184,242
Other pension costs	324,100	336,514
	<u>2,304,905</u>	<u>2,517,999</u>

Teachers' Pension Scheme

The school participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £313,763 (2024: £320,353) and at the year-end £38,407. (2024 - £36,892) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

As from 1 April 2024 the employer contribution increased from 23.6% to 28.6%. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Support Staff Pension Scheme

Support staff are entitled to join a defined contribution scheme operated by NOW. Contribution rates are 5% by the employee and 3% by the school.

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

	Period 1.9.24 to 31.7.25	Year Ended 31.8.24
Teaching Staff	54	55
Clerical/administrative/boarding staff	13	14
Manual workers	8	8
	<u>75</u>	<u>77</u>

Terra Nova School Trust Limited

Notes to the Financial Statements - continued
for the period 1 September 2024 to 31 July 2025

9. STAFF COSTS - continued

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

	Period 1.9.24 to 31.7.25	Year Ended 31.8.24
£60,001 - £70,000	1	1
£90,001 - £100,000	1	1
	<u>2</u>	<u>2</u>

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	25,400	28,353	53,753
Other trading activities	3,821,195	(15,703)	3,805,492
Investment income	12,730	-	12,730
Total	<u>3,859,325</u>	<u>12,650</u>	<u>3,871,975</u>
EXPENDITURE ON			
Charitable activities			
Staff costs	2,531,949	-	2,531,949
Education costs	479,764	-	479,764
Motor & travel costs	38,984	-	38,984
Premises costs	433,438	-	433,438
General administration costs	143,879	-	143,879
Legal & professional costs	77,916	-	77,916
Depreciation costs	132,619	-	132,619
Interest payable	1,534	-	1,534
Governance costs	27,814	-	27,814
Total	<u>3,867,897</u>	<u>-</u>	<u>3,867,897</u>
NET INCOME/(EXPENDITURE)	(8,572)	12,650	4,078
Transfers between funds	18,105	(18,105)	-
Net movement in funds	9,533	(5,455)	4,078
RECONCILIATION OF FUNDS			
Total funds brought forward	1,145,068	261,289	1,406,357
TOTAL FUNDS CARRIED FORWARD	<u>1,154,601</u>	<u>255,834</u>	<u>1,410,435</u>

Terra Nova School Trust Limited

Notes to the Financial Statements - continued
for the period 1 September 2024 to 31 July 2025

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2024	2,878,211	565,550	92,443	3,536,204
Additions	33,788	-	1,086	34,874
At 31 July 2025	2,911,999	565,550	93,529	3,571,078
DEPRECIATION				
At 1 September 2024	1,564,948	227,705	75,600	1,868,253
Charge for year	69,517	51,843	6,043	127,403
At 31 July 2025	1,634,465	279,548	81,643	1,995,656
NET BOOK VALUE				
At 31 July 2025	1,277,534	286,002	11,886	1,575,422
At 31 August 2024	1,313,263	337,845	16,843	1,667,951

Tangible fixed assets with a carrying value of £25,561 have been pledged as security for the company's hire purchase loan.

12. STOCKS

	2025 £	2024 £
Stocks	20,671	20,279

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade debtors	22,140	720,852
Other debtors	-	73,966
Prepayments and accrued income	96,918	104,479
	119,058	899,297

Trade debtors are shown net of a bad debt provision of £nil (2024: £16,458).

Terra Nova School Trust Limited

**Notes to the Financial Statements - continued
for the period 1 September 2024 to 31 July 2025**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Hire purchase (see note 16)	12,181	9,593
Trade creditors	131,643	118,381
Social security and other taxes	84,811	76,184
VAT	14,403	-
Other creditors	26,525	-
Sureties	131,320	124,403
Deferred income	232,787	962,599
Fees in advance	347,251	578,292
Accrued expenses	21,307	54,802
	<u>1,002,228</u>	<u>1,924,254</u>

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

	2025	2024
	£	£
Hire purchase (see note 16)	-	12,776
Fees in Advance	52,692	142,528
	<u>52,692</u>	<u>155,304</u>

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2025	2024
	£	£
Net obligations repayable:		
Within one year	12,181	9,593
Between one and five years	-	12,776
	<u>12,181</u>	<u>22,369</u>
	Non-cancellable operating leases	
	2025	2024
	£	£
Within one year	18,741	8,921
Between one and five years	32,018	48,214
In more than five years	-	2,545
	<u>50,759</u>	<u>59,680</u>

Terra Nova School Trust Limited

Notes to the Financial Statements - continued
for the period 1 September 2024 to 31 July 2025

17. MOVEMENT IN FUNDS

	At 1.9.24 £	Net movement in funds £	Transfers between funds £	At 31.7.25 £
Unrestricted funds				
General fund	1,154,601	(222,210)	22,835	955,226
Restricted funds				
Old appeals	78,645	-	(5,098)	73,547
Centenary appeal	48,603	-	(10,022)	38,581
Kennedy fund	69,960	-	(2,120)	67,840
SENCO	30,273	-	(865)	29,408
New playground 2024	24,099	-	(4,730)	19,369
OTN - School repair fund	4,254	100	-	4,354
Airdome	-	6,315	-	6,315
	<u>255,834</u>	<u>6,415</u>	<u>(22,835)</u>	<u>239,414</u>
TOTAL FUNDS	<u>1,410,435</u>	<u>(215,795)</u>	<u>-</u>	<u>1,194,640</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,412,508	(3,634,718)	(222,210)
Restricted funds			
OTN - School repair fund	100	-	100
Airdome	6,315	-	6,315
	<u>6,415</u>	<u>-</u>	<u>6,415</u>
TOTAL FUNDS	<u>3,418,923</u>	<u>(3,634,718)</u>	<u>(215,795)</u>

Terra Nova School Trust Limited

Notes to the Financial Statements - continued
for the period 1 September 2024 to 31 July 2025

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
Unrestricted funds				
General fund	1,145,068	(8,572)	18,105	1,154,601
Restricted funds				
Old appeals	83,743	-	(5,098)	78,645
Centenary appeal	58,625	-	(10,022)	48,603
Kennedy fund	72,080	-	(2,120)	69,960
SENCO	31,138	-	(865)	30,273
Bursary fund	15,703	(15,703)	-	-
New playground 2024	-	24,099	-	24,099
OTN - School repair fund	-	4,254	-	4,254
	<u>261,289</u>	<u>12,650</u>	<u>(18,105)</u>	<u>255,834</u>
TOTAL FUNDS	<u>1,406,357</u>	<u>4,078</u>	<u>-</u>	<u>1,410,435</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,859,325	(3,867,897)	(8,572)
Restricted funds			
Bursary fund	(15,703)	-	(15,703)
New playground 2024	24,099	-	24,099
OTN - School repair fund	4,254	-	4,254
	<u>12,650</u>	<u>-</u>	<u>12,650</u>
TOTAL FUNDS	<u>3,871,975</u>	<u>(3,867,897)</u>	<u>4,078</u>

Transfers between funds

The transfer between restricted funds and unrestricted funds represents an amount equal to depreciation on the capital costs of land, buildings and equipment met by appeal.

Terra Nova School Trust Limited

**Notes to the Financial Statements - continued
for the period 1 September 2024 to 31 July 2025**

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the period ended 31 July 2025.

19. POST BALANCE SHEET EVENTS

On 1 August 2025 Terra Nova School Trust Limited merged fully with Shrewsbury School and will form part of the Shrewsbury global family of schools.

On 1 August 2025 the assets, liabilities, undertakings and activities of Terra Nova School Trust Limited were transferred to Shrewsbury School. Following this transfer the governors are to wind up the affairs of Terra Nova School Trust Limited and apply for it to be formally dissolved.

20. LIMITED BY GUARANTEE

The company is limited by guarantee and as such has no such capital. The members (at present 8) are each under obligation to contribute £1 in the event of the winding up of the company.

21. FEES IN ADVANCE

Parents may be subject to contractual terms and conditions, pay to the school tuition fees in advance. The money may be returned, subject to specific conditions but, assuming the relevant pupils remain in the school, advance fees may be applied as follows:

	2025	2024
	£	£
Academic year 2024-25	-	578,292
Academic year 2025-26	347,250	89,836
Academic year 2026-27	38,948	38,948
Academic year 2027-28	13,745	13,744
	399,943	720,820
	399,943	720,820

The balance represents the accrued liability under the contracts.

The movement during the year was as follows:

	2025	2024
	£	£
Balance at 1 September 2024	720,820	142,528
New contracts	221,876	578,292
	942,692	720,820
Amount utilised in payment of fees to the school	(542,749)	-
	399,943	720,820

Terra Nova School Trust Limited

Detailed Statement of Financial Activities
for the period 1 September 2024 to 31 July 2025

	Period 1.9.24 to 31.7.25 £	Year Ended 31.8.24 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	8,417	53,753
Other trading activities		
Gross fees (including fees in lieu of notice)	3,561,416	4,265,940
Allowances, bursaries & grants	(359,510)	(514,359)
Other income	189,061	46,146
Letting income	8,996	7,765
	<u>3,399,963</u>	<u>3,805,492</u>
Investment income		
Bank interest receivable	10,543	12,730
	<u>3,418,923</u>	<u>3,871,975</u>
EXPENDITURE		
Charitable activities		
Wages	1,797,587	1,997,243
Social security	183,218	184,242
Pensions	324,100	336,514
Hire of plant and machinery	4,216	3,161
Rates and water	39,832	30,773
Insurance	81,910	57,694
Light and heat	128,550	201,649
Telephone	16,946	20,554
Postage and stationery	10,404	10,682
Advertising & marketing	36,524	24,133
Education costs	534,780	477,616
Adjusted pre-registration VAT	(38,288)	-
Irrecoverable VAT	35,267	-
VAT - Late payment charges	314	-
Computer & software costs	53,368	52,699
Vehicle repairs	4,237	2,905
Vehicle fuel	3,612	7,735
Vehicle contract hire	15,681	28,140
Travel & subsistence	549	204
Bad debts	23,951	24,679
Repairs & maintenance	121,655	130,381
Bank charges	13,057	9,411
Staff training	11,408	10,640
Staff health scheme	2,684	1,800
Subscriptions	16,777	21,617
Carried forward	3,422,339	3,634,472

This page does not form part of the statutory financial statements

Terra Nova School Trust Limited

Detailed Statement of Financial Activities
for the period 1 September 2024 to 31 July 2025

	Period 1.9.24 to 31.7.25 £	Year Ended 31.8.24 £
Charitable activities		
Brought forward	3,422,339	3,634,472
Other legal & professional	11,293	60,634
Solicitor fees	47,152	10,824
Depreciation of tangible fixed assets	127,403	132,619
Hire purchase	569	1,534
	<u>3,608,756</u>	<u>3,840,083</u>
Support costs		
Governance costs		
Auditors' remuneration	7,000	6,000
Accountancy and legal fees	18,962	21,814
	<u>25,962</u>	<u>27,814</u>
Total resources expended	<u>3,634,718</u>	<u>3,867,897</u>
Net (expenditure)/income	<u>(215,795)</u>	<u>4,078</u>

This page does not form part of the statutory financial statements

TERRA NOVA SCHOOL TRUST LIMITED

England & Wales - Charity number 525919

Accounts

Trustees' Report and
Audited Financial Statements
for the Year Ended 31 August 2024
for
Terra Nova School Trust Limited
(A Company Limited by Guarantee)

Banks Sheridan (Statutory Auditor)
Datum House
Electra Way
Crewe
Cheshire
CW1 6ZF

Terra Nova School Trust Limited

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for the year ended 31 August 2024**

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**Trustees' Report
for the year ended 31 August 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and administration

Terra Nova School was founded in 1897 and was transferred to Terra Nova School Trust Limited, a company limited by guarantee and a registered charity, in 1955. The registered company number is 554799 and the registered charity number is 525919.

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association. Each Governor has undertaken to contribute a maximum of £1 to the assets of the company in the event of its winding up and as such is a member.

The school has an elected Board of Governors who also act as Trustees of the Charity and directors for the purposes of company law. A third of the Governors retire by rotation at each Annual General Meeting and are able to offer themselves for re-election. The Board of Governors meets a minimum of 3 times a year to consider matters of policy and strategy. The Finance and General Purposes Committee ("F & G P"), a sub-committee of the Board, also meets 3 times a year to exercise financial oversight and to prepare advice on other operational matters for the full Board. The Board also operates a Health & Safety Committee and a Safeguarding Committee which also meet 3 times a year to monitor the safety and wellbeing of the school's pupils and staff. Responsibility for the running of the School lies with the Board of Governors.

In line with generally accepted best practice for corporate governance, regular reviews of the Board's range of skills and training are undertaken to determine that the Governors have the necessary breadth of skills and experience. The Board has approved policies which cover conflict of interest, Governors' code of conduct and the recruitment of Governors. Role descriptions have also been drawn up for the Chair of Governors, the Governor who is the nominated safeguarding lead and the normal Governor function.

The remuneration of the Head and Bursar is set by the Board with reference to benchmarking surveys. The remuneration of the Senior Leadership Team is agreed by Governors following the Head's recommendation.

The Governors who served through the year were:

Mrs E J Lees-Jones - Chair
Mr M J Grice
Mrs E S Stanley
Mr A C Dick
Mr M A Boulton
Ms A R Peak
Ms K Campbell
Ms L Tulloch
Mr B Atkins
Mrs Y Lawson

With support from the Governing body, the day-to-day management of the School is overseen by Headmistress Mrs C Westall and Bursar Mr N Parkin. They are supported by a Senior Leadership Team which currently consists of:

Mr M Greenwood	Deputy Headteacher and DSL
Mrs C Grey	Assistant Head Academic
Miss R Harper	Head of EYFS - departed in April 2024

**Trustees' Report
for the year ended 31 August 2024**

OBJECTIVES AND ACTIVITIES

Objectives and aims

The main objectives that the Governors hoped to focus upon that were detailed in last year's Strategic Report were as follows:

- the continued development of the school and raising of pupil numbers.
- the continued development of the boarding operation.
- to focus on the curriculum delivered and the classroom resources available in relation to the school's aim of continually enhancing teaching and learning.
- to continue to expand access to the school and to offer bursaries.
- refurbishment work in the main school building.

The Governors believe that positive progress has been made on all these objectives during this academic year.

- pupil numbers increased across the school; specifically in Senior Prep when they rose for a second year in a row.
- although the requirement for prep school boarding is seeing a national dip in uptake, our boarding provision continues to show strength with £226k generated in the 2023-24 academic year. The introduction of weekly boarding and a new flex-boarding model also showed positive signs of uptake with a total income of £47k (combined).
- development of teaching and learning has continued with high retention and continued recruitment of excellent teachers. Strategic focus continues on academic rigour and high expectations of all pupils across the school, combined with excellent pastoral care and a truly holistic approach to educating the whole child.

The amount of bursary support reduced during the year to £154k (compared to £179k in 2022-23).

Public benefit

The Governors have complied with the duty to have due regard to the Charity Commission's guidance on public benefit in the course of carrying out their responsibilities.

The school, which is already ethnically and socially diverse, has continued to focus on increasing the accessibility to a wider range of families.

The fees of 13 children were subsidies in full, or in part, in the 2023-24 academic year totalling £154k (compared to £179k in 2022-23) a 13.96% decrease year-on-year.

The school's facilities are made available to sports clubs and other groups when not required by the pupils. Examples of use during this period include:

- Use of the Sports facilities by local football and hockey clubs
- Events with the local community including food bank relief, care home support, baby clubs etc.

Each of the constituent parts of the school continue to be involved with raising awareness of and financial support for those less fortunate than themselves both at home and abroad. During the year the following charities have benefited from the care and generosity of our pupils, staff and families: BBC Children in Need; Genes for Jeans and Comic Relief; St Luke's Hospice, The Silklife Food Bank, Macclesfield; The Ocean Cleanup.

**Trustees' Report
for the year ended 31 August 2024**

Governors' responsibilities statement

The Governors, who are also directors for the purposes of company law, are responsible for preparing the Trustees report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Child protection

The school is committed to maintaining thorough and continuing child protection policies and procedures in accordance with legislation and good practice.

Statement of disclosure of information to auditors

The Governors who were in office on the date of the approval of these financial statements have confirmed that as far as they are aware there is no relevant audit information of which the auditors are unaware. Each of the Governors has confirmed that they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant information and to establish that the auditors are aware of that information.

Fundraising

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

Auditors

Banks Sheridan have been appointed as the Charitable Company's auditors and have expressed their willingness to continue in office as auditors.

**Trustees' Report
for the year ended 31 August 2024**

STRATEGIC REPORT

Financial position

The results for the period to 31 August 2024 are as follows:

Net Income per accounts	£4.1k
Depreciation	£132.6k
Adjusted Net Income	£136.7k

Terra Nova Schools Trust Limited has an adjusted net income of £136.7k for the 2023-24 academic year, with a reported £4.1k accounting income following the deduction of depreciation. This compares to a deficit of £433.8k in the 2022-23 academic year. This has been achieved by maintaining operational costs at a consistent level while increasing the number of fee paying students.

For the 2023-24 academic year:

- Gross fee income increased by 11% to £4.26m vs.(£3.84m in 2022-23).
- Pupil numbers remained consistent throughout the academic year, with a peak in the summer term 24' at 282.
- Income from donations increased to £53.7k vs.(£20.7k in 2022-23).
- Total resources expended at 31 August 24 amounted to £3.86m vs.(£3.87m in 2022-23).
- Staff costs totalled £2.53m - (£2.49m 2022-23), an increase of 0.4% year-on-year.
- Pension costs totalled £336k - (£314k in 2022-23), an increase of 7% year-on-year.
- Lighting and heating costs remained high during the academic year. Total costs £201k - (£172k in 2022-23), a 16.6% increase year-on-year.
- Educational costs account for £479k - (£505k in 2022-23) a decrease of a 1.3% increase year-on-year.
- The Balance Sheet shows additions to fixed assets amounting to £64k, vs the previous 2022-23 academic year (£11k). All of which has been spent on the management of the school estate.

The amount of cash and cash equivalents at the year-end was £902.4k vs. (£929.3k in 2022-23). This indicates cashflow stability and clearly denotes the work being carried out to safeguard the finances of the school.

Creditors

Creditors' amount falling due within one year has increased to £1.92m (2023: £1.44m). This is predominantly due to an increase in fees paid in advance and deferred income.

Trade creditors have decreased to £118.3k - (£257.4k in 2022-23). These are accounted for, but do not require immediate payment, these are as follows:

- insurance rates
- business rates
- catering costs
- international tour holidays for 2025

Sureties have reduced to £124.4k vs. (£138.4k in 2022-23). This is due to several being donated to the bursary fund at year end.

Reserves policy

The Governors currently have a policy to maintain available cash reserves at a level of at least £250k. This is reviewed based on activities and the nature of the charitable company's income streams. As the charitable company's greatest costs are those for teaching and ancillary staff, the Governors ensure that adequate cash reserves are held to meet this commitment.

The calculation of the required reserves is an integral part of the charitable company's planning, budget and forecasting processes and takes into account the risks involved with income and expenditure streams being different from that budgeted, the expected levels of pupils in the various parts of the school, and the financial commitments of the school. The reserves policy will be reviewed annually, with the review considering expected pupil and fee levels, together with future needs and opportunities.

**Trustees' Report
for the year ended 31 August 2024**

STRATEGIC REPORT

Financial and risk management objectives and policies

Risk management

The Board of Governors is responsible for the management of risks faced by the school. Operational management of these risks is delegated to sub-committees, principally the Finance & General Purposes Committee and the Health & Safety Committee. Procedures have been established to identify, assess and control risks.

The key controls used include:

- Formal agendas for all Board and Committee meetings.
- A clearly defined committee structure.
- A clear organisational structure and lines of reporting.
- Detailed delegated powers.
- Financial controls including long and short-term forecasting and management accounting.
- Vetting and interview procedures as required by law for the protection of children.
- Regular review of the strategic risks faced by the schools and the control measures in place to deal with them.
- Medium term strategic planning.

The Board has considered the major strategic risks facing the school and has prepared a risk analysis which is reviewed at Board meetings. The Governors consider that the most significant risks facing the school currently are

- Pupil numbers.
- Political change and VAT on school fees.
- Regulatory and pension compliance.
- Reputational risk
- Safeguarding and child protection
- Staffing

In each case, the potential risks under these categories have been detailed, the potential impact on the School assessed and existing controls noted. Any further actions needed to further mitigate the risks have also been identified. These include:

Pupil numbers

The school continues to invest in targeted marketing to improve recruitment of pupils from both the UK and internationally. The school focuses on retention of existing families through targeted communication and excellent parent partnership.

Political change

The school has maintained its links with local and national agencies and continues to scenario plan and prepare for future challenges, including the confirmation of VAT on school fees from January 2025 and the removal of business rate support from April 2025.

Regulatory and Pension compliance

The school has procedures for the Senior Leadership Team and the Board to monitor and approve regulatory requirements. Compliance with pension schemes including the 'Teachers Pension Scheme' continues to be a key priority for Terra Nova School. This includes the annual review and audit of these schemes.

Reputational Risk

Currently, almost all of the income is generated from parents of pupils through fee and related income. The school is reliant on continuing to attract applicants in sufficient numbers by maintaining its reputation for the highest educational standards and an ethos that parents wish to invest in for their children. The Board of Governors continue to review to ensure that student success and achievement are closely monitored and review parental satisfaction surveys to ensure that the school's values and ethos continue to be attractive to parents.

Safeguarding and child protection

The Board of Governors continue to ensure that the highest standards are maintained in the areas of selecting, training and monitoring staff, the operation of child protection policies and procedures, health and safety measures and discipline.

**Trustees' Report
for the year ended 31 August 2024**

STRATEGIC REPORT

Staffing

The success of the school is heavily reliant on the quality of its staff. The Board of Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Future plans

Plans for future periods

The Governors have identified two key elements within the school's strategic plan to drive future development. These are the continued development of the school and expansion of the "Terra Nova" brand in order to raise pupil numbers together with the continued offer of boarding.

The Governors will continue to focus on the curriculum and the classroom resources available in relation to the school's aim of continually enhancing teaching and learning. The Governors also recognise the need to continue to expand access to the School and plan to maintain the commitment to means tested bursaries.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Refer to page 1 for the relevant details.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00554799 (England and Wales)

Registered Charity number

525919

Registered office

Jodrell Bank
Holmes Chapel
Cheshire
CW4 8BT

Trustees

Mrs E J Lees-Jones Chair
Ms A R Peak
Mrs E S Stanley
J P Standen (resigned 6.11.23)
Dr M A Boulton
M J Grice Vice Chair
Ms K J Campbell
A C Gilchrist-Dick
L E Tulloch
B Atkins (appointed 1.10.23)
Y Lawson (appointed 1.10.23)

Company Secretary

N J Parkin

Senior Statutory Auditor

Stuart Banks FCA

**Trustees' Report
for the year ended 31 August 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Banks Sheridan (Statutory Auditor)
Datum House
Electra Way
Crewe
Cheshire
CW1 6ZF

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

TRUSTEES' RESPONSIBILITY STATEMENT

The Governors, who are also directors for the purposes of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the preparation financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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

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

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

AUDITORS

The auditors, Banks Sheridan (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 20th 01st 25 and signed on the board's behalf by:


.....
Mrs E J Lees-Jones - Trustee

Report of the Independent Auditors to the Members of Terra Nova School Trust Limited

Opinion

We have audited the financial statements of Terra Nova School Trust Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The 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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of 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; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Terra Nova School Trust Limited**

Matters on which we are required to report by exception

In the light of the 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

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

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.

**Report of the Independent Auditors to the Members of
Terra Nova School Trust Limited**

Our 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 a Report of the Independent Auditors 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.

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

Irregularities, including fraud, are instances of non-compliance with law and regulations

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the charitable company, and its industry, we identified that the principal risks of non-compliance with laws and regulations related to Charities Act 2011, Charities SORP (FRS 102) pensions legislation, employment regulation and health and safety regulation. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the trustees and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgement and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charitable company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with the trustees. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misinterpretations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Terra Nova School Trust Limited**

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

SP Banks

Stuart Banks FCA (Senior Statutory Auditor)
for and on behalf of Banks Sheridan (Statutory Auditor)
Datum House
Electra Way
Crewe
Cheshire
CW1 6ZF

Date: *11 February 2021*

Terra Nova School Trust Limited

**Statement of Financial Activities
for the year ended 31 August 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	25,400	28,353	53,753	20,747
Other trading activities	3	3,821,195	(15,703)	3,805,492	3,412,445
Investment income	4	12,730	-	12,730	7,316
Total		<u>3,859,325</u>	<u>12,650</u>	<u>3,871,975</u>	<u>3,440,508</u>
EXPENDITURE ON					
Charitable activities					
Staff costs	5	2,531,949	-	2,531,949	2,490,124
Education costs		479,764	-	479,764	505,819
Motor & travel costs		38,984	-	38,984	32,693
Premises costs		433,438	-	433,438	410,149
General administration costs		143,879	-	143,879	163,072
Legal & professional costs		77,916	-	77,916	110,972
Depreciation costs		132,619	-	132,619	140,601
Interest payable		1,534	-	1,534	2,910
Governance costs		27,814	-	27,814	17,930
Total		<u>3,867,897</u>	<u>-</u>	<u>3,867,897</u>	<u>3,874,270</u>
NET INCOME/(EXPENDITURE)		(8,572)	12,650	4,078	(433,762)
Transfers between funds	17	18,105	(18,105)	-	-
Net movement in funds		9,533	(5,455)	4,078	(433,762)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,145,068	261,289	1,406,357	1,840,119
TOTAL FUNDS CARRIED FORWARD		<u>1,154,601</u>	<u>255,834</u>	<u>1,410,435</u>	<u>1,406,357</u>

The notes form part of these financial statements

Balance Sheet
31 August 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	11	1,416,371	251,580	1,667,951	1,736,826
CURRENT ASSETS					
Stocks	12	20,279	-	20,279	12,446
Debtors	13	899,297	-	899,297	190,398
Cash at bank and in hand		898,212	4,254	902,466	929,359
		<u>1,817,788</u>	<u>4,254</u>	<u>1,822,042</u>	<u>1,132,203</u>
CREDITORS					
Amounts falling due within one year	14	(1,924,254)	-	(1,924,254)	(1,440,314)
NET CURRENT ASSETS					
		<u>(106,466)</u>	<u>4,254</u>	<u>(102,212)</u>	<u>(308,111)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		1,309,905	255,834	1,565,739	1,428,715
CREDITORS					
Amounts falling due after more than one year	15	(155,304)	-	(155,304)	(22,358)
NET ASSETS					
		<u>1,154,601</u>	<u>255,834</u>	<u>1,410,435</u>	<u>1,406,357</u>
FUNDS					
Unrestricted funds	17			1,154,601	1,145,068
Restricted funds:					
Old appeals				78,645	83,743
Centenary appeal				48,603	58,625
Kennedy fund				69,960	72,080
SENCO				30,273	31,138
Bursary fund				-	15,703
New playground 2024				24,099	-
OTN - School repair fund				4,254	-
				<u>255,834</u>	<u>261,289</u>
TOTAL FUNDS					
				<u>1,410,435</u>	<u>1,406,357</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 January 2025 and were signed on its behalf by:

E J Lees-Jones - Trustee

The notes form part of these financial statements

Terra Nova School Trust Limited

**Cash Flow Statement
for the year ended 31 August 2024**

Notes	2024 £	2023 £
Cash flows from operating activities		
Cash generated from operations	1 47,967	134,250
Interest element of hire purchase payments paid	(1,534)	(2,910)
Net cash provided by operating activities	<u>46,433</u>	<u>131,340</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(63,744)	(11,342)
Sale of tangible fixed assets	-	476
Net cash used in investing activities	<u>(63,744)</u>	<u>(10,866)</u>
Cash flows from financing activities		
Capital repayments in year	(9,582)	(8,825)
Net cash used in financing activities	<u>(9,582)</u>	<u>(8,825)</u>
Change in cash and cash equivalents in the reporting period	<u>(26,893)</u>	<u>111,649</u>
Cash and cash equivalents at the beginning of the reporting period	<u>929,359</u>	<u>817,710</u>
Cash and cash equivalents at the end of the reporting period	<u><u>902,466</u></u>	<u><u>929,359</u></u>

The notes form part of these financial statements

Terra Nova School Trust Limited

**Notes to the Cash Flow Statement
for the year ended 31 August 2024**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	4,078	(433,762)
Adjustments for:		
Depreciation charges	132,619	139,422
Loss on disposal of fixed assets	-	26
Interest element of hire purchase and finance lease rental payments	1,534	2,910
Increase in stocks	(7,833)	(12,311)
Increase in debtors	(708,899)	(11,046)
Increase in creditors	626,468	449,011
	<u>47,967</u>	<u>134,250</u>
Net cash provided by operations	<u>47,967</u>	<u>134,250</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.23	Cash flow	At 31.8.24
	£	£	£
Net cash			
Cash at bank and in hand	929,359	(26,893)	902,466
	<u>929,359</u>	<u>(26,893)</u>	<u>902,466</u>
Debt			
Finance leases	(31,951)	9,582	(22,369)
	<u>(31,951)</u>	<u>9,582</u>	<u>(22,369)</u>
Total	<u>897,408</u>	<u>(17,311)</u>	<u>880,097</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Terra Nova School, Jodrell Bank, Holmes Chapel, Cheshire, CW4 8BT.

Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

Basis of preparing the financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

The Trustees consider that the level of unrestricted funds is sufficient to meet the working capital requirements of the company. The Trustees have implemented a forward strategy to improve the future performance of the company to ensure the company is able to continue in existence for the foreseeable future.

The Trustees are not aware of any other uncertainties regarding the company's ability to continue as a going concern and after reviewing the company's post year end income documentation and forecasts, the Trustees are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. These estimates and judgments are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets are sensitive to changes in the estimate useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the tangible assets and 'Tangible fixed assets' accounting policy for the useful lives for each class of asset.

Impairment of debtors

The school makes an estimate of the recoverable value of trade and other debtors. Where assessing the impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of the debtors.

Fund accounting

Unrestricted funds

These are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds

These are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds

These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Notes to the Financial Statements - continued
for the year ended 31 August 2024

1. ACCOUNTING POLICIES - continued

Income

Recognition of income

Income from contracts for the supply of services is included in the Statement of Financial Activities (SoFA) when the school becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Fees receivables are stated after deducting allowances, scholarships and other remissions granted by the school.

Income with related expenditure

Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies

Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Investment income

This is included in the accounts when receivable.

Other income

This 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.

Expenditure

Recognition of expenditure

Expenditure is recognised on an accrual's basis. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Expenditure on raising funds

These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.

Expenditure on charitable activities

These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs

Governance costs

These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.

Other expenditure

These are support costs not allocated to a particular activity.

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates so as to write off their cost less residual amounts over their estimated useful economic lives. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount.

Freehold property	- Various rates between 2% and 33%
Fixture & fittings	- 10% straight line
Computer equipment	- 20% straight line
Motor vehicles	- 25% straight line

Notes to the Financial Statements - continued
for the year ended 31 August 2024

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

The residual value and useful lives of assets are reviewed and adjusted if appropriate at each statement of financial position date.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making do allowance for obsolete and slow moving items.

Taxation

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

Hire purchase and leasing commitments

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

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

Trade and other debtors

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

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

Fees in advance

Parents may, subject to contractual terms and conditions, pay to the school tuition fees in advance. The money may be returned, subject to specific conditions.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Terra Nova School Trust Limited

**Notes to the Financial Statements - continued
for the year ended 31 August 2024**

1. ACCOUNTING POLICIES - continued

Trade and other debtors

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Financial instruments

A financial asset of a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Pension costs and other post-retirement benefits

Retirement benefits to employees of the School are provided through two pension schemes, one defined benefit and one defined contribution. The pension costs charged in the Statement of Financial. Activities are determined as follows:

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

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	53,753	20,415
Grants	-	332
	53,753	20,747
	53,753	20,747

Included within donations received are amounts totalling £24,979 relating to the waiver of sureties being repaid once the children have left the school.

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Other grants	-	332
	-	332
	-	332

Terra Nova School Trust Limited

**Notes to the Financial Statements - continued
for the year ended 31 August 2024**

3. OTHER TRADING ACTIVITIES

Scholarships, bursaries and other awards were paid to 26 pupils (2023: 26).

Within this means tested bursaries totalling £154k were paid to 10 pupils (2023: £179k for 12 pupils).

4. INVESTMENT INCOME

	2024	2023
	£	£
Bank interest receivable	12,730	7,316
	<u>12,730</u>	<u>7,316</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Staff costs	2,531,949	-	2,531,949
Education costs	479,764	-	479,764
Motor & travel costs	38,984	-	38,984
Premises costs	433,438	-	433,438
General administration costs	143,879	-	143,879
Legal & professional costs	77,916	-	77,916
Depreciation costs	132,619	-	132,619
Interest payable	1,534	-	1,534
Governance costs	-	27,814	27,814
	<u>3,840,083</u>	<u>27,814</u>	<u>3,867,897</u>

6. SUPPORT COSTS

	Governance costs £
Governance costs	27,814
	<u>27,814</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Auditors' remuneration	6,000	5,100
Depreciation - owned assets	132,619	139,422
Hire of plant and machinery	3,161	3,501
Deficit on disposal of fixed assets	-	26
Auditors remuneration - non audit services	9,664	-
	<u>141,444</u>	<u>148,029</u>

Notes to the Financial Statements - continued
for the year ended 31 August 2024

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2024 nor for the year ended 31 August 2023.

9. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	1,997,243	1,954,808
Social security costs	184,242	184,235
Other pension costs	336,514	314,831
	<u>2,517,999</u>	<u>2,453,874</u>

Teachers' Pension Scheme

The school participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £320,353 (2023: £302,132) and at the year-end £36,892. (2023 - £32,639) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

As from 1 April 2024 the employer contribution increased from 23.6% to 28.6%. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Support Staff Pension Scheme

Support staff are entitled to join a defined contribution scheme operated by NOW. Contribution rates are 5% by the employee and 3% by the school.

During the year there were redundancy and termination costs which amounted to £24,926 which were outstanding at the year end.

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

	2024	2023
Teaching Staff	55	54
Clerical/administrative/boarding staff	14	15
Manual workers	8	6
	<u>77</u>	<u>75</u>

Terra Nova School Trust Limited

**Notes to the Financial Statements - continued
for the year ended 31 August 2024**

9. STAFF COSTS - continued

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

	2024	2023
£60,001 - £70,000	1	1
£90,001 - £100,000	1	1
	2	2
	2	2

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	20,464	283	20,747
Other trading activities	3,412,445	-	3,412,445
Investment income	7,316	-	7,316
	3,440,225	283	3,440,508
	3,440,225	283	3,440,508
EXPENDITURE ON			
Charitable activities			
Staff costs	2,490,124	-	2,490,124
Education costs	505,819	-	505,819
Motor & travel costs	32,693	-	32,693
Premises costs	410,149	-	410,149
General administration costs	163,072	-	163,072
Legal & professional costs	110,972	-	110,972
Depreciation costs	140,601	-	140,601
Interest payable	2,910	-	2,910
Governance costs	17,930	-	17,930
	3,874,270	-	3,874,270
	3,874,270	-	3,874,270
NET INCOME/(EXPENDITURE)	(434,045)	283	(433,762)
Transfers between funds	52,129	(52,129)	-
	(381,916)	(51,846)	(433,762)
	(381,916)	(51,846)	(433,762)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,526,984	313,135	1,840,119
	1,145,068	261,289	1,406,357
	1,145,068	261,289	1,406,357

Terra Nova School Trust Limited

**Notes to the Financial Statements - continued
for the year ended 31 August 2024**

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2023	2,842,175	754,923	324,119	3,921,217
Additions	36,036	21,399	6,309	63,744
Disposals	-	(210,772)	(237,985)	(448,757)
	<u>2,878,211</u>	<u>565,550</u>	<u>92,443</u>	<u>3,536,204</u>
DEPRECIATION				
At 1 September 2023	1,497,289	383,395	303,707	2,184,391
Charge for year	67,659	55,082	9,878	132,619
Eliminated on disposal	-	(210,772)	(237,985)	(448,757)
	<u>1,564,948</u>	<u>227,705</u>	<u>75,600</u>	<u>1,868,253</u>
NET BOOK VALUE				
At 31 August 2024	<u>1,313,263</u>	<u>337,845</u>	<u>16,843</u>	<u>1,667,951</u>
At 31 August 2023	<u>1,344,886</u>	<u>371,528</u>	<u>20,412</u>	<u>1,736,826</u>

Tangible fixed assets with a carrying value of £25,561 have been pledged as security for the company's hire purchase loan.

12. STOCKS

	2024 £	2023 £
Stocks	<u>20,279</u>	<u>12,446</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	720,852	108,112
Other debtors	73,966	-
Prepayments and accrued income	104,479	82,286
	<u>899,297</u>	<u>190,398</u>

Trade debtors are shown net of a bad debt provision of £16,458 (2023: £89,668).

Terra Nova School Trust Limited

**Notes to the Financial Statements - continued
for the year ended 31 August 2024**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Hire purchase (see note 16)	9,593	9,593
Trade creditors	118,381	257,442
Social security and other taxes	76,184	73,804
Other creditors	-	8,808
Sureties	124,403	138,453
Deferred income	962,599	748,912
Fees in advance	578,292	142,528
Accrued expenses	54,802	60,774
	<u>1,924,254</u>	<u>1,440,314</u>

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

	2024	2023
	£	£
Hire purchase (see note 16)	12,776	22,358
Fees in Advance	142,528	-
	<u>155,304</u>	<u>22,358</u>

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2024	2023
	£	£
Net obligations repayable:		
Within one year	9,593	9,593
Between one and five years	12,776	22,358
	<u>22,369</u>	<u>31,951</u>
	Non-cancellable operating leases	
	2024	2023
	£	£
Within one year	8,921	7,802
Between one and five years	48,214	-
In more than five years	2,545	-
	<u>59,680</u>	<u>7,802</u>

Terra Nova School Trust Limited

**Notes to the Financial Statements - continued
for the year ended 31 August 2024**

17. MOVEMENT IN FUNDS

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
Unrestricted funds				
General fund	1,145,068	(8,572)	18,105	1,154,601
Restricted funds				
Old appeals	83,743	-	(5,098)	78,645
Centenary appeal	58,625	-	(10,022)	48,603
Kennedy fund	72,080	-	(2,120)	69,960
SENCO	31,138	-	(865)	30,273
Bursary fund	15,703	(15,703)	-	-
New playground 2024	-	24,099	-	24,099
OTN - School repair fund	-	4,254	-	4,254
	<u>261,289</u>	<u>12,650</u>	<u>(18,105)</u>	<u>255,834</u>
TOTAL FUNDS	<u><u>1,406,357</u></u>	<u><u>4,078</u></u>	<u><u>-</u></u>	<u><u>1,410,435</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,859,325	(3,867,897)	(8,572)
Restricted funds			
Bursary fund	(15,703)	-	(15,703)
New playground 2024	24,099	-	24,099
OTN - School repair fund	4,254	-	4,254
	<u>12,650</u>	<u>-</u>	<u>12,650</u>
TOTAL FUNDS	<u><u>3,871,975</u></u>	<u><u>(3,867,897)</u></u>	<u><u>4,078</u></u>

Terra Nova School Trust Limited

**Notes to the Financial Statements - continued
for the year ended 31 August 2024**

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
Unrestricted funds				
General fund	1,526,984	(434,045)	52,129	1,145,068
Restricted funds				
Old appeals	88,841	-	(5,098)	83,743
Centenary appeal	68,647	-	(10,022)	58,625
Kennedy fund	74,200	-	(2,120)	72,080
SENCO	32,003	-	(865)	31,138
Bursary fund	15,420	283	-	15,703
Timpson fund	34,024	-	(34,024)	-
	<u>313,135</u>	<u>283</u>	<u>(52,129)</u>	<u>261,289</u>
TOTAL FUNDS	<u><u>1,840,119</u></u>	<u><u>(433,762)</u></u>	<u><u>-</u></u>	<u><u>1,406,357</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,440,225	(3,874,270)	(434,045)
Restricted funds			
Bursary fund	283	-	283
	<u>3,440,508</u>	<u>(3,874,270)</u>	<u>(433,762)</u>
TOTAL FUNDS	<u><u>3,440,508</u></u>	<u><u>(3,874,270)</u></u>	<u><u>(433,762)</u></u>

Transfers between funds

The transfer between restricted funds and unrestricted funds represents an amount equal to depreciation on the capital costs of land, buildings and equipment met by appeal.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2024.

Terra Nova School Trust Limited

**Notes to the Financial Statements - continued
for the year ended 31 August 2024**

19. POST BALANCE SHEET EVENTS

On 6 November 2024 Terra Nova School Trust Limited became registered for VAT. This is due to a change in government legislation regarding VAT being applied to private school fees.

20. LIMITED BY GUARANTEE

The company is limited by guarantee and as such has no such capital. The members (at present 8) are each under obligation to contribute £1 in the event of the winding up of the company.

21. FEES IN ADVANCE

Parents may be subject to contractual terms and conditions, pay to the school tuition fees in advance. The money may be returned, subject to specific conditions but, assuming the relevant pupils remain in the school, advance fees may be applied as follows:

	2024	2023
	£	£
Academic year 2024-25	578,292	142,528
Academic year 2025-26	89,836	-
Academic year 2026-27	38,948	-
Academic year 2027-28	13,744	
	720,820	142,528

The balance represents the accrued liability under the contracts.

The movement during the year was as follows:

	2024	2023
	£	£
Balance at 1 September 2023	142,528	142,528
New contracts	578,292	-
	720,820	142,528
Amount utilised in payment of fees to the school	-	-
	720,820	142,528

TERRA NOVA SCHOOL TRUST LIMITED

England & Wales - Charity number 525919

Accounts

DW/LF/T101

00554799

23 May 2024

Companies House
Crown Way
Cardiff
CF14 3U2

Dear Sirs

Terra Nova School Trust Limited

We enclose a copy of our above-named clients' statutory financial statements for the year ended 31 August 2023 for your filing.

Yours faithfully

Banks Sheridan

Banks Sheridan

Terra Nova School Trust Limited

Company Limited by Guarantee

Charity No. 525919

Company No. 00554799

Trustees' Report and Audited Financial Statements

31 August 2023

Terra Nova School Trust Limited

Year ended 31 August 2023

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Terra Nova School Trust Limited
Year ended 31 August 2023
Trustees Annual Report

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 August 2023.

Reference and administrative details

Registered charity name	Terra Nova School Trust Limited
Charity registration number	525919
Company registration number	00554799
Principal office and registered office	Terra Nova School Jodrell Bank Holmes Chapel Cheshire CW4 8BT

The trustees

E J Lees-Jones	Chair
M J Grice	Vice Chair
E S Stanley	
A C Dick	
M A Boulton	
A R Peak	
K Campbell	
J P Standen	
L E Tulloch	(Appointed 1 November 2023)

Company secretary	N Parkin
Senior Statutory Auditor:	Stuart Banks FCA
Auditor	Banks Sheridan (Statutory Auditor) Datum House Electra Way Crewe CW1 6ZF

Accountant	Bruce Marshall and Co. The Old Fuel Depot Twemlow Lane Twemlow Green Cheshire CW4 8GJ
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Bankers	National Westminster Bank PLC 10 Great Underbank Stockport Cheshire SK1 1LL
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Name of the Charity

The name of the charity is "Terra Nova School Trust" but it operates as "Terra Nova School" and throughout this report is referred to as "the School".

Structure, governance and management

Status and administration

Terra Nova School was founded in 1897 and was transferred to Terra Nova School Trust Limited, a company limited by guarantee and a registered charity, in 1955. The registered company number is 554799 and the registered charity number is 525919.

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association. Each Governor has undertaken to contribute a maximum of £1 to the assets of the company in the event of its winding up and as such is a member.

The School has an elected Board of Governors who also act as Trustees of the Charity and directors for the purposes of company law. A third of the Governors retire by rotation at each Annual General Meeting and are able to offer themselves for re-election. The Board of Governors meets a minimum of 3 times a year to consider matters of policy and strategy. The Finance and General Purposes Committee ("F & G P"), a sub-committee of the Board, also meets 3 times a year to exercise financial oversight and to prepare advice on other operational matters for the full Board. The Board also operates a Health & Safety Committee and a Safeguarding Committee which also meet 3 times a year to monitor the safety and wellbeing of the School's pupils and staff. Responsibility for the running of the School lies with the Board of Governors.

In line with generally accepted best practice for corporate governance, regular reviews of the Board's range of skills and training are undertaken to determine that the Governors have the necessary breadth of skills and experience. The Board has approved policies which cover conflict of interest, Governors' code of conduct and the recruitment of Governors. Role descriptions have also been drawn up for the Chair of Governors, the Governor who is the nominated safeguarding lead and the normal Governor function.

The remuneration of the Head and Bursar is set by the Board with reference to benchmarking surveys. The remuneration of the Senior Leadership Team is agreed by Governors following the Head's recommendation.

The Governors who served through the year were:

Mrs E J Lees-Jones	Chair
Mr M J Grice	
Mrs E S Stanley	
Mr A C Dick	
Mr M A Boulton	
Ms A R Peak	
Ms K Campbell	
Mr J P Standen	

The Headmaster, Mr P Campbell oversaw the school until October 2022, when Headmistress Mrs C Westall took charge. Mr D Prince became interim Bursar in January 2023 and alongside Mrs Westall were responsible to the Governors for the day to day management of the School. They are supported by a Senior Leadership Team which currently consists of:

Mr M Pearson	Deputy Headteacher
Mrs E Williams	Assistant Head Pastoral and DSL
Miss R Harper	Head of EYFS

Public benefit

The Governors have complied with the duty to have due regard to the Charity Commission's guidance on public benefit in the course of carrying out their responsibilities.

The School, which is already ethnically and socially diverse, has continued to focus on increasing the accessibility to a wider range of families.

The fees of 15 children were subsidised in full, or in part, in the 2022-23 academic year totalling £179,000 (compared to £168,000 in 2021-22) this represented a smaller percentage of the total fee income at 4.61% (compared to 4.9% in 2021-22).

The School's facilities are made available to sports clubs and other groups when not required by the pupils. Examples of use during this period include:

- Use of the Sports facilities by local football and hockey clubs
- Events with the local community including a care home

Each of the constituent parts of the School continue to be involved with raising awareness of and financial support for those less fortunate than themselves both at home and abroad. During the year the following charities have benefited from the care and generosity of our pupils, staff and families: BBC Children in Need; St Luke's Hospice; Save The Children; MND Association, Comic Relief and DEC (Disaster Emergency Committee).

Governors' responsibilities statement

The Governors, who are also directors for the purposes of company law, are responsible for preparing the Trustees report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Child protection

The School is committed to maintaining thorough and continuing child protection policies and procedures in accordance with legislation and good practice.

Statement of disclosure of information to auditors

The Governors who were in office on the date of the approval of these financial statements have confirmed that as far as they are aware there is no relevant audit information of which the auditors are unaware. Each of the Governors has confirmed that they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant information and to establish that the auditors are aware of that information.

Fundraising

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

Auditors

Banks Sheridan have been appointed as the Charitable Company's auditors and have expressed their willingness to continue in office as auditors.

By Order of the Board

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Mrs E J Lees-Jones
Chair

22 May 2024

Strategic report

Principal activities and review of the business

Staff Changes

The end of the 2023 academic year, saw the following staff members leave:

Mr J Westall
Mr M Pearson
Ms C Higgin
Mrs A Taylor
Mrs L Thomas
Ms K Dowds
Mrs E Williams
Miss Harrison
Mrs N Eddy
Mr T Eddy

The following teaching staff joined at the start of the 2023 academic year were:

Mr M Greenwood
Mrs C Venables
Miss L Papadimitriou
Mr M Oakes
Miss A Hopkins
Mrs B Alexander
Mrs J Mannion

Academic success

In June 2022, the School was inspected by the Independent Schools Inspectorate and graded excellent.

The average number of pupils in the School in the period to 31st August 2023 was 63 in the EYFS, 98 in the Junior Prep, and 111 in the Senior Prep. This gives an overall total of 272 pupils (compared to 289 in the period to 31 August 2022). The EY figure for this year was not tracked as FTE, but will be for the coming year - therefore EYFS total pupil figures can be misleading as children are only part time, with each student adopting a variable number of sessions. Many children make use of the flexi-boarding facilities. Numbers fluctuated following a change of leadership at the School. Current growth is extremely positive.

In 2023, all pupils gained access to a Senior School of their choice when transferring to the secondary stage of education. Terra Nova continues to support a wide range of schools with some pupils leaving at 11+, but the majority of our students transferring at age 13+ with parents recognising the growth in confidence, maturity and achievement gained from the additional 2 years at Terra Nova.

This year, pupils were successful in winning:

- 4 Michael Palin scholarships to Shrewsbury School
- 3 Academic scholarships to Shrewsbury School
- 1 Sports scholarship to Sedbergh School
- 1 Sports Exhibition to Repton School
- 3 Art scholarships to Shrewsbury School

Terra Nova is proud of its academic success but is also delighted to recognise pupil achievement in any form – be it academic, aesthetic or sporting. The School continues to support a breadth of pupil ability and retains its non-selective ethos offering a broad curriculum that meets individual pupil needs. Pupil success is recognised through assemblies, individual pupil commendation, or the wider media. Terra Nova is recognised for its committed approach and whole-hearted endeavour in transferring pupils to the next

stage of their education.

Development of the School's site

The school continues to strive to improve its setting and facilities. The Governors continue to stringently assess the cost-benefit and feasibility of any significant capital expenditure 'CapEx' projects.

During the 2023 academic year, £11,342 was spent on capital projects, this included the refurbishment of visitor toilets, relocation/swap of Lower Nursery room to dining room new flooring, refurbishment of Nursery staff room.

Objectives and achievements

Achievements and performance

The main objectives that the Governors hoped to focus upon that were detailed in last year's Strategic Report were as follows:

- the continued development of the School and raising of pupil numbers
- the continued development of the boarding operation
- to focus on the curriculum delivered and the classroom resources available in relation to the School's aim of continually enhancing teaching and learning
- to continue to expand access to the School and to offer bursaries to an increasing number of children
- refurbishment work in the main school building

The Governors believe that some progress has been made on all these objectives. Pupil numbers increased in Senior Prep and the development of teaching and learning has continued. The amount of bursary support was broadly similar during the year at £179,000 (compared to £168,000 in 21/22), this represented a smaller percentage of total fee income at 4.61% (compared to 4.9% in 21/22).

Financial review

The results for the period to 31 August 2023 show a deficit of £433,476 compared with a deficit of £635,846 for the preceding year. Income from donations was £20,415, considerably higher than last year's £316. Gross fee income increased by 1.17% to £3,906,757. Although gross fee income increased, pupils' numbers dropped sharply in September 2022. Pupil numbers did increase again in the third and fourth quarters. Total resources expended amounted to 31 August 23 are £3,877,130 compared to £4,071,744 in 2022. Although staff labour decreased YOY, pension contributions increased by % of salary. We also saw a spike in heating/lighting costs, a direct effect of the cost-of-living crisis. A substantial bad debt provision was also provided for and written off in this academic year.

On the Balance Sheet the additions to fixed assets amounted to £11,342, the majority of this being noted in the development of the School Site above.

The amount of cash and cash equivalents at the year-end was £929,359 compared to £817,710 in 2022.

Creditors

Creditors amount falling due within one year have increased to £1.44m (2022: £0.99m). This is predominately due to fees paid in advance which rose sharply from £584,597 in 2022 to £891,440 in 2023 a 52.4% increase year-on-year.

Trade creditors increased to £257,440 compared to £72,643 in 2022. The majority of this is due to a change in catering provider, and the transitional period of invoicing. This is coupled with international tour holidays accounts not requiring immediate payment and business rates.

Sureties remain stable at £138,453 in 2023 compared to £138,500 in 2022.

Reserves Policy

The Governors currently have a policy to maintain available cash reserves at a level of at least £250,000. This is reviewed based on activities and the nature of the charitable company's income streams. As the charitable company's greatest costs are those for teaching and ancillary staff, the Governors ensure that adequate cash reserves are held to meet this commitment.

The calculation of the required reserves is an integral part of the charitable company's planning, budget and forecasting processes and takes into account the risks involved with income and expenditure streams being different from that budgeted, the expected levels of pupils in the various parts of the school, and the financial commitments of the School. The reserves policy will be reviewed annually, with the review considering expected pupil and fee levels, together with future needs and opportunities.

Risk management

The Board of Governors is responsible for the management of risks faced by the School. Operational management of these risks is delegated to sub-committees, principally the Finance & General Purposes Committee and the Health & Safety Committee. Procedures have been established to identify, assess, and control risks.

The key controls used include:

- Formal agendas for all Board and Committee meetings
- A clearly defined committee structure
- A clear organisational structure and lines of reporting
- Detailed delegated powers
- Financial controls including long- and short-term forecasting and management accounting
- Vetting and interview procedures as required by law for the protection of children
- Regular review of the strategic risks faced by the Schools and the control measures in place to deal with them
- Medium term strategic planning

The Board has considered the major strategic risks facing the School and has prepared a risk analysis which is reviewed at Board meetings. The Governors consider that the most significant risks facing the School currently are

- Pupil numbers
- Political change
- Regulatory and pension compliance

In each case, the potential risks under these categories have been detailed, the potential impact on the School assessed and existing controls noted. Any further actions needed to further mitigate the risks have also been identified. These include:

Pupil numbers

The School continues to invest in targeted marketing to improve recruitment of students from both the UK and internationally.

Political change

The School has maintained its links with local and national agencies and continues to scenario plan and prepare for future challenges, including the possibility of VAT on school fees and the removal of business rate support if a Labour government were to get into power. This is being carefully considered and regularly monitored.

Regulatory compliance

The School has procedures for the Senior Leadership Team and the Board to monitor and approve regulatory requirements.

Plans for future periods

The Governors have identified two key elements within the School's strategic plan to drive future development. These are the continued development of the School and expansion of the "Terra Nova" brand in order to raise pupil numbers together with the continued offer of a boarding operation.

The Governors will continue to focus on the curriculum and the classroom resources available in relation to the School's aim of continually enhancing teaching and learning. The Governors also recognise the need to continue to expand access to the School and plan to maintain the commitment to means tested bursaries.



Mrs Eleanor Lees-Jones
Chair

22 May 2024

Opinion

We have audited the financial statements of Terra Nova School Trust Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the Notes to the Accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 upon the work undertaken in the course of the audit:

- the information given in the trustees' report which includes the directors' report and strategic report prepared for the purposes of company law, for the financial year for which the financial statements have been prepared is consistent with the financial statements; and
- the strategic report and the directors report, included within 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 the 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 strategic report and the directors report which are included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement found in the trustees' report, the trustees (who are also the directors of the charitable company for the purpose 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

We have been appointed under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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. Based on our understanding of the charitable company, and its industry, we identified that the principal risks of non-compliance with laws and regulations related to pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption, fraud and money laundering. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the trustees and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgement and assumptions in significant accounting estimates, in particular in relation to loss reserves, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charitable company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with the trustees. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misinterpretations or the override of internal controls.

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

Terra Nova School Trust Limited

Year ended 31 August 2023

Independent Auditor's Report to the members of Terra Nova School Trust Limited

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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stuart Banks FCA (Senior Statutory Auditor)

For and on behalf of Banks Sheridan (Statutory Auditor)

Datum House

Electra Way

Crewe

Cheshire

CW1 6ZF

23 May 2024

Terra Nova School Trust Limited
Statement of Financial Activities

for the year ended 31 August 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Restated Total funds 2022 £
Income and endowments					
from:					
Donations and legacies	6	20,415	-	20,415	316
Other trading activities	7	3,415,308	-	3,415,308	3,377,913
Investments	8	7,316	-	7,316	564
Other	9	332	-	332	17,486
Total		3,443,371	-	3,443,371	3,396,279
Expenditure on:					
Charitable activities	10	3,860,719	-	3,860,719	4,065,869
Other	11	16,340	-	16,340	5,875
Total		3,877,130	-	3,877,130	4,071,744
Net gains on investments		-	-	-	-
Net expenditure	12	(433,759)	-	(433,759)	(675,465)
Transfers between funds		52,129	(52,129)	-	-
Incoming resources		-	283	283	39,619
Net expenditure before other gains/(losses)		(381,630)	(51,846)	(433,476)	(635,846)
Other gains and losses					
Net movement in funds		(381,630)	(51,846)	(433,476)	(635,846)
Reconciliation of funds:					
Total funds brought forward		1,526,701	313,134	1,839,835	2,475,681
Total funds carried forward		1,145,071	261,288	1,406,359	1,839,835

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

Statement of Financial Position at 31 August 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	16	1,736,824	1,865,407
		<u>1,736,824</u>	<u>1,865,407</u>
Current assets			
Stocks	17	12,446	136
Debtors	18	190,398	179,352
Cash at bank and in hand		929,359	817,710
		<u>1,132,203</u>	<u>997,198</u>
Creditors: Amount falling due within one year	19	<u>(1,440,310)</u>	<u>(990,394)</u>
Net current assets		<u>(308,107)</u>	<u>6,804</u>
Total assets less current liabilities		1,428,717	1,872,211
Creditors: Amounts falling due after more than one year	20	<u>(22,358)</u>	<u>(32,376)</u>
Net assets excluding pension asset or liability		<u>1,406,359</u>	<u>1,839,835</u>
Total net assets		<u><u>1,406,359</u></u>	<u><u>1,839,835</u></u>
The funds of the charity			
Restricted funds			
Restricted income funds		261,288	313,134
		<u>261,288</u>	<u>313,134</u>
Unrestricted funds			
General funds		1,145,071	1,526,701
		<u>1,406,359</u>	<u>1,526,701</u>
Total funds	21	<u><u>1,406,359</u></u>	<u><u>1,839,835</u></u>

Approved by the board on 22 May 2024

And signed on its behalf by:



Mrs E J Lees-Jones
Chair

Terra Nova School Trust Limited
Statement of Cash flows
for the year ended 31 August 2023

	2023 £	2022 £
Cash flows from operating activities		
Net deficit per Statement of Financial Activities	(433,476)	(635,846)
Adjustments for:		
Depreciation of property, plant and equipment	139,423	143,010
Loss on sale of motor vehicle	26	-
Impairment	-	171,792
Interest received	(7,316)	(564)
Decrease/(Increase) in stocks	(12,310)	19,360
Decrease/(Increase) in trade and other receivables	(11,046)	71,551
Increase/(Decrease) in trade and other payables	448,723	(18,694)
Net cash used in operating activities	<u>124,024</u>	<u>(249,391)</u>
Interest received	7,316	564
Net cash used from operating activities	<u>131,340</u>	<u>(248,827)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(11,342)	(203,849)
Sale proceeds	476	-
Net cash used in investing activities	<u>(10,866)</u>	<u>(203,849)</u>
Cash flows from financing activities		
Repayments of obligations under finance lease and hire purchase contracts	(8,825)	(7,489)
Net cash from financing activities	<u>(8,825)</u>	<u>(7,489)</u>
Net (decrease)/increase in cash and cash equivalents	111,649	(460,165)
Cash and cash equivalents at the beginning of the year	817,710	1,277,875
Cash and cash equivalents at the end of the year	<u>929,359</u>	<u>817,710</u>

1 General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Terra Nova School, Jodrell Bank, Holmes Chapel, Cheshire, CW4 8BT.

2 Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

The Trustees consider that the level of unrestricted funds is sufficient to meet the working capital requirements of the company. The Trustees have implemented a forward strategy to improve the future performance of the company to ensure the company is able to continue in existence for the foreseeable future.

The Trustees are not aware of any other uncertainties regarding the company's ability to continue as a going concern and after reviewing the company's post year end income documentation and forecasts, the Trustees are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. These estimates and judgments are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Notes to the Accounts

Income

Recognition of income Income from contracts for the supply of services is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Investment income This is included in the accounts when receivable.

Expenditure

Recognition of expenditure Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.

Expenditure on charitable activities These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs

Governance costs These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.

Other expenditure These are support costs not allocated to a particular activity.

Taxation

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

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates so as to write off their cost less residual amounts over their estimated useful economic lives. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount.

Freehold property – Various rates between 2% and 10%

Fixture & fittings – 10% straight line

Computer equipment – 20% straight line

Motor vehicles – 25% straight line

The residual value and useful lives of assets are reviewed and adjusted if appropriate at each statement of financial position date.

Stocks

Stock is included at the lower of cost or net realisable value.

Trade and other debtors

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

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

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets. Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

4 Limited by guarantee

The company is limited by guarantee and as such has no such capital. The members (at present 8) are each under obligation to contribute £1 in the event of the winding up of the company.

5 Statement of Financial Activities - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restated Total funds 2022 £
Income and endowments from:			
Donations and legacies	316	-	316
Other trading activities	3,377,913	-	3,377,913
Investments	564	-	564
Other	17,486	-	17,486
Total	<u>3,396,279</u>	<u>-</u>	<u>3,396,279</u>
Expenditure on:			
Charitable activities	4,065,869	-	4,065,869
Other	5,875	-	5,875
Total	<u>4,071,744</u>	<u>-</u>	<u>4,071,744</u>
Net income	<u>(675,465)</u>	<u>-</u>	<u>(675,465)</u>
Transfers between funds	21,217	(21,217)	-
Incoming resources	39,619		39,619
Net income before other gains/(losses)	<u>(614,629)</u>	<u>(21,217)</u>	<u>(635,846)</u>
Other gains and losses:			
Net movement in funds	<u>(614,629)</u>	<u>(21,217)</u>	<u>(635,846)</u>
Reconciliation of funds:			
Total funds carried forward	<u><u>(614,629)</u></u>	<u><u>(21,217)</u></u>	<u><u>(635,846)</u></u>

6 Income from donations and legacies

	Unrestricted £	Total 2023 £	Total 2022 £
Donations	20,415	20,415	316
	<u>20,415</u>	<u>20,415</u>	<u>316</u>

7 Income from other trading activities	Unrestricted	Total	Restated
		2023	Total
	£	£	2022
			£
Gross fees	3,906,757	3,906,757	3,861,567
Allowances, bursaries and grants	(494,102)	(494,102)	(489,043)
Letting income	2,653	2,653	5,389
	<u>3,415,308</u>	<u>3,415,308</u>	<u>3,377,913</u>

The comparative figures for 2022 have been restated to include the correct allowances. The original figures overstated both gross fees and education costs (shown in expenditure) by £488,837. This adjustment has no effect on the overall result for the comparative year.

8 Income from investments	Unrestricted	Total	Total
		2023	2022
	£	£	£
Bank interest receivable	7,316	7,316	564
	<u>7,316</u>	<u>7,316</u>	<u>564</u>

9 Other income	Unrestricted	Total	Total
		2023	2022
	£	£	£
Grants	332	332	17,486
	<u>332</u>	<u>332</u>	<u>17,486</u>

10 Expenditure on charitable activities	Unrestricted	Total	Restated
		2023	Total
	£	£	2022
			£
Education costs	519,734	519,734	606,621
Other interest payable	2,910	2,910	3,269
Employee costs	2,487,836	2,487,836	2,583,021
Motor and travel costs	32,695	32,695	34,731
Premises costs	406,220	406,220	359,921
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	139,449	139,283	143,010
General administrative costs	159,484	159,580	152,856
Legal and professional costs	128,802	128,802	182,440
	<u>3,877,130</u>	<u>3,877,130</u>	<u>4,071,744</u>

11 Other expenditure

	Total 2023	Total 2022
	£	£
Governance costs	16,340	5,875
	<u>16,340</u>	<u>5,875</u>

12 Net expenditure before transfers

	2023	2022
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	139,403	143,010
Auditors' remuneration	5,100	4,000

13 Staff costs

	2023	2022
Salaries and wages	1,953,045	2,072,344
Social security costs	184,235	192,988
Pension costs	314,830	314,385
Other employee benefits	35,726	3,304
	<u>2,487,836</u>	<u>2,583,021</u>

Salaries bands:

£110,000 - £119,999	0	1
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The average monthly number of full time equivalent employees during the year was as follows:

	2023	2022
	Number	Number
	75	82

14 Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

15 Transfers between funds

The transfer between restricted funds and unrestricted funds represents an amount equal to depreciation on the capital costs of land, buildings and equipment met by appeal.

16 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor Vehicles	Capital Work in progress	Total
	£	£	£	£	£
Cost or revaluation					
At 1 September 2022	2,842,174	1,067,700	29,330	-	3,939,204
Additions/(Disposals)	-	11,342	(29,330)	-	(17,988)
Transfers	-	-	-	-	-
At 31 August 2023	<u>2,842,174</u>	<u>1,079,042</u>	<u>-</u>	<u>-</u>	<u>3,921,216</u>
Depreciation and impairment					
At 1 September 2022	1,430,426	614,613	28,758	-	2,073,797
Elimination on disposal	-	-	(28,828)	-	(28,828)
Depreciation charge for the year	66,863	72,490	70	-	139,423
At 31 August 2023	<u>1,497,289</u>	<u>687,103</u>	<u>-</u>	<u>-</u>	<u>2,184,392</u>
Net book values					
At 31 August 2023	<u>1,344,885</u>	<u>391,939</u>	<u>-</u>	<u>-</u>	<u>1,736,824</u>
At 31 August 2022	<u>1,411,748</u>	<u>453,087</u>	<u>572</u>	<u>-</u>	<u>1,865,407</u>

Tangible fixed assets with a carrying value of £31,951 have been pledged as security for the company's hire purchase loan.

17 Stocks

	2023	2022
	£	£
Raw materials and consumables	<u>12,446</u>	<u>136</u>
	<u>12,446</u>	<u>136</u>

18 Debtors

	2023	2022
	£	£
Trade debtors	105,723	82,770
Other debtors	-	860
Prepayments and accrued income	<u>84,675</u>	<u>95,722</u>
	<u>190,398</u>	<u>179,352</u>

	2023	2022
19 Creditors:		
	£	£
Amounts falling due within one year		
Obligations under finance lease and hire purchase contracts	9,593	8,400
Trade creditors	257,440	72,643
Sureties	138,453	138,500
Other taxes and social security	73,803	94,956
Other creditors	8,807	41,523
Accruals	60,774	49,775
Fees paid in advance	891,440	584,597
	<u>1,440,310</u>	<u>990,394</u>
20 Creditors:		
Amounts falling due after more than one year		
	2023	2022
	£	£
Obligations under finance lease and hire purchase contracts	22,358	32,376
	<u>22,358</u>	<u>32,376</u>

21 Movement in funds

	At 1 September 2022	Incoming resources (including other gains/ losses)	Resources expended	Gross Transfers	At 31 August 2023
	£	£	£	£	£
Restricted funds:					
Restricted income funds:					
Old Appeals	88,841	-	-	(5,098)	83,743
Centenary	68,647	-	-	(10,022)	58,625
Kennedy Fund	74,200	-	-	(2,120)	72,080
SENCO	32,003	-	-	(865)	31,138
Bursary Donations	15,419	283	-	-	15,702
Timpson Fund	34,024	-	-	(34,024)	-
<i>Total</i>	<u>313,134</u>	<u>283</u>	<u>-</u>	<u>(52,129)</u>	<u>261,288</u>
Unrestricted funds:				-	-
General funds	<u>1,526,701</u>	<u>3,443,371</u>	<u>(3,877,130)</u>	<u>52,129</u>	<u>1,145,071</u>
Total funds	<u><u>1,839,835</u></u>	<u><u>3,443,654</u></u>	<u><u>(3,877,130)</u></u>	<u><u>-</u></u>	<u><u>1,406,359</u></u>

22 Analysis of net assets between funds

	Unrestricted funds £	Total £
Fixed assets	1,736,824	1,736,824
Net current assets	(308,107)	(308,107)
Creditors due in more than one year and provisions	<u>(22,358)</u>	<u>(22,358)</u>
	<u><u>1,406,359</u></u>	<u><u>1,406,359</u></u>

23 Reconciliation of net debt

	At 1 September 2022 £	Cash Flows £	At 31 August 2023 £
Cash and cash equivalents	817,710	111,649	929,359
	<u>817,710</u>	<u>117,649</u>	<u>929,359</u>
Obligations under HP/Finance leases	(40,776)	8,825	(31,951)
	<u>(40,776)</u>	<u>8,825</u>	<u>(31,951)</u>
Net debt	<u>776,934</u>	<u>120,618</u>	<u>897,552</u>

24 Commitments

Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:

	2023 Other £	2022 Other £
Operating leases with expiry date:		
Within one year	7,802	21,695
In the second to fifth year inclusive	-	7,802
	<u>7,802</u>	<u>29,497</u>

25 Pensions and other post retirement benefits

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £301,729 (2022: £302,132) and at the year-end £24,073 (2022: £28,192) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as of 31 March 2016 and the Valuation Report, which was published in March 2020, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2020. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%. A further variation to employer TPS contributions is planned for April 2024, increasing employer contributions from 23.6% to 28.68%, including the 0.08% administration levy.

Support Staff Pension Scheme

Support staff are entitled to join a defined contribution scheme operated by NOW. Contribution rates are 5% by the employee and 3% by the School.

TERRA NOVA SCHOOL TRUST LIMITED

England & Wales - Charity number 525919

Accounts

Terra Nova School Trust Limited

Company Limited by Guarantee

Charity No. 525919

Company No. 00554799

Trustees' Report and Financial Statements

31 August 2022

Terra Nova School Trust Limited

Year ended 31 August 2022

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Terra Nova School Trust Limited
ended 31 August 2022
Trustees Annual Report

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 August 2022.

Reference and administrative details

Registered charity name	Terra Nova School Trust Limited
Charity registration number	525919
Company registration number	00554799
Principal office and registered office	Terra Nova School Jodrell Bank Holmes Chapel Cheshire CW4 8BT

The trustees

W F D Sillar	Chair (Retired 22 March 2022)
M J Grice	Vice Chair
E S Stanley	
A C Dick	
M A Boulton	
A R Peak	
E J Lees-Jones	Chair (Appointed 22 March 2022)
K Campbell	
J P Standen	
L E Tulloch	(Appointed 1 November 2023)

Company secretary E C Kidston

Senior Statutory Auditor: Stuart Banks FCA

Auditor Banks Sheridan (Statutory Auditor)
Datum House
Electra Way
Crewe
CW1 6ZF

Accountant Bruce Marshall and Co.
The Old Fuel Depot
Twemlow Lane
Twemlow Green
Cheshire
CW4 8GJ

Bankers National Westminster Bank PLC
10 Great Underbank
Stockport
Cheshire
SK1 1LL

Terra Nova School Trust Limited

Year ended 31 August 2022

Trustees Annual Report

Name of the Charity

The name of the charity is "Terra Nova School Trust" but it operates as "Terra Nova School" and throughout this report is referred to as "the School".

Structure, governance and management

Status and administration

Terra Nova School was founded in 1897 and was transferred to Terra Nova School Trust Limited, a company limited by guarantee and a registered charity, in 1955. The registered company number is 554799 and the registered charity number is 525919.

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association. Each Governor has undertaken to contribute a maximum of £1 to the assets of the company in the event of its winding up and as such is a member.

The School has an elected Board of Governors who also act as Trustees of the Charity and directors for the purposes of company law. A third of the Governors retire by rotation at each Annual General Meeting and are able to offer themselves for re-election. The Board of Governors meets a minimum of 3 times a year to consider matters of policy and strategy. The Finance and General Purposes Committee ("F & G P"), a sub-committee of the Board, also meets 3 times a year to exercise financial oversight and to prepare advice on other operational matters for the full Board. The Board also operates a Health & Safety Committee and a Safeguarding Committee which also meet 3 times a year to monitor the safety and wellbeing of the School's pupils and staff. Responsibility for the running of the School lies with the Board of Governors.

In line with generally accepted best practice for corporate governance, regular reviews of the Board's range of skills and training are undertaken to determine that the Governors have the necessary breadth of skills and experience. The Board has approved policies which cover conflict of interest, Governors' code of conduct and the recruitment of Governors. Role descriptions have also been drawn up for the Chair of Governors, the Governor who is the nominated safeguarding lead and the normal Governor function.

The remuneration of the Head and Bursar is set by the Board with reference to benchmarking surveys. The remuneration of the Senior Leadership Team is agreed by Governors following the Head's recommendation

The Governors who served through the year were:

Mr W F D Sillar	Chairman (resigned on 22 March 2022)
Mr M J Grice	
Mrs E S Stanley	
Mr A C Dick	
Mr M A Boulton	
Ms A R Peak	
Mrs E J Lees-Jones	Chair (appointed on 22 March 2022)
Ms K Campbell	
Mr J P Standen	

The Headmaster, P R Campbell, and the Bursar, I Martin are responsible to the Governors for the day to day management of the School. They are supported by a Senior Leadership Team which currently consists of:

Mrs C Westall	Deputy Head
Mrs E Williams	Head of Boarding
Mr M Pearson	Assistant Head

Public benefit

The Governors have complied with the duty to have due regard to the Charity Commission's guidance on public benefit in the course of carrying out their responsibilities.

The School, which is already ethnically and socially diverse, has continued to focus on increasing the accessibility to a wider range of families.

The fees of 14 children were subsidised in full, or in part, in the academic year 2021/22 through means tested bursaries and the cost of these remissions, before any donations towards them, amounted to £168,000 (2021: £174,000) equivalent to 4.9% of gross tuition fees.

The School's facilities are made available to sports clubs and other groups when not required by the pupils. Examples of use during this period include:

- Use of the Sports facilities by local football and hockey clubs
- Events with the local community including a care home

Each of the constituent parts of the School continue to be involved with raising awareness of and financial support for those less fortunate than themselves both at home and abroad. During the year the following charities have benefited from the care and generosity of our pupils, staff and families: BBC Children in Need; St Luke's Hospice; Save The Children; MND Association, Comic Relief and DEC (Disaster Emergency Committee).

Governors' responsibilities statement

The Governors, who are also directors for the purposes of company law, are responsible for preparing the Trustees report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Child protection

The School is committed to maintaining thorough and continuing child protection policies and procedures in accordance with legislation and good practice.

Terra Nova School Trust Limited

Year ended 31 August 2022

Trustees Annual Report

Statement of disclosure of information to auditors

The Governors who were in office on the date of the approval of these financial statements have confirmed that as far as they are aware there is no relevant audit information of which the auditors are unaware. Each of the Governors has confirmed that they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant information and to establish that the auditors are aware of that information.

Fundraising

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

Auditors

Banks Sheridan have been appointed as the Charitable Company's auditors and have expressed their willingness to continue in office as auditors.

By Order of the Board

A handwritten signature in black ink, consisting of a stylized 'EJ' followed by a long horizontal line that ends in a small flourish.

Mrs E J Lees-Jones
Chair

25 March 2024

Strategic report

Principal activities and review of the business

Staff Changes

The end of the year saw the retirement of the bursar, Mr Ian Martin. We wish Ian a long and happy retirement. Other teaching staff who left were Miss A Hark, Mrs C Roach, Mrs L Low, Mr A Stubbs, Ms A Spencer and Ms C Faux.

Teaching staff who joined at the start of the new year were: Mr P Campbell, Miss G Dunlop, Ms R Egli, Ms C Faux, Mrs C Grey, Mrs E Williams, Mr J Williams and Miss L Yardley.

Academic success

In June 2022, the School was inspected by the Independent Schools Inspectorate and graded excellent.

The average number of pupils in the School in the period to 31 August 2022 was 54 in the EYFS, 90 in the Junior Prep and 145 in the Senior Prep. This gives an overall total of 289 (compared to 307 in the period to 31 August 2021). However, it should be noted that whilst overall pupil numbers fell in the EYFS and Junior Prep, pupil numbers in Senior Prep increased. Additionally, EYFS total pupil figures can be misleading as children are only part time, with each student adopting a variable number of sessions, and in future will be represented as FTE's). Many children made use of the flexi-boarding facilities.

In 2022, all pupils gained access to a senior School of their choice when transferring to the secondary stage of education. Terra Nova continues to support a wide range of Schools with some pupils leaving at 11+ but the majority of our students transferring at age 13+ with parents recognising the growth in confidence, maturity and achievement gained from the additional 2 years at Terra Nova.

This year, pupils were successful in winning:

- Transformational Award, Malvern College
- Academic Scholarship, Haberdashers Monmouth School for Girls
- Michael Palin Scholar, Shrewsbury School
- Scholarship for Agriculture, Abbotsholme School

Terra Nova is proud of its academic success but is also delighted to recognise pupil achievement in any form – be it academic, aesthetic or sporting. The School continues to support a breadth of pupil ability and retains its non-selective ethos offering a broad curriculum that meets individual pupil needs. Pupil success is recognised through assemblies, individual pupil commendation, or the wider media. Terra Nova is recognised for its committed approach and whole-hearted endeavour in transferring pupils to the next stage of their education.

Development of the School's site

The School continues to strive to improve its setting and facilities. The Governors continue to stringently assess the cost-benefit and feasibility of any significant capital expenditure 'CapEx' projects.

During the year an extension of the dining hall was completed at a cost of £16,865 Support staff offices were relocated to the old Headmaster's flat and the vacated space was incorporated into the boarding house facilities and refurbished as study and common room areas for boarding pupils at a cost of £11,211.

Additionally, the flooring was improved in the nursery building, reception classrooms were refurbished, a brick built outbuilding was converted into the uniform shop and essential repairs to the shooting range were undertaken totalling £27,793.

Objectives and achievements

Achievements and performance

The main objectives that the Governors hoped to focus upon that were detailed in last year's Strategic Report were as follows:

- the continued development of the School and raising of pupil numbers
- the continued development of an international boarding operation
- to focus on the curriculum delivered and the classroom resources available in relation to the School's aim of continually enhancing teaching and learning
- to continue to expand access to the School and to offer bursaries to an increasing number of children
- refurbishment work in the main school building

The Governors believe that some progress has been made on all of these objectives. Pupil numbers increased in Senior Prep and the development of teaching and learning has continued. The amount of bursary support was broadly similar during the year at £168,000 (compared to £174,000 in 20/21) , however, this represented a greater percentage of total fee income at 4.9% (compared to 4.5% in 20/21). The capital expenditure projects detailed above, viz. the expansion of the Dining Hall, creation of the Uniform Shop and refurbishment work in the main School building were accomplished this year.

Financial review

The results for the period to 31 August 2022 show a deficit of £635,846 compared with a deficit of £88,316 for the preceding year. Income from donations was £316, considerably lower than last year's £39,551. Gross fee income increased by 12.54% to £4,350,404 due to a fee increase and a higher income from boarding but the benefit of this was lost by an increase in discounts and bursaries.

Total resources expended amounted to £4,555,192 compared to £3,605,419 in 2021. Most of this was the impact of teaching salary benchmarking and restructuring to ensure the School can attract and retain excellent teaching staff.

Included in resources expended was an exceptional amount of £155,058 in respect of legal and professional fees relating to a capital project put on hold.

On the Balance Sheet the additions to fixed assets amounted to £252,114, the major components of which are noted in development of the School Site above. The amount of cash and cash equivalents at the year-end was £817,710.

Reserves Policy

The Governors currently have a policy to maintain available cash reserves at a level of at least £250,000. This is reviewed based on activities and the nature of the charitable company's income streams. As the charitable company's greatest costs are those for teaching and ancillary staff, the Governors ensure that adequate cash reserves are held to meet this commitment.

The calculation of the required reserves is an integral part of the charitable company's planning, budget and forecasting processes and takes into account the risks involved with income and expenditure streams being different from that budgeted, the expected levels of pupils in the various parts of the School, and the financial commitments of the School.

The reserves policy will be reviewed annually, with the review considering expected pupil and fee levels, together with future needs and opportunities.

Risk management

The Board of Governors is responsible for the management of risks faced by the School. Operational management of these risks is delegated to sub-committees, principally the Finance & General Purposes Committee and the Health & Safety Committee. Procedures have been established to identify, assess and control risks.

The key controls used include:

- Formal agendas for all Board and Committee meetings
- A clearly defined committee structure
- A clear organisational structure and lines of reporting
- Detailed delegated powers
- Financial controls including long and short term forecasting and management accounting
- Vetting and interview procedures as required by law for the protection of children
- Regular review of the strategic risks faced by the Schools and the control measures in place to deal with them
- Medium term strategic planning

The Board has considered the major strategic risks facing the School and has prepared a risk analysis which is reviewed at Board meetings. The Governors consider that the most significant risks facing the School currently are

- Pupil numbers
- Political change
- Regulatory and pension compliance

In each case, the potential risks under these categories have been detailed, the potential impact on the School assessed and existing controls noted. Any further actions needed to further mitigate the risks have also been identified. These include:

Pupil numbers

The School continues to invest in targeted marketing to improve recruitment of students from both the UK and internationally.

Political change

The School has maintained its links with local and national agencies and continues to scenario plan and prepare for future challenges.

Regulatory compliance

The School has procedures for the Senior Leadership Team and the Board to monitor and approve regulatory requirements.

Plans for future periods

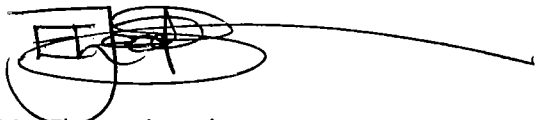
The Governors have identified two key elements within the School's strategic plan to drive future development. These are the continued development of the School and expansion of the "Terra Nova" brand in order to raise pupil numbers together with the continued offer of an international boarding operation.

Terra Nova School Trust Limited

Year ended 31 August 2022

Trustees Annual Report

The Governors will continue to focus on the curriculum and the classroom resources available in relation to the School's aim of continually enhancing teaching and learning. The Governors also recognise the need to continue to expand access to the School and plan to maintain the commitment to means tested bursaries.

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Mrs Eleanor Lees-Jones
Chair

25 March 2024

Qualified opinion

We have audited the financial statements of Terra Nova School Trust Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the Notes to the Accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter disclosed in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

The auditors for the comparative period to 31 August 2021 were not appointed until after the year end and were not able to complete certain balance sheet verifications and analytical procedures to ensure the opening balances as at 1 September 2020 were not materially misstated. Due to the matter referred to above we were unable to confirm, or verify by alternative means, sufficient appropriate audit evidence to satisfy ourselves that the comparative figures for the period ended 31 August 2021 and opening balances as at 1 September 2020 are free from material misstatement.

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

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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

Except for the matter described in the basis for qualified opinion section of our report, in our opinion, based upon the work undertaken in the course of the audit:

- the information given in the trustees' report which includes the directors' report and strategic report prepared for the purposes of company law, for the financial year for which the financial statements have been prepared is consistent with the financial statements; and
- the strategic report and the directors report, included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Except for the matter described in the basis for qualified opinion section of our report, in the light of the 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 strategic report and the directors report which are included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement found in the trustees' report, the trustees (who are also the directors of the charitable company for the purpose 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

We have been appointed under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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. Based on our understanding of the charitable company, and its industry, we identified that the principal risks of non-compliance with laws and regulations related to pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption, fraud and money laundering. We considered the extent to which non-compliance might give a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the trustees and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgement and assumptions in significant accounting estimates, in particular in relation to loss reserves, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charitable company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with the trustees. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misinterpretations or the override of internal controls.

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

Terra Nova School Trust Limited

Year ended 31 August 2022

Independent Auditor's Report to the members of Terra Nova School Trust Limited

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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

SP Banks

Stuart Banks FCA (Senior Statutory Auditor)
For and on behalf of Banks Sheridan (Statutory Auditor)
Datum House
Electra Way
Crewe
Cheshire
CW1 6ZF

25th March 2024.

Terra Nova School Trust Limited
Statement of Financial Activities

for the year ended 31 August 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:					
Donations and legacies	6	316	-	316	39,551
Other trading activities	7	3,861,361	-	3,861,361	3,437,453
Investments	8	564	-	564	143
Other	9	17,486	-	17,486	39,956
Total		3,879,727	-	3,879,727	3,517,103
Expenditure on:					
Charitable activities	10	4,549,317	-	4,549,317	3,598,907
Other	11	5,875	-	5,875	6,512
Total		4,555,192	-	4,555,192	3,605,419
Net gains on investments		-	-	-	-
Net expenditure	12	(675,465)	-	(675,465)	(88,316)
Transfers between funds		21,217	(21,217)	-	-
Incoming resources		-	39,619	39,619	-
Net expenditure before other gains/(losses)		(654,248)	18,402	(635,846)	(88,316)
Other gains and losses					
Net movement in funds		(654,248)	18,402	(635,846)	(88,316)
Reconciliation of funds:					
Total funds brought forward		2,180,949	294,732	2,475,681	2,563,997
Total funds carried forward		1,526,701	313,134	1,839,835	2,475,681

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

Statement of Financial Position at 31 August 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	16	1,865,407	1,928,095
		<u>1,865,407</u>	<u>1,928,095</u>
Current assets			
Stocks	17	136	19,496
Debtors	18	179,352	250,903
Cash at bank and in hand		817,710	1,277,875
		<u>997,198</u>	<u>1,548,274</u>
Creditors: Amount falling due within one year	19	(990,394)	(966,664)
Net current assets		<u>6,804</u>	<u>581,610</u>
Total assets less current liabilities		<u>1,872,211</u>	<u>2,509,705</u>
Creditors: Amounts falling due after more than one year	20	(32,376)	(34,024)
Net assets excluding pension asset or liability		<u>1,839,835</u>	<u>2,475,681</u>
Total net assets		<u><u>1,839,835</u></u>	<u><u>2,475,681</u></u>
The funds of the charity			
Restricted funds			
Restricted income funds		313,134	294,732
		<u>313,134</u>	<u>294,732</u>
Unrestricted funds			
General funds		1,526,701	2,180,949
		<u>1,526,701</u>	<u>2,180,949</u>
Total funds	21	<u><u>1,839,835</u></u>	<u><u>2,475,681</u></u>

Approved by the board on 25 March 2024

And signed on its behalf by:


 Mrs E J Lees-Jones
 Chair

Terra Nova School Trust Limited
Statement of Cash flows
for the year ended 31 August 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net deficit per Statement of Financial Activities	(635,846)	(88,316)
Adjustments for:		
Depreciation of property, plant and equipment	143,010	135,129
Impairment	171,792	-
Interest paid	3,269	-
Decrease/(Increase) in stocks	19,360	(11,710)
Decrease/(Increase) in trade and other receivables	71,551	(41,977)
(Increase)/Decrease in trade and other payables	(21,963)	134,150
Net cash used in operating activities	<u>(248,827)</u>	<u>127,276</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(203,849)	(173,571)
Net cash used in investing activities	<u>(203,849)</u>	<u>(173,571)</u>
Cash flows from financing activities		
Repayments of obligations under finance lease and hire purchase contracts	(7,489)	-
Net cash from financing activities	<u>(7,489)</u>	<u>-</u>
Net decrease in cash and cash equivalents	(460,165)	(46,295)
Cash and cash equivalents at the beginning of the year	1,277,875	1,324,170
Cash and cash equivalents at the end of the year	<u>817,710</u>	<u>1,277,875</u>

1 General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Terra Nova School, Jodrell Bank, Holmes Chapel, Cheshire, CW4 8BT.

2 Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

The Trustees consider that the level of unrestricted funds is sufficient to meet the working capital requirements of the company. The Trustees have implemented a forward strategy to improve the future performance of the company to ensure the company is able to continue in existence for the foreseeable future.

The Trustees are not aware of any other uncertainties regarding the company's ability to continue as a going concern and after reviewing the company's post year end income documentation and forecasts, the Trustees are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. These estimates and judgments are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income Income from contracts for the supply of services is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Investment income This is included in the accounts when receivable.

Expenditure

Recognition of expenditure Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.

Expenditure on charitable activities These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs

Governance costs These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.

Other expenditure These are support costs not allocated to a particular activity.

Taxation

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

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates so as to write off their cost less residual amounts over their estimated useful economic lives. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount.

Freehold property – Various rates between 2% and 10%

Fixture & fittings – 10% straight line

Computer equipment – 20% straight line

Motor vehicles – 25% straight line

The residual value and useful lives of assets are reviewed and adjusted if appropriate at each statement of financial position date.

Stocks

Stock is included at the lower of cost or net realisable value.

Trade and other debtors

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

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

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets. Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Financial instruments

A financial asset of a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

4 Limited by guarantee

The company is limited by guarantee and as such has no such capital. The members (at present 8) are each under obligation to contribute £1 in the event of the winding up of the company.

5 Statement of Financial Activities - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Income and endowments from:			
Donations and legacies	39,551	-	39,551
Other trading activities	3,437,811	(358)	3,437,453
Investments	143	-	143
Other	39,956	-	39,956
Total	<u>3,517,461</u>	<u>(358)</u>	<u>3,517,103</u>
Expenditure on:			
Charitable activities	3,598,907	-	3,598,907
Other	6,512	-	6,512
Total	<u>3,605,419</u>	<u>-</u>	<u>3,605,419</u>
Net income	<u>(87,958)</u>	<u>(358)</u>	<u>(88,316)</u>
Transfers between funds	21,217	(21,217)	-
Net income before other gains/(losses)	<u>(66,741)</u>	<u>(21,575)</u>	<u>(88,316)</u>
Other gains and losses:			
Net movement in funds	<u>(66,741)</u>	<u>(21,575)</u>	<u>(88,316)</u>
Reconciliation of funds:			
Total funds carried forward	<u>(66,741)</u>	<u>(21,575)</u>	<u>(88,316)</u>

6 Income from donations and legacies

	Unrestricted £	Total 2022 £	Total 2021 £
Donations	316	316	39,551
	<u>316</u>	<u>316</u>	<u>39,551</u>

Terra Nova School Trust Limited
Year ended 31 August 2022
Notes to the Accounts

7 Income from other trading activities

	Unrestricted	Total	Total
		2022	2021
	£	£	£
Gross fees	4,350,404	4,350,404	3,865,457
Allowances, bursaries and grants	(489,043)	(489,043)	(641,142)
Other income	-	-	208,304
Letting income	-	-	4,834
	<u>3,861,361</u>	<u>3,861,361</u>	<u>3,437,453</u>

8 Income from investments

	Unrestricted	Total	Total
		2022	2021
	£	£	£
Bank interest receivable	564	564	143
	<u>564</u>	<u>564</u>	<u>143</u>

9 Other income

	Unrestricted	Total	Total
		2022	2021
	£	£	£
Grants	17,486	17,486	39,956
	<u>17,486</u>	<u>17,486</u>	<u>39,956</u>

10 Expenditure on charitable activities

	Unrestricted	Total	Total
		2022	2021
	£	£	£
Education costs	1,090,069	1,090,069	484,351
Other interest payable	3,269	3,269	-
Employee costs	2,583,021	2,583,021	2,376,350
Motor and travel costs	34,731	34,731	30,331
Premises costs	359,921	359,921	281,232
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	143,010	143,010	135,128
General administrative costs	152,856	152,856	158,853
Legal and professional costs	182,440	182,440	132,662
	<u>4,549,317</u>	<u>4,549,317</u>	<u>3,598,907</u>

11 Other expenditure

	Total 2022 £	Total 2021 £
Governance costs	5,875	6,512
	<u>5,875</u>	<u>6,512</u>

12 Net expenditure before transfers

	2022 £	2021 £
This is stated after charging:		
Depreciation of owned fixed assets	143,010	135,128
Auditors' remuneration	4,000	4,400

13 Staff costs

	2022	2021
Salaries and wages	2,072,344	1,929,691
Social security costs	192,988	173,868
Pension costs	314,385	269,699
Other employee benefits	3,304	3,092
	<u>2,583,021</u>	<u>2,376,350</u>

Salaries bands:

£110,000 - £119,999	1	1
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The average monthly number of full time equivalent employees during the year was as follows:

	2022 Number	2021 Number
	82	79

14 Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

15 Transfers between funds

The transfer between restricted funds and unrestricted funds represents an amount equal to depreciation on the capital costs of land, buildings and equipment met by appeal.

16 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor Vehicles	Capital Work in progress	Total
	£	£	£	£	£
Cost or revaluation					
At 1 September 2021	2,826,807	850,304	29,330	152,441	3,858,882
Additions	-	187,907	-	64,207	252,114
Transfers	15,367	29,489	-	(216,648)	(171,792)
At 31 August 2022	<u>2,842,174</u>	<u>1,067,700</u>	<u>29,330</u>	<u>-</u>	<u>3,939,204</u>
Depreciation and impairment					
At 1 September 2021	1,348,800	553,649	28,338	-	1,930,787
Depreciation charge for the year	81,626	60,964	420	-	143,010
At 31 August 2022	<u>1,430,426</u>	<u>614,613</u>	<u>28,758</u>	<u>-</u>	<u>2,073,797</u>
Net book values					
At 31 August 2022	<u>1,411,748</u>	<u>453,087</u>	<u>572</u>	<u>-</u>	<u>1,865,407</u>
At 31 August 2021	<u>1,478,007</u>	<u>296,655</u>	<u>992</u>	<u>152,441</u>	<u>1,928,095</u>

Tangible fixed assets with a carrying value of £43,200 have been pledged as security for the company's hire purchase loan.

17 Stocks

	2022	2021
	£	£
Raw materials and consumables	136	19,496
	<u>136</u>	<u>19,496</u>

18 Debtors

	2022	2021
	£	£
Trade debtors	82,770	75,204
Other debtors	860	100,000
Prepayments and accrued income	95,722	75,699
	<u>179,352</u>	<u>250,903</u>

Terra Nova School Trust Limited

Year ended 31 August 2022

Notes to the Accounts

	2022	2021
	£	£
19 Creditors:		
amounts falling due within one year		
Obligations under finance lease and hire purchase contracts	8,400	-
Trade creditors	72,643	132,043
Sureties	138,500	141,977
Other taxes and social security	94,956	85,775
Other creditors	41,523	46,380
Accruals	49,775	59,084
Fees paid in advance	<u>584,597</u>	<u>501,405</u>
	<u><u>990,394</u></u>	<u><u>966,664</u></u>
20 Creditors:		
Amounts falling due after more than one year		
	2022	2021
	£	£
Deferred income	-	34,024
Obligations under finance lease and hire purchase contracts	<u>32,376</u>	<u>-</u>
	<u><u>32,376</u></u>	<u><u>34,024</u></u>

21 Movement in funds

	At 1 September 2021	Incoming resources (including other gains/ losses)	Resources expended	Gross Transfers	At 31 August 2022
	£	£	£	£	£
Restricted funds:					
Restricted income funds:					
Old Appeals	93,939	-	-	(5,098)	88,841
Centenary	78,669	-	-	(10,022)	68,647
Kennedy Fund	76,320	-	-	(2,120)	74,200
SENCO	32,868	-	-	(865)	32,003
Bursary Donations	12,936	5,595	-	(3,112)	15,419
Timpson Fund	-	34,024	-	-	34,024
<i>Total</i>	<u>294,732</u>	<u>39,619</u>	<u>-</u>	<u>(21,217)</u>	<u>313,134</u>
Unrestricted funds:				-	-
General funds	<u>2,180,949</u>	<u>3,879,727</u>	<u>(4,555,192)</u>	<u>21,217</u>	<u>1,526,701</u>
Total funds	<u><u>2,475,681</u></u>	<u><u>3,919,346</u></u>	<u><u>(4,555,192)</u></u>	<u><u>-</u></u>	<u><u>1,839,835</u></u>

22 Analysis of net assets between funds

	Unrestricted funds £	Total £
Fixed assets	1,865,407	1,865,407
Net current assets	6,804	6,804
Creditors due in more than one year and provisions	<u>(32,376)</u>	<u>(32,376)</u>
	<u><u>1,839,835</u></u>	<u><u>1,839,835</u></u>

23 Reconciliation of net debt

	At 1 September 2021 £	Cash Flows £	At 31 August 2022 £
Cash and cash equivalents	1,277,875	(460,165)	817,710
	<u>1,277,875</u>	<u>(460,165)</u>	<u>817,710</u>
Obligations under HP/Finance leases	-	(40,776)	(40,776)
	-	(40,776)	(40,776)
Net debt	<u>1,277,875</u>	<u>(500,941)</u>	<u>776,934</u>

24 Commitments

Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:

	2022 Other £	2021 Other £
Operating leases with expiry date:		
Within one year	21,695	23,505
In the second to fifth year inclusive	7,802	29,497
	<u>29,497</u>	<u>53,002</u>

25 Pensions and other post retirement benefits

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £302,132 (2021: £246,427) and at the year-end £28,192 (2021 - £31,384) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2020, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2020.

Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

Support Staff Pension Scheme

Support staff are entitled to join a defined contribution scheme operated by NOW. Contribution rates are 5% by the employee and 3% by the School.

TERRA NOVA SCHOOL TRUST LIMITED

England & Wales - Charity number 525919

Accounts

COMPANY REGISTRATION NUMBER: 00554799
CHARITY REGISTRATION NUMBER: 525919

Terra Nova School Trust Limited
Company Limited by Guarantee
Financial Statements
31 August 2021

CHRISTOPHER BAILEY ACCOUNTANTS (OLDHAM) LIMITED

Chartered Accountants & statutory auditor

Units 10-12

County End Business Centre

Jackson Street

Springhead

Oldham

OL4 4TZ

Terra Nova School Trust Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 August 2021

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Terra Nova School Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 August 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 August 2021.

Reference and administrative details

Registered charity name Terra Nova School Trust Limited

Charity registration number 525919

Company registration number 00554799

Principal office and registered office
Terra Nova School
Jodrell Bank
Holmes Chapel
Cheshire
CW4 8BT

The trustees

W F D Sillar	Chair
M J Grice	Vice Chair
E S Stanley	
A C Dick	
M A Boulton	
A R Peak	
E J Lees-Jones	
K Campbell	
J P Standen	

Company secretary I Martin

Auditor Christopher Bailey Accountants (Oldham) Limited
Chartered Accountants & statutory auditor
Units 10-12
County End Business Centre
Jackson Street
Springhead
Oldham
OL4 4TZ

Bankers National Westminster Bank PLC
10 Great Underbank
Stockport
Cheshire
SK1 1LL

Terra Nova School Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2021

Name of the Charity

The name of the charity is "Terra Nova School Trust" but it operates as "Terra Nova School" and throughout this report is referred to as "the School".

Structure, governance and management

Status and administration

Terra Nova School was founded in 1897 and was transferred to Terra Nova School Trust Limited, a company limited by guarantee and a registered charity, in 1955. The registered company number is 554799 and the registered charity number is 525919.

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association. Each Governor has undertaken to contribute a maximum of £1 to the assets of the company in the event of its winding up and as such is a member.

The School has an elected Board of Governors who also act as Trustees of the Charity. A third of the Governors retire by rotation at each Annual General Meeting and are able to offer themselves for re-election. The Board of Governors meets a minimum of 3 times a year to consider matters of policy and strategy. The Finance and General Purposes Committee ("F & G P"), a sub-committee of the Board, also meets 3 times a year to exercise financial oversight and to prepare advice on other operational matters for the full Board. The Board also operates a Health & Safety Committee and a Safeguarding Committee which also meet 3 times a year to monitor the safety and wellbeing of the Schools' pupils and staff. Responsibility for the running of the School lies with the Board of Governors

In line with generally accepted best practice for corporate governance, regular reviews of the Board's range of skills and training are undertaken to determine that the Governors have the necessary breadth of skills and experience. The Board has approved policies which cover conflict of interest, governors' code of conduct and the recruitment of governors. Role descriptions have also been drawn up for the Chair of Governors, the governor who is the nominated safeguarding lead and the normal governor function.

The remuneration of the Head and Bursar is set by the Board with reference to benchmarking surveys. The remuneration of the Senior Leadership Team is agreed by Governors following the Head's recommendation

The Governors who served through the year were:

Mr W F D Sillar	Chairman
Mr M J Grice	
Mrs E S Stanley	
Mr A C Gilchrist	
Mr M A Boulton	
Ms A R Peak	
Mrs E J Lees-Jones	
Ms K Campbell	(Appointed 9 December 2020)
Mr J P Standen	(Appointed 9 December 2020)

Terra Nova School Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2021

The Headmaster, P R Campbell, and the Bursar, I Martin are responsible to the Governors for the day to day management of the School. They are supported by a Senior Leadership Team which currently consists of:

Mrs C Westall	Deputy Head
Mrs E Williams	Head of Boarding
Mr M Pearson	Assistant Head

Public benefit

The Governors have complied with the duty to have due regard to the Charity Commissions guidance on public benefit in the course of carrying out their responsibilities.

The School, which is already ethnically and socially diverse, has continued to focus on increasing the accessibility to a wider range of families.

The fees of 15 children were subsidised in full, or in part, in the academic year 2020/21 through means tested bursaries and the cost of these remissions, before any donations towards them, amounted to £174,000 (2020: £137,000) equivalent to 4.5% of gross tuition fees.

The School's facilities are usually made available to sports clubs and other groups when not required by the pupils. However the impact of the Covid restrictions prevented this happening for part of the year. Nevertheless examples of use during this period include:

- Use of the Sports facilities by local football and hockey clubs
- Events with the local community including a care home

Each of the constituent parts of the School continue to be involved with raising awareness of and financial support for those less fortunate than themselves both at home and abroad. During the year the following charities have benefited from the care and generosity of our pupils, staff and families: BBC Children in Need; Shelter; Save The Children; Anti Bullying Alliance

Governors' responsibilities statement

The governors, who are also directors for the purposes of company law, are responsible for preparing the governors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
 - make judgments and accounting estimates that are reasonable and prudent;
 - state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
-

Terra Nova School Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2021

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Child protection

The School is committed to maintaining thorough and continuing Child Protection policies and procedures in accordance with legislation and good practice.

Statement of disclosure of information to auditors

The Governors who were in office on the date of the approval of these financial statements have confirmed that as far as they are aware there is no relevant audit information of which the auditors are unaware. Each of the Governors has confirmed that they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant information and to establish that the auditors are aware of that information.

Fundraising

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

Auditors

SKS Audit LLP have expressed their willingness to continue in office as auditors.

By Order of the Board

M J Grice
Trustee

27 January 2022

Terra Nova School Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2021

Strategic report

Principal activities and review of the business

Staff Changes

At the end of the year the School bade farewell to Mr Philip Stewart who had served as Headmaster for 4 years. During this time Mr Stewart brought much energy and commitment to his role and steered the School through the choppy waters of the Covid 19 pandemic. He oversaw a number of refurbishment projects that have updated the main teaching areas. We wish Mr Stewart every success in his new role in Bangkok. We welcome Mr Paul Campbell as our new Head.

Other staff members who left during the year were: Mr R Hanrahan, Head of Boarding; Ms S Staziker, Teacher and Houseparent; Mrs J Ward, Junior Teacher; Mrs S Capewell, Head of English; Mrs R Lindley, SEN Teaching Assistant; Mrs J Walker, Teaching Assistant; Ms I Jones, Teaching Assistant; Ms L Syed, MFL Teacher and Mrs E Stewart, Administration Manager.

Teaching staff who joined at the start of the new year were: Mrs E Williams, Head of Boarding; Mr J Williams, Houseparent, Mrs C Grey, Head of English; Ms R Egli, MFL Teacher; Ms C Faux, PSICHE Teacher; Ms A Hark, Humanities Teacher.

Academic success

The average number of pupils in the School in the period to 31 August 2021 was 65 in the EYFS, 107 in the Junior Prep and 135 in the Senior Prep. This gives an overall total of 307 (this compares to 293 in August 2020). In addition, many children made use of the flexi-boarding facilities for part of the year prior to the pandemic restrictions.

In 2021 all pupils gained access to a senior school of their choice when transferring to the secondary stage of education. Terra Nova continues to support a wide range of school with some pupils leaving at 11+ but the majority of our students transferring at age 13+ with parents recognising the growth in confidence, maturity and achievement gained from the additional 2 years at Terra Nova.

This year 13 pupils were successful in winning scholarships and exhibitions to: Repton; Sedburgh; Shrewsbury; Rugby; and Millfield.

Terra Nova is proud of its academic success but is also delighted to recognise pupil achievement in any form – be it academic, aesthetic or sporting. The School continues to support a breadth of pupil ability and retains its non-selective ethos offering a broad curriculum that meets individual pupil needs. Pupil success is recognised through assemblies, individual pupil commendation or the wider media. Terra Nova is recognised for its committed approach and whole-hearted endeavour in transferring pupils to the next stage of their education.

Development of the school's site

The School continues to strive to improve its setting and facilities. The Governors have identified the provision of a new Sports Centre as a key objective and just under £30,000 was spent in 2020 on the first stages of that project. Architects have been engaged to further develop the project.

Terra Nova School Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2021

During the year the main item of expenditure was the refurbishment of the Reception year building which was completed just after the year end at a cost of £131,000. This involved the addition of extra space with an extension, a new heating system, some interior modification and new classroom furniture. The other major project completed in the year was a new Year 7/8 Common Room at a cost of £29,000.

Terra Nova School Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) (continued)

Year ended 31 August 2021

Objectives and achievements

Achievements and performance

The main objectives on which the Governors hoped to focus that were commented upon in last year's Strategic Report were as follows:

- the continued development of the School and raising of pupil numbers
- the development of an international boarding operation
- development of the Terra Nova brand
- to raise finance to invest in larger projects such as a new swimming pool and sports hall.
- to focus on the curriculum delivered and the classroom resources available in relation to the School's aim of continually enhancing teaching and learning.
- to continue to expand access to the school and to offer bursaries to an increasing number of children

Despite the impact of the Covid 19 pandemic on the year the Governors believe that progress has been made on all of these objectives. Pupil numbers increased in the year although there are signs that 2021/22 might see a small step backwards. A plan to raise funds for investment in strategic projects has been created and architects appointed to work on the Sports Hall project. The development of teaching and learning has continued with the investment in the refurbishment of the Reception building and the further development of online teaching. The amount of bursary support increased during the year from £137,000 last year to £174,000 as noted in the Public Benefit section above.

Financial review

As with last year the School's operation was significantly affected by the Covid 19 pandemic and this had a major impact on both revenues and costs. This is discussed further below

The results for the period to 31 August 2021 show a deficit of £88,316 compared with a surplus of £5,759 for the preceding year. Income from Donations was £39,551 slightly lower than last year's £43,600. Gross fee income increased by £123,040 to £3,865,457 due to increased pupil numbers in boarding. The cost of Allowances, bursaries and grants was a little down on the previous year at £640,784 but as can be seen from the Note on Public Benefit above the value of means tested bursaries increased from £137,000 to £174,000. The main reason for the fall in the overall cost of allowances was a reduction in the remissions given to parents because pupils were unable to participate in classroom learning. The School did provide excellent distance learning during the lockdown in the Spring term. The School continued to take advantage of the Coronavirus Job Retention Scheme and furloughed some of its staff. As a result grants of £39,956 (2020: £77,726) were received during the period. Total resources expended amounted to £3,605,419 compared to £3,291,998 in 2020. Some of the increased costs stemmed from the pandemic as the School hired temporary facilities to provide more space, and had a full year of purchasing personal protective equipment and extra cleaning/sanitising materials. In addition there were some one off costs related to the recruitment of the new

Terra Nova School Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2021

Head and a marketing project. The pandemic continued to have a material effect on the School's letting income which fell from £5,251 to £4,834, well below the level before the pandemic.

On the Balance Sheet the additions to Fixed Assets amounted to £173,571, the major components of which are noted in Development of the School Site above. The Debtors balance increased by £41,977 and Creditors increased by £134,150 principally because of payments of fees in advance of the year end. The School had a net cash inflow from operating activities of £127,276 but the investment in capital expenditure as noted above resulted in a net decrease in cash of £46,295. The amount of cash and cash equivalents at the year-end was £1,277,891.

Reserves Policy

The Governors currently have a policy to maintain available cash reserves at a level of at least £250,000. This is reviewed based on activities and the nature of the charitable company's income streams. As the charitable company's greatest costs are those for teaching and ancillary staff, the Governors ensure that adequate cash reserves are held to meet this commitment.

The calculation of the required reserves is an integral part of the charitable company's planning, budget and forecasting processes and takes into account the risks involved with income and expenditure streams being different from that budgeted, the expected levels of pupils in the various parts of the School, and the financial commitments of the School.

The reserves policy will be reviewed annually, with the review considering expected pupil and fee levels, together with future needs and opportunities.

Risk management

The Board of Governors is responsible for the management of risks faced by the School. Operational

management of these risks is delegated to sub-committees, principally the Finance & General Purposes Committee and the Health & Safety Committee. Procedures have been established to identify, assess and control risks.

The key controls used include:

- Formal agendas for all Board and Committee meetings
 - A clearly defined committee structure
 - A clear organisational structure and lines of reporting
 - Detailed delegated powers
 - Financial controls including long and short term forecasting and management accounting
 - Vetting and interview procedures as required by law for the protection of children
 - Regular review of the strategic risks faced by the Schools and the control measures in place to deal with them
 - Medium term strategic planning
-

Terra Nova School Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2021

The Board has considered the major strategic risks facing the School and has prepared a risk analysis which is reviewed at Board meetings. The Governors consider that the most significant risks facing the School currently are

- Pupil numbers
- Political change
- Regulatory and pension compliance
- Impact of the pandemic

In each case the potential risks under these categories have been detailed, the potential impact on the School assessed and existing controls noted. Any further actions needed to further mitigate the risks have also been identified. These include:

Pupil numbers

The School continues to invest in better recruitment of students from both the UK and internationally

Political change

The School has maintained its links with local and national agencies.

Regulatory compliance

The School has procedures for the Senior Leadership Team and the Board to monitor and approve regulatory requirements.

Impact of the pandemic

The School has further developed its e-learning platform and has a contingency plan in place should further outbreaks occur.

Plans for future periods

The Governors have identified two key elements within the School's strategic plan to drive future development. These are the continued development of the School and expansion of the "Terra Nova" brand in order to raise pupil numbers together with the development of an international boarding operation.

The Governors and Senior Leadership Team are investigating opportunities to raise finance to invest in a key project to provide a sports hall. Initial work has commenced on this and further progress is expected in 2021/22.

The Governors will continue to focus on the curriculum and the classroom resources available in relation to the School's aim of continually enhancing teaching and learning.

The Governors also recognise the need to continue to expand access to the school and

Terra Nova School Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2021

plan to maintain the commitment to means tested bursaries.

M J Grice
Trustee

27 January 2022

Terra Nova School Trust Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Terra Nova School Trust Limited

Year ended 31 August 2021

Opinion

We have audited the financial statements of Terra Nova School Trust Limited (the 'charity') for the year ended 31 August 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Terra Nova School Trust Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Terra Nova School Trust Limited (continued)

Year ended 31 August 2021

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 the knowledge and understanding of the charity 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 the Companies Act 2006 requires us to report to you if, in our opinion:

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

Terra Nova School Trust Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Terra Nova School Trust Limited (continued)

Year ended 31 August 2021

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Terra Nova School Trust Limited

Company Limited by Guarantee

**Independent Auditor's Report to the Members of Terra Nova School Trust
Limited *(continued)***

Year ended 31 August 2021

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

Terra Nova School Trust Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Terra Nova School Trust Limited *(continued)*

Year ended 31 August 2021

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

Use of our report

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Bailey (Senior Statutory Auditor)
For and on behalf of John Alderdice & Son
21 Sherburn Terrace
Consett
County Durham
DH8 6ND

Date:

Terra Nova School Trust Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2021

		Unrestricted funds	2021 Restricted funds	Total funds	2020 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	39,551	-	39,551	43,600
Other trading activities	6	3,437,811	(358)	3,437,453	3,173,303
Investment income	7	143	-	143	3,128
Grants	8	39,956	-	39,956	77,726
Total income		<u>3,517,461</u>	<u>(358)</u>	<u>3,517,103</u>	<u>3,297,757</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	3,598,907	-	3,598,907	3,283,480
Expenditure on charitable activities	10	6,512	-	6,512	8,518
Total expenditure		<u>3,605,419</u>	<u>-</u>	<u>3,605,419</u>	<u>3,291,998</u>
Transfers between funds	15	21,217	(21,217)	-	-
Net income and net movement in funds		<u>(66,741)</u>	<u>(21,575)</u>	<u>(88,316)</u>	<u>5,759</u>
Reconciliation of funds					
Total funds brought forward		<u>2,247,690</u>	<u>316,307</u>	<u>2,563,997</u>	2,558,238
Total funds carried forward		<u>2,180,949</u>	<u>294,732</u>	<u>2,475,681</u>	<u>2,563,997</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on page 19 form part of these financial statements.

Terra Nova School Trust Limited

Company Limited by Guarantee

Statement of Financial Position

31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	16	1,928,090	1,889,648
Current assets			
Stocks	17	19,496	7,786
Debtors	18	250,903	208,926
Cash at bank and in hand		1,277,891	1,324,186
		<u>1,548,290</u>	<u>1,540,898</u>
Creditors: amounts falling due within one year	19	<u>966,675</u>	<u>832,525</u>
Net current assets		<u>581,615</u>	<u>708,373</u>
Total assets less current liabilities		<u>2,509,705</u>	<u>2,598,021</u>
Creditors: amounts falling due after more than one year	20	<u>34,024</u>	<u>34,024</u>
Net assets		<u>2,475,681</u>	<u>2,563,997</u>
		<u><u>2,475,681</u></u>	<u><u>2,563,997</u></u>
Funds of the charity			
Restricted funds		294,731	316,307
Unrestricted funds		2,180,950	2,247,690
Total charity funds	22	<u>2,475,681</u>	<u>2,563,997</u>
		<u><u>2,475,681</u></u>	<u><u>2,563,997</u></u>

These financial statements were approved by the board of trustees and authorised for issue on 27 January 2022, and are signed on behalf of the board by:

M J Grice
Trustee

The notes on page 19 form part of these financial statements.

Terra Nova School Trust Limited

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 August 2021

	2021 £	2020 £
Cash flows from operating activities		
Net (deficit)/surplus	(88,316)	5,759
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	135,129	123,636
Other interest receivable and similar income	(143)	(3,128)
<i>Changes in:</i>		
Stocks	(11,710)	4,377
Trade and other debtors	(41,977)	(57,615)
Trade and other creditors	134,150	133,393
Cash generated from operations	127,133	206,422
Interest received	143	3,128
Net cash from operating activities	127,276	209,550
Cash flows from investing activities		
Purchase of tangible assets	(173,571)	(144,633)
Net cash used in investing activities	(173,571)	(144,633)
Net increase in cash and cash equivalents	(46,295)	64,917
Cash and cash equivalents at beginning of year	1,324,186	1,259,269
Cash and cash equivalents at end of year	1,277,891	1,324,186

The notes on page 19 Error: Reference source not found Error: Reference source not found form part of these financial statements.

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Terra Nova School, Jodrell Bank, Holmes Chapel, Cheshire, CW4 8BT.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes, restricted income funds or endowment funds.

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

3. Accounting policies *(continued)*

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year

ended

31 August 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	Various rates between 2% and 10%
Fixtures and fittings	-	10% straight line
Motor vehicles	-	25% straight line
Computer equipment	-	20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year

ended

31 August 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

payable including any related transaction costs.

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

The company is limited by guarantee and as such has no share capital. The members (at present 6) are each under obligation to contribute £1 in the event of the winding up of the company.

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	39,551	-	39,551
	<u>39,551</u>	<u>-</u>	<u>39,551</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	40,000	3,600	43,600
	<u>40,000</u>	<u>3,600</u>	<u>43,600</u>

6. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Gross fees	3,865,457	-	3,865,457
Allowances, bursaries and grants	(640,784)	(358)	(641,142)
Other income	208,304	-	208,304
Letting income	4,834	-	4,834
	<u>3,437,811</u>	<u>(358)</u>	<u>3,437,453</u>
	<u>3,437,811</u>	<u>(358)</u>	<u>3,437,453</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Gross fees	3,742,417	-	3,742,417
Allowances, bursaries and grants	(669,747)	(1,924)	(671,671)
Other income	97,306	-	97,306
Letting income	5,251	-	5,251
	<u>3,175,227</u>	<u>(1,924)</u>	<u>3,173,303</u>
	<u>3,175,227</u>	<u>(1,924)</u>	<u>3,173,303</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	143	143	3,128	3,128
	<u>143</u>	<u>143</u>	<u>3,128</u>	<u>3,128</u>

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

8. Grants

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Receipts from Coronavirus Job Retention Scheme	39,956	39,956	77,726	77,726

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Education costs	2,051,302	2,051,302	1,942,872	1,942,872
Administration costs	575,156	575,156	492,021	492,021
Establishment expenses	508,367	508,367	447,498	447,498
House costs	464,082	464,082	401,089	401,089
	3,598,907	3,598,907	3,283,480	3,283,480

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Support costs	6,512	6,512	8,518	8,518

10. Expenditure on charitable activities by activity type

	Total funds 2021 £	Total fund 2020 £
Governance costs	6,512	8,518

11. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	135,129	123,636

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

12. Auditors remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	4,400	4,400

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	1,929,691	1,800,905
Social security costs	173,868	167,346
Employer contributions to pension plans	269,699	261,971
Other employee benefits	3,092	3,344
	<u>2,376,350</u>	<u>2,233,566</u>
	<u><u>2,376,350</u></u>	<u><u>2,233,566</u></u>

The average head count of employees during the year was 79 (2020: 79).

The number of employees whose remuneration for the year fell within the following bands, were:

	2021	2020
	No.	No.
£110,000 to £119,999	<u>1</u>	<u>1</u>

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

15. Transfers between funds

The transfer between restricted funds and unrestricted funds represents an amount equal to depreciation on the capital costs of land, buildings and equipment met by appeal.

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

16. Tangible fixed assets

	Freehold property	Fixtures and fittings	Motor vehicles	IT Equipment	Capital Work in Progress	Total
	£	£	£	£		£
Cost						
At 1 September 2020	2,826,807	492,448	29,330	296,865	39,856	3,685,306
Additions	-	43,351	-	7,483	122,737	173,571
Transfers	-	10,152	-	-	(10,152)	
31 August 2021	2,526,807	545,951	29,330	304,348	152,441	3,858,877
Depreciation						
At 1 September 2020	1,262,303	252,974	27,913	252,468	-	1,795,658
Charge for the year	86,497	32,150	425	16,057	-	135,129
31 August 2021	1,348,800	258,124	28,338	268,525	-	1,930,787
Carrying amount						
At 31 August 2021	1,478,007	260,827	992	35,823	152,441	1,928,090
At 31 August 2020	1,564,504	239,474	1,417	44,397	39,856	1,889,648

17. Stocks

	2021	2020
	£	£
Raw materials and consumables	19,498	7,787

18. Debtors

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

	2021	2020
	£	£
Trade debtors	75,204	137,033
Prepayments and accrued income	75,699	59,316
Other debtors	100,000	12,577
	<u>250,903</u>	<u>208,926</u>

19. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	132,043	85,788
Accrued	59,084	71,241
Sureties	141,977	144,485
Fees paid in advance	501,405	361,385
Other creditors	132,155	169,626
	<u>966,675</u>	<u>832,525</u>

20. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Deferred income fund	34,024	34,024

21. Pensions and other post retirement benefits

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £246,427 (2020: £239,595) and at the year-end £31,384 (2020 - £30,528) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the

TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2020, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2020. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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

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

Support Staff Pension Scheme

Support staff are entitled to join a defined contribution scheme operated by NOW. Contribution rates are 5% by the employee and 3% by the School.

22. Analysis of charitable funds

Unrestricted funds

	1 September 2020	Income	Expenditu re	Transfers	31 August 2021
	£	£	£	£	£
Unrestricted Fund	2,247,690	3,517,461	(3,605,419)	21,217	2,180,949

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2021

	1 September 2019 £	Income £	Expenditure £	Transfers £	31 August 2020 £
Unrestricted Fund	2,222,389	3,296,081	(3,291,998)	21,218	2,247,690

Restricted funds

	1 September 2020 £	Income £	Expenditure £	Transfers £	31 August 2021 £
Old appeals	99,037	-	-	(5,098)	93,939
Centenary appeal	88,691	-	-	(10,022)	78,669
Kennedy fund	78,440	-	-	(2,120)	76,320
SENCO	33,733	-	-	(865)	32,868
New shooting range	3,112	-	-	(3,112)	-
Bursary Fund	13,294	-	(358)	-	12,936
	316,307	-	(358)	(21,217)	294,732

	1 September 2019 £	Income £	Expenditure £	Transfers £	31 August 2020 £
Old appeals	104,135	-	-	(5,098)	99,037
Centenary appeal	98,713	-	-	(10,022)	88,691
Kennedy fund	80,560	-	-	(2,120)	78,440
SENCO	34,598	-	-	(865)	33,733
New shooting range	6,225	-	-	(3,113)	3,112
Bursary Fund	11,618	3,600	(1,924)	-	13,294
	335,849	3,600	(1,924)	(21,218)	316,307

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	1,633,358	294,732	1,928,090
Current assets	1,548,290	-	1,548,290
Creditors less than 1 year	(966,675)	-	(966,675)
Creditors greater than 1 year	(34,024)	-	(34,024)
Net assets	2,180,949	294,732	2,475,681

Terra Nova School Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Tangible fixed assets	1,573,341	316,307	1,889,648
Current assets	1,540,898	-	1,540,898
Creditors less than 1 year	(832,525)	-	(832,525)
Creditors greater than 1 year	(34,024)	-	(34,024)
Net assets	2,247,690	316,307	2,563,997

24. Analysis of changes in net debt

	1 Sep 2020	Cash flows	31 Aug 2021
	£	£	£
Cash at bank and in hand	1,324,186	(46,295)	1,277,891
