

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

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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

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

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 stylized 'EJ' followed by a long horizontal line 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.

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

for the year ended 31 August 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Restated Total funds 2022 £
	Notes				
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	(1,440,310)	(990,394)
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	(22,358)	(32,376)
Net assets excluding pension asset or liability		<u>1,406,359</u>	<u>1,839,835</u>
Total net assets		<u>1,406,359</u>	<u>1,839,835</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>1,406,359</u>	<u>1,839,835</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.

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 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	3,396,279	-	3,396,279
Expenditure on:			
Charitable activities	4,065,869	-	4,065,869
Other	5,875	-	5,875
Total	4,071,744	-	4,071,744
Net income	(675,465)	-	(675,465)
Transfers between funds	21,217	(21,217)	-
Incoming resources	39,619		39,619
Net income before other gains/(losses)	(614,629)	(21,217)	(635,846)
Other gains and losses:			
Net movement in funds	(614,629)	(21,217)	(635,846)
Reconciliation of funds:			
Total funds carried forward	(614,629)	(21,217)	(635,846)

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 Total
		2023	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 Total
		2023	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 Number	2022 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	<u>22,358</u>	<u>32,376</u>
	<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
	817,710	117,649	929,359
Obligations under HP/Finance leases	(40,776)	8,825	(31,951)
	(40,776)	8,825	(31,951)
Net debt	776,934	120,618	897,552

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
	7,802	29,497

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.