

TERRINGTON HALL TRUST LIMITED

(Charity number 532362)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 August 2020

**HPH
Chartered Accountants
54 Bootham
York
YO30 7XZ**

TERRINGTON HALL TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS

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TERRINGTON HALL TRUST LIMITED

GOVERNORS' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020

REFERENCE AND ADMINISTRATIVE INFORMATION

The Governors present their forty second annual report and audited financial statements for the year ended 31 August 2020.

Charity Name:	Terrington Hall Trust Limited
Charity Registration Number:	532362
Company Registration Number:	01193407
Directors/Governors:	Mr R T Hobson (Chair) (resigned 31 August 2020) Mrs K E Lamont (Chair 1 September 2020) Mr R I Smyth Mr W J P Derby Mr A Jackson (resigned 31 August 2020) Mr R L Cordingley Mr K Storey Ms Z A Bannister Mr M Harrison Mr S Davidson (appointed 6 March 2020) Mrs S Hogg (appointed 6 March 2020) Mr R Dyer (appointed 26 November 2020)
Company Secretary:	Mr A P Upton
Head:	Mr S D Kibler
Registered Office and Principal Address:	Terrington Hall Preparatory School Terrington, York, YO60 6PR
Advisers	
Auditors:	HPH Accountants LLP Chartered Accountants 54 Bootham York YO30 7XZ
Solicitors:	Harrowells LLP 1 St. Saviourgate York YO1 8ZQ
Bankers:	HSBC plc 13 Parliament Street York YO1 8XS

TERRINGTON HALL TRUST LIMITED

GOVERNORS' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Terrington Hall Trust Limited is a charitable company limited by guarantee, incorporated on 11 December 1974 and registered as a charity on 3 March 1975 and is governed by its Memorandum and Articles of Association. The Governors of the School are also the charity trustees and directors of the company.

Recruitment and training of Governors

Until otherwise determined by a general meeting, the number of members of the governing body shall not be less than seven nor more than thirty. The members of the governing body shall be:

- a) the subscribers to the Memorandum of Association of the trust, and
- b) such other persons (being members of the trust) as shall from time to time be elected thereto by the governing body.

Provided that no person who is a principal or assistant master of the School and no person who is otherwise in receipt of a salary, fees, remuneration or other benefit, in money or monies worth from the trust (save as permitted by Clause 4 of the Memorandum of Association) shall be eligible for members of the governing body.

An annual skills audit of the governing body is carried out and both training needs and the composition of the governing body are considered in the light of this. All information about training courses is made available to Governors. The advent of the Coronavirus Pandemic in the year triggered a review of the individual roles and responsibilities of the Governors and the establishment of a "Covid Governor" position. That responsibility was taken on by an existing Governor to help to oversee the measures taken by the School in such a crucial time. That role is ongoing and, together with all Governor roles and sub-committees within the governing body, will continue to be reviewed to ensure effectiveness and efficacy. Similarly, the ways of working of the governing body will continue to be reviewed and amended as necessary to adapt to the changing circumstances facing all organisations in the UK. In this financial year, that has included adopting social distancing rules and remote collaboration to allow the continued, regular convening of the governing body and its relevant sub-committees.

At the end of the academic year, Rodger Hobson stood down after 6 years as Chair and 9 years of excellent Governorship. He is succeeded by Governor Katharine Lamont and departs with the sincere gratitude of the Board and School after helping to maintain the growth and success of the School on a number of fronts over the years. Katharine brings 20 years of marketing and consulting experience to the Board with both a corporate and small business management pedigree. Also, Anthony Jackson stood down from the Board after 2 ½ years of excellent work as Chair of the Teaching and Learning Committee. He has been replaced, as Chair, by Zoe Bannister, another long serving Governor, and, on the Committee, by Robin Dyer (Head of Ampleforth).

TERRINGTON HALL TRUST LIMITED

GOVERNORS' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT – continued

Organisation

The Governors determine the general policy of the School as a whole. The School is divided into two sections:

- Preparatory ('Prep') - for pupils aged seven to thirteen years old.
- Pre-Preparatory ('Pre-prep') - for pupils aged three to seven years old.

The day-to-day management of both sections of the School is delegated to the Head.

Remuneration of Senior Staff

The School aims to provide overall remuneration which is fair and competitive with the independent School sector as well as proportionate to the complexity of each role. In determining the right level of pay and wider remuneration, the School:

- Has an established pay policy and pay scale
- Has detailed job descriptions
- Has a professional development review process
- Appoints new staff to a point on the pay scale dependent on experience and qualifications

The Bursar and Heads salaries are benchmarked and their salaries are determined by the School Governors. There is no remuneration or other compensation for any Governor.

OBJECTIVES AND ACTIVITIES

Charitable Objectives and Public Benefits

The aims of the trust, as stated in the Memorandum and Articles and Association, dated 11 December 1974, are to provide all children, irrespective of race, religion, gender, background or academic ability, with the chance to be involved in a caring, supportive and challenging environment where their full potential may be realised. In the furtherance of this aim the Governors, as the charity trustees, have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

We aim to develop lively and enquiring minds together with a positive wish to learn, to question and to argue rationally. We believe education should be stimulating, ordered and yet enjoyable with the opportunity for self-expression.

We aim to encourage and foster in children:

- respect and care for each other;
- respect and care for the wider world and the moral values of others;
- a knowledge and understanding of the Christian tradition upon which the School is founded;
- a love of academic study, physical exercise and the creative arts;
- a sense of self-respect and individual worth and the ability to live and work in co-operation with others

TERRINGTON HALL TRUST LIMITED

GOVERNORS' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020

OBJECTIVES AND ACTIVITIES – continued

We aim to co-operate with as many local charities as we can including specific fundraising, in our ongoing undertaking to widen public access to the schooling we can provide, to maximise the educational use of our cultural and sporting facilities and to instil in our pupils an awareness of the wider social context of the education they receive.

Our goal is to have prepared girls and boys to progress, at the age of thirteen, to their senior school of choice, with the knowledge, technical abilities, and confidence to grasp every opportunity presented to them.

Terrington Hall Trust Limited's principal activity continues to be the provision of a day and boarding school for 3 -13 year old children.

Grant Making Policy

Grants, scholarships and bursaries are awarded by the Governors on a means tested basis. In the current academic year, the range of financial support methods has been expanded as a result of the Coronavirus pandemic. Various discounts are given to children of the clergy, the armed forces, siblings, ex pupils and staff.

The 'Prep' School had an average of 107 pupils during the year, which enabled them to support pupils through Scholarships, Bursaries, Forces personnel discount and Siblings discount. This support, which is available on a needs basis as determined by the Governing body in consultation with the Head, totalled £225,091.

An average of 51 children attended the 'Pre-prep School' during the year. Support through bursaries reduced 'Pre-prep' fees by £67,210 for the year.

In light of the ongoing impact of the pandemic, a Covid-19 hardship fund was established during the period. Applications can be made for support from this fund in the same manner in which other bursaries are applied for and reviewed.

ACHIEVEMENTS AND PERFORMANCE

Terrington Hall School has risen to the challenge of an academic year characterised by an exceptional and action-packed first two terms followed by a rapid and successful transition to remote learning for the Summer term, driven by the global Coronavirus pandemic.

Early in the year saw the ISI inspection, in which the School was judged to be "Excellent" across all educational quality categories, noting that "pupils are enthusiastic and highly engaged learners, making strong academic and non-academic progress" and "develop strongly as individuals, enabled by the high level of pastoral care". Then Head Stephen Mulryne was pleased to note that this was the best ISI inspection report ever received by the School and reflects the quality of the all-round education provided by Terrington Hall's dedicated staff. All improvements identified were actioned immediately, including the investment into a new fire safety system and procedures, enabling the School to pass all inspection areas.

TERRINGTON HALL TRUST LIMITED

GOVERNORS' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020

ACHIEVEMENTS AND PERFORMANCE – continued

The School's parents concurred and the inaugural Annual Parent survey confirmed that 94% of parents felt that Terrington Hall meets or exceeds their expectations and that 95% of children are happy or very happy with their School.

Following the Government announcement of full lockdown in March 2020, the School's leadership and staff demonstrated exceptional adaptability and resilience, and responded with the immediate transition to remote learning. Across the 'Prep' School and 'Pre-prep School', a total of 2500 hours of teaching has been delivered over remote collaboration platforms such as Zoom and Microsoft Teams. Despite all of the challenges that remote learning presents to a School community, Terrington Hall parent feedback was extremely positive, noting both the creativity and robust nature of the academic provision as well as the empathy and individual pastoral support for our pupils. Staff, pupils, and the wider School community have adapted well to these new ways of working and technologies, ensuring that all syllabuses were delivered or exceeded in the year. The work put in place to enable the transition positions the School well to return to remote learning if required by government lockdown in the future, or to adapt to a blended approach should some pupils or staff have to stay away from School premises while others attend classes in person.

Despite the disruption and uncertainty caused by the pandemic, all pupils were successful in their applications to their first choice of School with destinations for 2020 leavers of the following Schools; St. Peter's York, Ampleforth, Bootham, Queen Margaret's, Pocklington, The Mount, Repton, Sedbergh, Durham and Scarborough College. Of the 17 leavers, 8 achieved a scholarship or specific award. These included 1 academic scholarship, 2 sports scholarships, 1 art scholarship, 1 DT scholarships, 2 drama scholarships and 1 music scholarship. The leavers' Common Entrance average was 63%.

Bursary applications to senior schools were once again supported by Terrington Hall through the reference procedure and the Head's relationships with senior school heads. Of the 17 leavers, 7 secured some assistance with their senior school fees.

The breadth of the academic syllabus has been maintained with pupils enjoying the pleasures and challenge of languages such as Spanish, French, Latin and Greek alongside various Sciences, a variety of Arts, and outdoor education. The teaching continues to show both breadth and depth, adapted to individual pupils as appropriate.

Education beyond the classroom included numerous day trips to support science, art, PSHE and the humanities across all year groups. The extra-curricular activities programme extended to include optional sessions in aspects ranging from calligraphy to climbing; from ball sports to dance; from choir to cross-country. These activities have all been made possible thanks to the dedication of the multi-talented staff who plan and deliver these as well as the involvement of a number of parents who have been able to share their own skills and specialisms with pupils in these sessions. Similarly, this year has seen a continuation of the guest speaker programme with a number of alumni, parents, and other guests sharing knowledge and experience with pupils in a number of formats. These sessions are always well attended, greatly appreciated, and help to round out the educational experience for all. Thankfully, these sessions have been able to continue throughout lockdown thanks to the wonders of technology. During this time – and as always – pastoral care has been maintained through care, diligence and innovative approaches involving pupils and their whole families, helping to maintain the special ethos of the School and the social contact our pupils need.

TERRINGTON HALL TRUST LIMITED

GOVERNORS' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020

ACHIEVEMENTS AND PERFORMANCE – continued

All children in the Prep School represented the School at sport competing in matches in netball, rugby, hockey, football, cross-country and swimming. All children played at one time or another and all children benefited from regular coaching during school time. Although the fixtures calendar was unavoidably disrupted, the School still managed to enjoy successful seasons in a number of sports including rugby, hockey, netball, football, cross country, swimming and tennis. Despite the interrupted season, 138 fixtures were played.

As in every year, all of the children in the School will have appeared on stage in one of the many performances that are held across the year. Last year saw the Pre-Prep perform a Nativity and Harvest Assembly; the Lower Prep a Christmas assembly play; and the Upper Prep performed Bugsy Malone before Christmas. The Year 8 leavers added to this with a series of short sketches performed in the last week of term on Zoom. Every child who played a musical instrument performed in various recitals through the year as well as in our two main concerts. The opportunity at Terrington Hall for every child to perform individually has proven to be pivotal in developing children's self-confidence and appreciation of the performing arts. The Junior and Senior Choirs and the School band also performed during the two concerts. The choirs also sang at the Christmas Fayre, Hollis Court Residential Home and in our own Christmas Carol Service.

A staggering 73% of pupils have taken individual music, singing or drama lessons across the year. The range of instruments played by pupils includes violin, cello, flute, clarinet, oboe, saxophone, cornet, trumpet, french horn, drums, guitar, ukulele, and piano. Music board and Drama exams were again disrupted in the year, but 28 pupils still managed to take examinations. These ranged from Grade 1 to Grade 5, with a 100% pass rate and 40% of pupils achieving Distinctions and 37% Merits.

The musical, dramatic, sporting and academic endeavours of the children as well as all other news from the School can be found at: <https://www.terringtonhall.com/news-and-events/latest-news.html>. News at this web address dates back to 2016.

The School's facilities were once again shared with other schools and local organisations, they included: Terrington CE Primary School, Hovingham CC, Whitwell on the Hill CC, Westow CC, Ryedale and Scarborough Cricket Development, Terrington Choir, Hovingham Tennis Club and Malton RUFC all of whom used the facilities free of charge. Partnerships with Terrington Primary and the other schools within the federation are being further explored this year but in 2020 we shared our Maths Day with our closest neighbours. We also invited staff of local schools to a further Compass Buzz Mental Health training day in the autumn term.

In such important time, as in every year, the School supported numerous charities in addition to our Charities of the Year: The Rob Stephenson Trust and L.I.A.M. Both charities were set up in response to young lives tragically lost with the intention of benefiting young people making their way in sport, art or music. Children were also involved in Jeans for Genes day, Children in Need and the NSPCC's fundraising ventures. Our pupil Charity Representative in Year 7 organised a collection of Christmas presents to take to York District Hospital on Christmas day.

TERRINGTON HALL TRUST LIMITED

GOVERNORS' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020

ACHIEVEMENTS AND PERFORMANCE – continued

Finally, this academic year marked a key transition in leadership as Mr Simon Kibler succeeds Mr Stephen Mulryne as Head of Terrington Hall School as of 1st September 2020.

Mr Stephen Mulryne has been an exceptional and indefatigable leader for the school. Stephen's drive for progress and improvement has created an outstanding legacy for Terrington, be that the initiation of the astro-turf development, the expansion of extra-curricular activities, his sheer enthusiasm for the rounded education of all children, or the very special family ethos of the school which he nurtured and now succeeds him. Alongside him, his wife Helen Mulryne has been a dynamic driving force for educating SEN children, pastoral care, fund raising and events. They depart for pastures new leaving a great legacy and with the heartfelt thanks of all.

Mr Simon Kibler joins Terrington Hall as a Head with 20 years of experience in independent education in both Prep and Senior Schools. In his most recent appointment, Simon has been instrumental in Dover College being shortlisted for several of the TES Annual Awards. He has a wide range of skills and experiences from his current and previous roles as Deputy Head, Assistant Head and Housemaster at Milton Abbey School in Dorset and as Director of Sport and a Geography teacher at Abbotsholme School in Derbyshire. The Board and school community warmly welcome Simon and his family including his two daughters Olivia and Florence who are also joining the school.

Deputy Head Ms Suzy Ward also left at the end of the academic year with the immense gratitude of the Board and school for her wealth of innovative school initiatives and her incredible commitment to the pastoral welfare of both staff and pupils. She has set a high standard to follow, with that challenge taken up by two deputy heads in 2020/21 with Mrs Claire Grant being promoted to Deputy Head – Pastoral and Mr Stuart Keens promoted to Deputy Head – Academic. The dedication of staff in addition to a detailed handover and induction programme has meant a smooth transition for all role changes this year and there is a huge appreciation for all staff who have departed the School this year for fresh challenges elsewhere.

Fundraising

The School's fundraising activity is mainly through events run by the dynamic Friends of Terrington Hall parent group who continue to support the school with events that raise funds as well as enhance the community spirit that is so important to the Trust. The School does not have a paid Fundraiser.

FINANCIAL REVIEW

The Governors are satisfied with this year's School financial performance as detailed in the Statement of Financial Activities, the Balance Sheet and the Notes to the Financial Statements. Management, and all staff, have adapted well to the changing circumstances of the country through rigorous management of resources. Management and the Governors have undertaken thorough, continuous review of resources and forecasts since the outset of the pandemic, and continue to do so in the 2020/2021 academic year. This close monitoring has helped to ensure that appropriate mitigating actions and adaptations have been made where necessary. This enabled a fee rebate to be made in respect of the Summer Term during which so many pupils' Terrington experience was disrupted.

TERRINGTON HALL TRUST LIMITED

GOVERNORS' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020

FINANCIAL REVIEW – continued

The waiving of this rebate by such a high number of parents has been gratefully received by the School, with the overpayments used to fund specific investment which would otherwise not have been able to be made.

In terms of liquidity and cash flow, the School maintains modest overdraft facilities with the Bank which have been used only occasionally. The School looks forward to completing repayment of its fixed term loan facility in the very near future. An additional variable term loan facility was taken out in the year as precautionary measure as part of the Covid Impact mitigation plan collated by Management and the governing body. The loan facility will imminently be converted into a fixed term facility in agreement with the lender. The funds drawn down on the facility have not been utilised and remain fully available to the School.

The total funds of the School are £892,182 (2019 - £797,367) of which £199,650 (2019 -£12,616) are held in restricted funds.

The Governors have established a policy in respect of free reserves (being those funds not tied up in fixed assets and restricted funds) that should equate to two months of resources expended on charitable activities equating to £303,000. At this level, the Governors feel they would be able to continue the current activities of the trust in the event of a significant drop in incoming resources.

The current free reserves are currently below this level at a deficit of £287,000 but the Governors have arranged relevant facilities with the bank which they feel are sufficient for the trust to continue to meet its on-going obligations. It is their policy to build up the reserves to the required level by means of annual operating surpluses.

PRINCIPAL RISKS AND UNCERTAINTIES

During the year, the School's Governors have examined the principal areas of Terrington Hall Trust's operations and considered the major risks in each of these areas. In the opinion of the Governors, the School has established systems which, under normal circumstances, should allow these risks to be managed to an acceptable level in its day to day operation. A comprehensive Risk Register is maintained and is being further developed to form the basis of a regular annual review of mitigation measures necessary to minimise or control risks to an acceptable level.

The Governors continue to keep Terrington Hall Trust's activities under review, particularly with regard to any major risks that may arise from time to time, and to monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate, by which those risks identified by the Governors can best be managed and mitigated.

The Senior Leadership Team is, through its day to day operational management of the charity, responsible for managing and controlling risk in line with the approved policy and framework agreed by the Board. The impact of Covid-19 was identified as a serious risk and the school has moved to mitigate the impact. A separate Covid-19 risk register has been collated in the year and is maintained continuously.

TERRINGTON HALL TRUST LIMITED

GOVERNORS' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020

PRINCIPAL RISKS AND UNCERTAINTIES - continued

The key controls used by Terrington Hall Trust's include:

- Formal agendas for all Committee activity
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Formal written policies
- Clear authorisation and approval levels, and
- Vetting procedures as required by law for the safeguarding of pupils
- Clear procedures for safe Staff recruitment

Health and Safety issues are considered at regular meetings of the School Health & Safety Committee, a Governor is appointed to Committee, who reports to the Board.

PLANS FOR FUTURE PERIODS

The Board of Governors is delighted by the continuing progress being made by the School under the excellent Headship of Stephen Mulryne and Simon Kibler (from 1st September 2020). The outstanding reputation of the School is spreading farther and wider, leading to more enquiries and registrations. The School has also addressed the challenges posed to it and all schools nationally by the impact of Covid-19. Having been able to continue to provide such a full education to the pupils and all other objectives of the Trust despite the severity of the impact of Covid-19 and lockdown on the whole of the United Kingdom, the School is well placed to address any other challenges presented by the ongoing pandemic in the 2020/2021 academic year.

Improvements in the School's structure and infrastructure have already been made and these will continue in order to expand the range of activities available to pupils and enhance the overall Terrington experience still further. There is a formal estates plan which is reviewed regularly to ensure that improvements and maintenance are delivered effectively, efficiently, and in a way which best supports the aims of the School. Increasing the School roll and improving cashflow will enable the Board to consider more ambitious projects. Celebrating the school's 100 year anniversary, the new Headmaster Simon Kibler embarks on a Centenary Project to boost the School's facilities further.

TERRINGTON HALL TRUST LIMITED

GOVERNORS' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020

STATEMENT OF TRUSTEES' AND GOVERNORS' RESPONSIBILITIES

The Governors (who are also the directors and trustees of the Terrington Hall Trust Limited for the purposes of company law) are responsible for preparing the Annual Report and financial statements in accordance with law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governing Body to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company at the end of the year and of its financial activities for that year. In preparing those financial statements the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records which disclose with reasonable accuracy the financial position of the charity and which enables them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

In so far as the Governors are aware at the time of approving our Governors' Annual Report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Company's auditor is unaware, and
- the Governors, having made enquires of fellow directors and the Company auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Board of Governors at its meeting on 5 March 2021 and signed on its behalf by:

K E Lamont
Trustee

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
TERRINGTON HALL TRUST LIMITED**

Opinion

We have audited the financial statements of Terrington Hall Trust Limited (the 'School') for the year ended 31 August 2020, which comprise the Statement of Financial Activities, Balance Sheet, 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, including FRS 102 Section 1A '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 School's affairs as at 31 August 2020 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the School 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 Governors' (who are also directors of the School for the purposes of company law) use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the School's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
TERRINGTON HALL TRUST LIMITED**

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the School and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Annual 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 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Governors' Report and from the requirement to prepare a Strategic Report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
TERRINGTON HALL TRUST LIMITED**

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement set out on page 8, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

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Sarah Wearing (Senior Statutory Auditor)
For and on behalf of HPH, Statutory Auditor

54 Bootham
York
YO30 7XZ

5 March 2021

TERRINGTON HALL TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income and endowments from:					
Donations		270	200,000	200,270	7,947
Charitable activities					
School fees	4	1,572,802	-	1,572,802	1,747,055
Other income	4	125,309	-	125,309	147,336
Other trading activities	5	2,075	11,340	13,415	20,695
Total income		£ 1,700,456	£ 211,340	£ 1,911,796	£ 1,923,033
Expenditure on:					
Costs of raising funds	6	19,038	4,467	23,505	26,032
Charitable activities	6	1,782,248	11,228	1,793,476	1,938,096
Total expenditure	6	£ 1,801,286	£ 15,695	£ 1,816,981	£ 1,964,128
Net (expenditure)/ income		(100,830)	195,645	94,815	(41,095)
Transfers between funds		8,611	(8,611)	-	-
Net movement in funds		(92,219)	187,034	94,815	(41,095)
Reconciliation of funds:					
Total funds brought forward		784,751	12,616	797,367	838,462
Total funds carried forward		£ 692,532	£ 199,650	£ 892,182	£ 797,367

The notes on pages 17 to 25 form part of these financial statements.

Income and net movement in funds derive wholly from continuing operations.

TERRINGTON HALL TRUST LIMITED
BALANCE SHEET
AS AT 31 AUGUST 2020

Company number: 01193407

	Note	2020	2019
		£	£
Fixed assets			
Tangible fixed assets	8	979,130	982,767
Current assets			
Stocks	9	25,570	27,647
Debtors	10	84,636	61,322
Cash at bank and in hand	21	371,125	223,113
		<u>481,331</u>	<u>312,082</u>
Creditors: amounts falling due within one year	11	<u>(541,279)</u>	<u>(464,126)</u>
Net current liabilities		<u>(59,948)</u>	<u>(152,044)</u>
Total assets less current liabilities		<u>919,182</u>	<u>830,723</u>
Creditors: amounts falling due after more than one year	12	<u>(27,000)</u>	<u>(33,356)</u>
Total net assets		<u><u>£ 892,182</u></u>	<u><u>£ 797,367</u></u>
The funds of the charity			
Unrestricted funds	14	692,532	784,751
Restricted funds	15	199,650	12,616
Total charity funds		<u><u>£ 892,182</u></u>	<u><u>£ 797,367</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

*Approved by the Board on 5 March 2021
and signed on their behalf by:*

R Cordingley
Governor

K E Lamont
Governor

The notes on pages 17 to 25 form part of these financial statements.

TERRINGTON HALL TRUST LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020	2019
		£	£
Net cash used in operating activities	20	154,095	(45,024)
Cash flow from investing activities:			
Purchase of tangible fixed assets		<u>(77,283)</u>	<u>(30,560)</u>
Net cash used in investing activities		(77,283)	(30,560)
Cash flow from financing activities:			
New loan		90,000	-
Repayments of borrowings		<u>(18,800)</u>	<u>(16,305)</u>
Net cash used in financing activities		71,200	(16,305)
Change in cash and cash equivalents in the year		148,012	(91,889)
Cash and cash equivalents at beginning of the year		223,113	315,002
Cash and cash equivalents at end of the year	21	<u>£371,125</u>	<u>£223,113</u>

The notes on pages 17 to 25 form part of these financial statements.

**TERRINGTON HALL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1 ACCOUNTING POLICIES

Legal entity

Terrington Hall Trust Limited is regulated by the Charities Commission (532362), limited by guarantee and is registered in England and Wales. The address of the registered office and principal place of business is Terrington Hall Trust Limited, Terrington, York, YO60 6PR.

In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per member of the School.

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 (FRS102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and the Companies Act 2006.

The School meets the definition of a public benefit entity under FRS102. The accounts are presented in UK Sterling pounds (£).

Going concern

The School has cash resources available and a bank loan facility which is in the process of being converted into a longer term facility. Due to the specific repayment terms of the bank facility not having been finalised as at the year end date, this facility is showing as repayable within one year. However, the planned finalisation of details with the relevant bank will mean this facility is repayable over a term of 6 to 7 years. COVID-19 did have a significant impact in the year with the School forced to close access to its buildings for a significant period of time. However, the School put suitable mitigation actions in place enabling it to deliver a significant balance of online learning provision, extra curricula activities and pastoral care – and is in a position to do so again should circumstance require similar action in the future. The School has managed its resources prudently to alleviate the impact of reduced revenues and incremental costs during this period of disruption. Since the year end pupil numbers have increased and the site is now back to full use in a COVID secure environment.

The Governors have considered the cash requirements beyond 12 months from date of approval of the accounts and, having undertaken a rigorous scenario planning process, have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. They continue to believe that the going concern basis of accounting is appropriate in preparing the annual financial statements.

Fees and other income

Parental contributions, charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School.

Donations

Donations receivable for the general purpose of the School are credited to "unrestricted funds". Donations for purposes restricted by the wishes of the donor are taken to "restricted funds" where these wishes are legally binding on the Trustees.

Other trading activities

All other incoming resources are included in the SOFA when the School is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates.

Bursaries and allowances from unrestricted funds towards school fees are treated as a reduction in those fees.

Governance costs are costs associated with constitutional and statutory requirements. They include audit fees and estimated costs linked to the strategic management of the School. Support costs are those incurred directly in support of expenditure on the objects of the School.

TERRINGTON HALL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1 ACCOUNTING POLICIES (continued)

Tangible fixed assets

Alteration and improvement expenditure on freehold property is treated as capital if it results in additional floor area for use of the School or if it significantly enhances the property. Otherwise it is charged to revenue as maintenance of buildings.

Depreciation

Depreciation is calculated to write off the cost of fixed assets over their expected useful lives on a straight line basis. The rates used are as follows:

Freehold property	2% per annum straight line
Freehold property - Integral features	10% per annum straight line
Furniture, fittings and equipment	25% per annum straight line
Motor vehicles	25% per annum straight line

Items costing less than £3,000 are written off as an expense as acquired.

Stocks

Stocks are stated at the lower of cost and net realisable value.

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 at bank and in hand

Cash at bank and cash in hand includes cash and any short term deposit accounts with a maturity of three months or less from the date of opening.

Creditors and provisions

Creditors and provisions are recognised where the School 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.

Where the School has received tuition fees in advance the amount is treated as deferred income until the pupil joins the School whereupon the fees for each school term are charged against the remaining balance and taken into income. Any shortfall is treated as a deduction from school fee income and any excess accrued is treated as additional school income.

Financial instruments

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

Pension schemes

The School contributes to the Teachers' Pension Defined Benefit Scheme at rates set by the scheme actuary and advised to the board by the scheme administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. The scheme is therefore accounted for as a defined contribution scheme. The School also contributes to a defined contributions scheme for administration staff. In both cases contributions are charged to the income and expenditure account in the year in which they accrue.

TERRINGTON HALL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1 ACCOUNTING POLICIES (continued)

Operating leases

Rentals payable under operating leases are charged in the SOFA on a straight line basis over the lease term.

Funds structure

Funds comprise unrestricted funds which have not been designated for other purposes, and are available for use at the discretion of the Governors in accordance with the charitable objectives. Designated funds are unrestricted funds earmarked by the Governors for particular purposes. Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Government grants

The government has made the Coronavirus Job Retention Scheme available to the School which have been recognised as income using the accrual model.

Government grant income is recognised when the conditions for receipt have been met and there is reasonable assurance that the grant will be received. It is then recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate, except where the grant is compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs in which case it is recognised as income in the period in which it becomes receivable.

2 TAXATION

As a registered charity, Terrington Hall Trust Limited is exempt from the tax on income falling within sections 466 to 493 of the Corporation Tax Act 2010 to the extent that this is applied to its charitable objects. No tax charges have arisen in the School.

3 OPERATING SURPLUS

	2020	2019
	£	£
The surplus for the year is stated after charging:		
Depreciation	62,990	54,085
Operating lease - equipment	19,258	27,122
Auditors' remuneration	5,725	5,557
Other fees paid to auditor	1,507	1,078
	<u> </u>	<u> </u>

4 INCOME FROM CHARITABLE ACTIVITIES

School fees

Gross fees	1,865,103	2,054,649
Less: Scholarships and allowances	(292,301)	(307,594)
	<u>£ 1,572,802</u>	<u>£ 1,747,055</u>

Other income

Recharges to pupils for education and sports requisites	63,562	123,804
School shop sales	18,188	23,164
Government grants	42,819	-
Other income	740	368
	<u>£ 125,309</u>	<u>£ 147,336</u>

All income from charitable activities relates to unrestricted funds.

5 OTHER TRADING ACTIVITIES

Fundraising activities	11,340	18,695
Hire of accommodation	2,075	2,000
	<u>£ 13,415</u>	<u>£ 20,695</u>

£11,340 of other trading activities relates to restricted funds (2019: £18,695).

Hire of accommodation relates to the renting out of the school's accommodation during school holidays and by renting out two properties.

TERRINGTON HALL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

6 ANALYSIS OF TOTAL EXPENDITURE

	Staff costs £	Other costs £	Depreciation £	Total 2020 £	Total 2019 £
Cost of generating funds		-			
Marketing and advertising	-	11,166	-	11,166	12,146
Fundraising costs	-	4,467	-	4,467	8,730
Bank interest	-	1,872	-	1,872	1,403
Bad debts provided for	-	6,000	-	6,000	3,753
	<u>-</u>	<u>23,505</u>	<u>-</u>	<u>23,505</u>	<u>26,032</u>

£4,467 (2019: £8,730) of expenditure on generating funds relates to restricted funds.

Charitable activities

Teaching costs	1,015,397	168,194	2,827	1,186,418	1,282,504
Welfare	131,250	83,987	7,534	222,771	258,587
Premises	-	147,736	52,524	200,260	220,985
Support costs	120,864	55,827	104	176,795	169,385
Governance costs	-	7,232	-	7,232	6,635
	<u>1,267,511</u>	<u>462,976</u>	<u>62,989</u>	<u>1,793,476</u>	<u>1,938,096</u>

Total expenditure	<u>£ 1,267,511</u>	<u>£ 486,481</u>	<u>£ 62,989</u>	<u>£ 1,816,981</u>	<u>£ 1,964,128</u>
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£11,28 of the expenditure (2019: Nil) on charitable activities relates to restricted funds.

	2020 £	2019 £
Governance costs include:		
Auditors' remuneration:		
for audit services	5,725	5,557
for other services	1,507	1,078
	<u>£ 7,232</u>	<u>£ 6,635</u>

7 STAFF COSTS

Wages and salaries	978,124	1,048,355
Social security costs	90,622	92,115
Other pension costs	173,629	130,270
Other costs	25,136	22,454
	<u>£ 1,267,511</u>	<u>£ 1,293,194</u>

The average monthly head count was 39 staff (2019: 45) and the average monthly number of full-time equivalent employees during the year were as follows:

Teaching	26	30
Welfare	5	5
Support	3	3
	<u>34</u>	<u>38</u>

TERRINGTON HALL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7 STAFF COSTS (continued)

One employee received benefits between £60,000 - £69,999 during the year (2019: one).

No Governors nor any persons connected with them received any remuneration or other benefits from the school for their services to the School nor were reimbursed for travel expenses during this or the preceding year.

The key management personnel of the School, comprise the Governors, the Head Teacher, Deputy Heads - Pastoral and Academic and Bursar. The total employee benefits of the key management personnel of the School were £254,705 (2019: £241,189).

8 TANGIBLE FIXED ASSETS

	Freehold property £	Furniture, fixtures and equipment £	Motor vehicles £	Total £
Cost:				
At 1 September 2019	1,586,337	297,637	12,500	1,896,474
Additions	39,543	19,810	-	59,353
At 31 August 2020	<u>1,625,880</u>	<u>317,447</u>	<u>12,500</u>	<u>1,955,827</u>
Depreciation:				
At 1 September 2019	620,112	281,095	12,500	913,707
Charge for the year	52,524	10,466	-	62,990
At 31 August 2020	<u>672,636</u>	<u>291,561</u>	<u>12,500</u>	<u>976,697</u>
Net book values:				
31 August 2020	<u>£ 953,244</u>	<u>£ 25,886</u>	<u>£ -</u>	<u>£ 979,130</u>
31 August 2019	<u>£ 966,225</u>	<u>£ 16,542</u>	<u>£ -</u>	<u>£ 982,767</u>

The Governors consider the market value of the freehold property to be considerably in excess of its book value. Due to the costs involved in obtaining a professional valuation it has not been practicable to quantify the excess.

All of the tangible fixed assets relate to unrestricted funds.

	2020 £	2019 £
9 STOCKS		
Closing stock	<u>£ 25,570</u>	<u>£ 27,647</u>

Stock of £1,067 relates to restricted funds in 2020 (£1,242 in 2019)

10 DEBTORS

Trade debtors	26,048	32,091
Other debtors	20,857	-
Prepayments and accrued income	37,731	29,231
	<u>£ 84,636</u>	<u>£ 61,322</u>

Debtors of £2,751 relates to restricted funds in 2020 (£Nil in 2019)

TERRINGTON HALL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11 CREDITORS: amounts falling due within one year

	2020	2019
	£	£
Fees received in advance	305,066	339,241
Trade creditors	38,469	26,724
Other creditors	21,273	7,311
Taxation and social security	43,995	22,914
Pension	20,186	17,603
Bank loan and overdraft	95,959	18,403
Accruals	16,331	31,930
	<u>£ 541,279</u>	<u>£ 464,126</u>

12 CREDITORS: amounts falling due after one year

Bank loan	-	6,356
Other creditors	27,000	27,000
	<u>£ 27,000</u>	<u>£ 33,356</u>

Amounts due after more than one year:

Repayable between 1 - 2 years	-	6,356
	<u>£ -</u>	<u>£ 6,356</u>

All creditors relate to unrestricted funds.

The bank loan facilities are secured by a first legal charge dated 15 May 2014 over freehold property known as Terrington Hall School, Terrington, York, YO60 6PR, and a debenture (including charged land) dated 15 May 2014. The loan facilities represent 10% (2019: 5.4%) of the net book value of the freehold property.

The interest rates on the loans are 3.6% over base and 3.14%.

13 DEFERRED INCOME

Fees received in advance

	2020	2019
	£	£
Balance at 1 September	339,241	397,487
Released to statement of financial activities	(339,241)	(397,487)
	<u>-</u>	<u>-</u>
Deferred in the period	305,066	339,241
Balance at 31 August	<u>£ 305,066</u>	<u>£ 339,241</u>

TERRINGTON HALL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14 UNRESTRICTED FUNDS

	Balance at 1 Sept. 2019 £	Income £	Expended £	Transfers £	Balance at 31 Aug. 2020 £
Designated funds		-			
Capital fund	115,363	-	-	-	115,363
Undesignated funds					
General	669,388	1,700,456	(1,801,286)	8,611	577,169
	<u>£ 784,751</u>	<u>£ 1,700,456</u>	<u>£ (1,801,286)</u>	<u>£ 8,611</u>	<u>£ 692,532</u>
	Balance at 1 Sept. 2018 £	Income £	Expended £	Transfers £	Balance at 31 Aug. 2019 £
Designated funds					
Capital fund	115,363	-	-	-	115,363
Undesignated funds					
General	716,122	1,896,840	(1,955,398)	11,824	669,388
	<u>£ 831,485</u>	<u>£ 1,896,840</u>	<u>£ (1,955,398)</u>	<u>£ 11,824</u>	<u>£ 784,751</u>

The unrestricted School funds are held to finance the freehold property and to cover normal fluctuations in working capital, split as designated between freehold property and general reserves.

The capital fund represents the capital cost of the original land and buildings.

The transfer from restricted funds to undesignated general funds in the year relates to School capital expenditure funded by the Terrington Hall Parents' Social and Fundraising Group.

15 RESTRICTED FUNDS

	Balance at 1 Sept. 2019 £	Income £	Expended £	Transfers £	Balance at 31 Aug. 2020 £
Terrington Hall Parents' Social and Fundraising Group fund	12,616	11,340	(6,857)	(8,611)	8,488
Bursary fund	-	200,000	(8,838)	-	191,162
	<u>£ 12,616</u>	<u>£ 211,340</u>	<u>£ (15,695)</u>	<u>£ (8,611)</u>	<u>£ 199,650</u>
	Balance at 1 Sept. 2018 £	Income £	Expended £	Transfers £	Balance at 31 Aug. 2019 £
Terrington Hall Parents' Social and Fundraising Group fund	6,977	26,193	(8,730)	(11,824)	12,616
	<u>£ 6,977</u>	<u>£ 26,193</u>	<u>£ (8,730)</u>	<u>£ (11,824)</u>	<u>£ 12,616</u>

Terrington Hall Parents' Social and Fundraising Group fund

The Terrington Hall Parents' Social and Fundraising Group fund represents donations and fundraising to purchase specific items.

TERRINGTON HALL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15 RESTRICTED FUNDS (continued)

Bursary Fund

This fund relates to grants received for Bursaries.

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current (liabilities)/ assets £	Long term liabilities £	2020 Total £
Unrestricted funds	979,130	(259,598)	(27,000)	692,532
Restricted funds	-	199,650	-	199,650
	<u>£ 979,130</u>	<u>£ (59,948)</u>	<u>£ (27,000)</u>	<u>£ 892,182</u>

	Tangible fixed assets £	Net current (liabilities)/ assets £	Long term liabilities £	2019 Total £
Unrestricted funds	982,767	(164,660)	(33,356)	784,751
Restricted funds	-	12,616	-	12,616
	<u>£ 982,767</u>	<u>£ (152,044)</u>	<u>£ (33,356)</u>	<u>£ 797,367</u>

17 OPERATING LEASE COMMITMENTS

As at 31 August 2020 the School had future minimum lease payments under non-cancellable operating as follows:

	2020 £	2019 £
Within one year	19,932	19,932
Between one and five years	22,323	22,323
	<u>£ 42,255</u>	<u>£ 42,255</u>

18 RELATED PARTIES

There were no related party transactions during the year which were not offered on the same terms as the general public.

19 PENSION SCHEMES

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 £157,698 (2019: £130,772) and at the year-end £18,038 (2019 - £15,639) 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 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

TERRINGTON HALL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19 PENSION SCHEMES (continued)

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The School also runs a scheme for its non-teaching staff, which is a defined contribution scheme. The pension charge for the year includes contributions payable to the scheme of £15,931 (2019: £11,698). At the year-end £2,148 (2019: £1,906) was accrued in respect of contributions to this scheme.

20 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2020	2019
	£	£
Net (expenditure)/ income for the reporting period	94,815	(41,095)
Depreciation of tangible fixed assets	62,990	54,085
Decrease/(Increase) in stocks	2,077	682
(Increase)/Decrease in debtors	(23,314)	19,551
Increase/(Decrease) in creditors	17,527	(78,247)
Net cash used in operating activities	£ 154,095	£ (45,024)

21 ANALYSIS OF CASH AND CASH EQUIVALENTS

Cash at bank and in hand	371,125	223,113
Total cash and cash equivalents	£ 371,125	£ 223,113

22 ANALYSIS OF CHANGES IN NET DEBT

	At	Cash-flows	At
	01/09/2019		31/08/2020
	£	£	£
Cash	223,113	148,012	371,125
		148,012	
Loans and overdrafts due within one year	(24,759)	(71,200)	(95,959)
	£ 198,354	£ 76,812	£ 275,166