

Registered number: 00940118  
Charity number: 311293

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

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 JULY 2020**

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<b>Trustees</b>	Ms S J Anthony Mr D J H Bolton (retired 30 August 2019) Dr S M Carroll (resigned 24 March 2020) Ms C R Costello Mr A M A Fennell Mr A J Fish Mr M M Graham Ms S Jack Mr A W S Kingham Ms J L North (appointed 19 June 2020) Ms N Ovenden Mr A M Possener Ms S C Waddington
<b>Company registered number</b>	00940118
<b>Charity registered number</b>	311293
<b>Registered office</b>	Town Close House Educational Trust Limited 14 Ipswich Road Norwich NR2 2LR
<b>Company secretary</b>	Mrs B Ogg
<b>Independent auditors</b>	Larking Gowen LLP Statutory Auditors King Street House 15 Upper King Street Norwich Norfolk NR3 1RB
<b>Bankers</b>	Handelsbanken Suite B 1 Prince of Wales Road Norwich NR1 1BD
<b>Solicitors</b>	Leathes Prior 74 The Close Norwich Norfolk NR1 4DR
<b>Headmaster</b>	Mr N Bevington

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 JULY 2020**

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The Trustees present their report and audited financial statements for the year ended 31 July 2020 which comply with the requirements of the Charities Acts 1993 and 2006, with other current statutory requirements and with the requirements of the charity's governing document. The Trustees have adopted the provisions of the 2005 Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

**Principal activity and status**

Town Close is an independent preparatory school, established in 1932 and, as Town Close House Educational Trust Limited, providing day education for girls and boys between the ages of 2 and 14. The Trust is a company limited by guarantee (company number 940118), incorporated upon trusts set out in the scheme of the Charity Commission dated 7 October 1968 (registered charity number 311293).

**Mission and objectives of the School**

The Trust is governed by its Memorandum and Articles of Association. The Trust's primary objects are "for the public benefit to advance education of young people (under the age of 21) through the provision, support, conduct and maintenance of a day and/or boarding school or schools and such other ancillary educational activities and other associated activities for the benefit of the community." In furtherance of these objects, Town Close aims, by the education of all its pupils, to develop an awareness of their full potential and encourage them to strive to attain this potential. It expects to equip them with the intellectual, emotional and physical attributes, as well as moral and spiritual values, that they need to live their lives fruitfully.

**Structure, Governance and Management**

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

The Trustees who served during the year ended 31 July 2020 were as follows:

SJ Anthony \* (Chairman from 31.8.19)  
DJH Bolton\* (Chairman until 30.8.19 when he resigned as a Trustee)  
Dr SM Carroll (resigned as a Trustee on 24.3.20)  
CR Costello  
AMA Fennell \* (joined the Finance and General Purposes Committee on 1.9.19)  
AJ Fish \* (Chairman of Finance & General Purposes Committee and Joint Deputy Chairman)  
MM Graham \*  
AWS Kingham  
S Jack (Joint Deputy Chairman)  
JL North (from 19.6.20)  
N Ovenden  
AM Possener \*  
SC Waddington

(\*indicates membership of the Finance & General Purposes Committee during the year ended 31 July 2020.)

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

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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

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

**Key Management Personnel – Pay policy for senior staff**

Key management personnel are considered to be the board of directors, who are also Trustees, the Headmaster and the Bursar who, collectively, are in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 22 to the accounts.

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

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

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

**Public benefit**

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

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

More broadly, the Trust provides public benefit by opening the School's sports and other facilities to outside users, including school-age children, some usage being without charge. In addition to the growing demand for such access to the Sports Hall and of the Read Hall for the performing arts, the AstroTurf provides a programme of educational and sporting use by outside parties. This involves a hockey consortium formed with

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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a local sports club (Norwich Dragons Hockey Club) and what was a local maintained sector school (The Hewett School). While the Hewett School no longer exists, Town Close's substantial contribution to the development is enabling its successor school (The Hewett Academy), while not a member of the Consortium, to extend hockey provision to pupils for whom there was previously no opportunity whilst enabling the partner hockey club to run free coaching sessions introducing the sport to local children. The Hockey Consortium subsequently sublet land free of charge to another independent school and a second Astroturf was constructed. One of the conditions associated with the sub-lease was that this second pitch must be made available for community use in the evenings and at weekends.

Other activities by means of which Town Close has provided public benefit consistent with its aims and objectives have included: the provision of five free places to the School's summer holiday club for children from a local school in receipt of pupil premium; free use of the School swimming pool for a local maintained school for children with complex needs; the free use of the main sports field for maintained school events eg sports days; inviting pupils from local maintained and independent schools to hear visiting authors and to watch school performances; the provision of work experience placements for pupils from local schools and for prospective teachers; donating books to other schools, and providing free access to a Puppet Theatre performance and a yoga session to very young children.

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

While the coronavirus pandemic temporarily stopped some of these activities, a discount was applied to the summer term school fees for all parents in recognition of the financial effect of lockdown on many families. In addition, parents of a further 16 pupils were given greater financial assistance because of the even worse financial impact of the pandemic on their particular financial circumstances. This further assistance was means tested in the same way as normal bursarial support would be. The School also gave free access to a library of recorded lessons and downloadable learning resources created by School staff during lockdown. The online resources hub contains a wide variety of educational resources including music classes, story time, challenge sheets, mindfulness exercises and a range of age appropriate mental health tools and information. The hub is open to anyone with internet access and has already been accessed by over 12,000 visitors to the website.

**Strategic objectives and achievements**

- Further functionality in the School's online portal, which links to the Management Information System, was developed.
- School trip planning software was purchased that also integrates with the School's Management Information System, allowing for more efficient preparation and multiple access points to trip information.
- Following the successful creation of the woodland walk, the use of play areas was developed further, including by painting new play markings on the Pre Prep tarmac playground and creating an artificial grass play area outside the Nursery to provide extra outdoor space in the winter months.
- The School would have finished its participation in the formal KS2 assessments in 2020 had these not been cancelled due to the pandemic, because of the move from "best fit" to "exact fit", which is less compatible with the School's broad-based, subject specialist curriculum. Alternative assessments that maintain the School's ability to track progress empirically from Pre Prep upwards were explored.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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- Following the successful introduction of the new feedback policy, policies and guidance continued to be developed to ensure teachers are deployed as efficiently as possible, managing workload and maximising the effectiveness of the time they deploy.
- A professionally trained school assistance dog was introduced in the Learning Support Department to add further to the School's provision for wellbeing, mental health and Learning Support.
- Membership of the Town Close Association for alumni continued to be developed, although raising funds for the development of the science, art, music and dining block, that will allow the School to enhance its public benefit and support a wider range of needs within the community was put on hold.
- Continuing investment in good quality teaching and support staff.
- To continue to offer membership of the Teachers' Pension Scheme to those eligible.

### **Operational performance**

Common Entrance exams were cancelled due to the coronavirus pandemic, which was particularly disappointing for a cohort that seemed destined for excellent results. Entrance exams for most senior schools took place before lockdown and the vast majority of pupils had, therefore, already secured senior school spaces. Pupils in their final year worked particularly hard to achieve excellent results and deserve great credit for their efforts. Their talent was acknowledged by gaining offers for 30 academic scholarships or other awards to a variety of senior schools, the second highest number ever achieved by a Town Close Year 8 cohort and only marginally lower than the unprecedented 34 achieved in 2019. Of particular note was one pupil winning the Oundle Academic Scholarship, one of the most challenging of all senior school awards to win. In addition, 4 awards were offered to Year 6 pupils moving to senior schools at 11.

Key Stage 2 SATS were also cancelled in what was to be the last year of Town Close participating in these before moving to ISEB 11+ Common Entrance exams for Year 6 pupils. Town Close has valued participation in KS2 SATs as they have provided the only standardised external measure of attainment for pupils finishing Year 6. However, the new style and move to exact fit for writing has shifted the focus increasingly to intensive practising of narrow and artificial exercises, which the School has felt do not prepare children well for the requirements of the years ahead. Nevertheless, the School looked well placed to achieve strong results in its final year of KS2 SATs and it was disappointing that the assessments were not possible. This was especially the case given that last year's results were less strong due to a number of recent joiners not making the expected standard, as well as the school not focusing explicitly on writing assessments involving "exact fit".

The school encourages the widest possible participation of girls and boys in a broad range of co-curricular and extra-curricular activities, with the year once again seeing many notable successes:

The Town Close F24 racing team, comprised of Year 8 members of the after-school club, competed at Bedford before appearing for the second time in the international finals, this year held at Silverstone. The team came third in the world in the kit car category, an amazing achievement considering the small size of our school and young age of our pupils. Sadly, the pandemic prevented participation in the Year 6 team events scheduled for the summer or the 2020 F24 events.

Once again, the School undertook many successful extra-curricular trips allowing children invaluable learning beyond the classroom. Year 8 pupils stayed at Holt Hall for science and geography field work and Year 7 spent a week at Château de La Baudonnière undertaking French immersion. There were also numerous successful day trips such as Year 8's trip to Goldsmith Street as part of their geography studies. Sadly, the Year 6 Humanities Trip to Normandy, the Year 4 residential camp to Horsford, the Year 8 Real Adventure trip to the Lake District and all of the Adventure and Skills Academy camping trips had to be cancelled because of the pandemic.

The School hosted a number of successful events including grandparents' afternoons, the Christmas Fayre and World Book Day, where pupils dressed as characters from literature and gave presentations based on who they were playing and their role in the book concerned. There were successful concerts, including the Christmas Concert, and soloists' concerts for various year groups. The Carol Service included quality readings delivered

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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by pupils and outstanding anthems performed by the Chamber Choir, Senior Choir and 4Tissimo Choir. Pre Prep children performed beautiful Nativity plays for each year group, while Year 4 took to the stage with Porridge and Years 7&8 performed Peter Pan the week before lockdown, with performances recorded in front of a pupil audience and shared with parents via YouTube.

In sport, nine children qualified for the IAPS national finals at swimming, though the finals themselves were then cancelled. One pupil became the top Norfolk runner at the Regional Cross Country Championships. The School's rugby teams had one of their strongest seasons for a while in what has often been the least strong sport for Town Close pupils. There were strong performances by the girls' teams in the IAPS hockey, strong netball results and the internal House cross-country events all took place just before lockdown.

The School was shortlisted for the Tes Pre Prep/Prep School of the Year Award in January and was named the winner of this very prestigious award at a special ceremony in London in February. The judges cited achievements in engineering, pupil-led initiatives to promote equality and lessen environmental impact and outstanding academic results.

All schools were shut on March 20th except to children of key workers and vulnerable children, due to the pandemic. Given the very short notice of closure, the School was not in a position to deliver virtual lessons for the last week of term but provided work for children online with work packs for younger children. In the summer term, the number of children registered as key worker children and attending school regularly rose to 185, which we believe to be the highest number of any school nationally. Alongside continuing physical provision for these pupils, Town Close developed a remote learning model for all children which, from the start of the summer term, involved a full timetable delivered live via Zoom for pupils in Years 2-8, except games, music and computing. There was an adapted timetable of live lessons and recorded resources for Year 1 and below, reflecting their different needs. This was particularly demanding for academic staff, many of whom were required to teach both virtually and physically at the same time using software with which they were not familiar.

Despite the significant challenges, the quality of this provision led to a very high number of letters and emails thanking the school and a surge in admissions enquiries later in the summer term. All children in Nursery, Reception, Year 1 and Year 6 were able to return on June 1st, albeit under very different conditions from normal. Despite the restrictiveness of the guidance, which involved segregated bubbles of no more than 15 pupils, the School was able to welcome all pupils from Nursery to Year 8 back on June 22nd for the final three weeks of term. A special outdoor prizegiving was held just for Year 8 pupils at the end of term, which was filmed and edited, with younger prize winners being awarded their prizes in class bubbles. The film was released on YouTube and watched by 543 families, more than would normally attend the event physically. Trustees were very pleased that the School rose to this challenge and, despite all the difficulties encountered, was able to overcome these and to continue to provide for all pupils in a variety of different ways.

### **Financial review and reserves policy**

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

As reported in the statement of financial activities and income and expenditure account later in this Report, the School's net income for the year, after depreciation, was £546,630 (2019: £355,471). This was another very positive outturn following a pattern of strong performance over the past ten years and more that has facilitated a major development programme and continuous investment in improving the quality of Town Close's educational provision, and reflects very effective financial planning and management. It should be noted that the cash position as at 31st July 2020 includes advance payments for the entirety of the next school year from parents electing to pay in advance.

In the last year £471,581 was invested in capital items with a large proportion of this being spent on work to renovate and extend the Lodge which was purchased along with the site in 2016. The Lodge is listed and so

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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the project has been challenging but the building will be a useful asset to the School. The Trust's pattern of operating performance and the state of the balance sheet continue to leave the Trust well placed operationally and in its capacity to respond to new demands and opportunities that might arise. The School has now been given planning permission for a new science, art, music and dining block allowing fundraising for the project to start in earnest when Trustees consider the time is right.

Given the significant impact of the coronavirus pandemic, Trustees have given consideration to how this might affect the School's finances in the short to medium term. The majority of the School's parent body appears to have been financially resilient despite the pandemic, many working in professions where income has not been adversely affected. While pupil recruitment was certainly affected during lockdown, the larger than usual number of late registrations has meant pupil numbers have held up well. Enquiries for places continue unabated. However, Trustees are aware that a number of parents' incomes have been, and will continue to be, adversely affected by the ongoing pandemic and the associated restrictions and will continue to require additional financial support. They are also mindful that the withdrawal of Government support through grants such as the Coronavirus Job Support Scheme and other financial incentives will adversely affect the income of some. Withdrawal from the EU at the end of the 2020 will also have a detrimental impact upon the income and confidence of some current and prospective parents.

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

The policy of the Trustees is to maintain reserves at a level that is sufficient to enable the School to continue to operate as a going concern for the foreseeable future. At the present time the reserves, amounting to £7,984,183 (2019: £7,437,553), are fully invested in the fabric of the School. Capitalised expenditure on the School's premises and equipment has substantially been financed by the Trust's secured loan facilities, but with a significant contribution from resources generated by the successful operating performance outlined in this and recent Reports.

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

### **Objectives and Plans**

Objectives for the next year and the medium term include:

- Continuing to assess the risk of the spread of coronavirus within the School and putting in place appropriate control measures to minimise the risk. Maintaining plans for action to be taken in different scenarios potentially caused by the pandemic in order to ensure pupils continue to receive a high quality education and feel safe and secure.
- Developing further functionality in the School's online portal, which links to the Management Information System, for example integrating reply slips so they can be completed electronically on the portal.
- Embedding trip planning software to allow efficient preparation of trips and multiple access points for information.
- Introducing an electronic recording system for safeguarding records to improve security and access where needed and facilitate smoother and more efficient tracking of concerns.
- Introducing ISEB 11+ Common Entrance exams instead of KS2 SATs.
- Reorganising teacher allocation in art, computing, music, geography, science and English to ensure the most effective distribution possible of specialist teachers, to manage workload and maximise the efficiency of teacher deployment within the timetable.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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- Embark on specialist support dog training for the school assistance dog in the Learning Support Department to add further to her effectiveness in supporting pupil well-being, mental health and Learning Support.
- Developing the membership of the Town Close Association for alumni and raising funds for the development of a science, art, music and dining block, that will allow the School to enhance its public benefit and support a wider range of needs within the community.

**Investment powers**

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

**Asset cover for funds**

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

**Systems review and risk management**

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

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**Statement of Trustees' responsibilities**

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

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

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

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

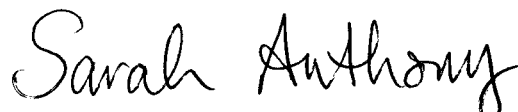
In so far as each of the Trustees is aware:

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

**Auditor**

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

ON BEHALF OF THE TRUSTEES



Sarah Anthony  
Chair of Governors  
Date: 20 November 2020

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

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**Opinion**

We have audited the financial statements of Town Close House Educational Trust Limited (the 'charitable company') for the year ended 31 July 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

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**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

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

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

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

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

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

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**Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**J Grimmer FCA DChA (Senior statutory auditor)**

for and on behalf of  
**Larking Gowen LLP**  
Statutory Auditors  
Norwich  
King Street House  
15 Upper King Street  
Norwich  
Norfolk  
NR3 1RB

14 December 2020

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 JULY 2020**

	Note	General funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>					
Charitable activities:					
School fees		5,161,949	-	5,161,949	5,302,479
School trips		31,282	-	31,282	82,743
Holiday activities		69,680	-	69,680	73,412
Income from other activities	4	145,439	160,193	305,632	186,450
<b>Total income</b>		<b>5,408,350</b>	<b>160,193</b>	<b>5,568,543</b>	<b>5,645,084</b>
<b>Expenditure on:</b>					
Costs of generating funds					
Fundraising and publicity		31,854	-	31,854	39,069
Charitable activities:					
School expenses	5	4,675,266	-	4,675,266	4,805,366
School trips		40,306	-	40,306	107,276
Repairs, renewals and grounds		164,734	-	164,734	196,760
Interest payable		31,470	-	31,470	58,439
Other support cost - governance		78,283	-	78,283	82,703
<b>Total expenditure</b>		<b>5,021,913</b>	<b>-</b>	<b>5,021,913</b>	<b>5,289,613</b>
<b>Net income</b>		<b>386,437</b>	<b>160,193</b>	<b>546,630</b>	<b>355,471</b>
Transfers between funds	14	160,193	(160,193)	-	-
<b>Net income</b>		<b>546,630</b>	<b>-</b>	<b>546,630</b>	<b>355,471</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		7,437,553	-	7,437,553	7,082,082
Net movement in funds		546,630	-	546,630	355,471
<b>Total funds carried forward</b>		<b>7,984,183</b>	<b>-</b>	<b>7,984,183</b>	<b>7,437,553</b>

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

The notes on pages 16 to 31 form part of these financial statements.

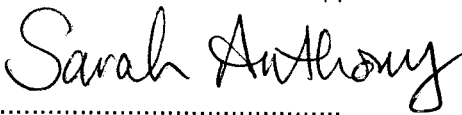
**TOWN CLOSE HOUSE EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 00940118**

**BALANCE SHEET**  
**AS AT 31 JULY 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	9	150,000	175,000
Tangible assets	10	8,216,850	8,078,565
		<u>8,366,850</u>	<u>8,253,565</u>
<b>Current assets</b>			
Debtors	11	113,548	152,918
Cash at bank and in hand		1,453,465	1,113,590
		<u>1,567,013</u>	<u>1,266,508</u>
Creditors: amounts falling due within one year	12	(1,075,041)	(1,136,585)
<b>Net current assets</b>		<u>491,972</u>	<u>129,923</u>
<b>Total assets less current liabilities</b>		<u>8,858,822</u>	<u>8,383,488</u>
Creditors: amounts falling due after more than one year	13	(874,639)	(945,935)
<b>Total net assets</b>		<u><u>7,984,183</u></u>	<u><u>7,437,553</u></u>
<b>Charity funds</b>			
Unrestricted funds	14	7,984,183	7,437,553
<b>Total funds</b>		<u><u>7,984,183</u></u>	<u><u>7,437,553</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

  
.....  
**Ms S J Anthony**

  
.....  
**Mr A J Fish**

Date: 20 November 2020

The notes on pages 16 to 31 form part of these financial statements.

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

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 JULY 2020**

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	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	861,456	899,447
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(471,581)	(358,291)
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	(471,581)	(358,291)
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
Repayments of borrowing	(50,000)	(1,285,969)
	<hr/>	<hr/>
<b>Net cash used in financing activities</b>	(50,000)	(1,285,969)
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>	339,875	(744,813)
Cash and cash equivalents at the beginning of the year	1,113,590	1,858,403
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	<u>1,453,465</u>	<u>1,113,590</u>

The notes on pages 16 to 31 form part of these financial statements

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**1. General information**

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

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Town Close House Educational Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

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

Further detail is provided in the Trustees' report.

**2.3 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Intangible assets and amortisation**

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

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

Amortisation is provided on the following basis:

Programme related investment - 15 years

**2.6 Tangible fixed assets and depreciation**

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**2. Accounting policies (continued)**

**2.6 Tangible fixed assets and depreciation (continued)**

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

Depreciation is provided on the following bases:

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

**2.7 Debtors**

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

**2.8 Cash at bank and in hand**

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

**2.9 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

**2.10 Financial instruments**

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

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**2. Accounting policies (continued)**

**2.11 Operating leases**

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

**2.12 Pensions**

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

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

**2.13 Fund accounting**

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**3. Turnover**

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<b>£</b>
Gross Fees	<b>5,836,289</b>	<i>5,679,404</i>
Less: Bursaries and remissions	<b>(345,033)</b>	<i>(376,925)</i>
Less: Covid-19 discount	<b>(329,307)</b>	<i>-</i>
	<b>5,161,949</b>	<i>5,302,479</i>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

**4. Income from other activities**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Swimming pool income	21,247	-	<b>21,247</b>	41,106
Other hirings	15,864	-	<b>15,864</b>	20,104
After School care income	56,762	-	<b>56,762</b>	72,027
Other income	21,652	-	<b>21,652</b>	21,079
Fundraising	4,752	-	<b>4,752</b>	8,647
Music lessons	25,162	-	<b>25,162</b>	23,487
Coronavirus Job Retention Scheme grant	-	160,193	<b>160,193</b>	-
	<u>145,439</u>	<u>160,193</u>	<u><b>305,632</b></u>	<u>186,450</u>

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

**5. School Expenses**

	2020 £	2019 £
Teaching salaries	<b>2,873,514</b>	2,794,664
Domestic and grounds staff salaries	<b>405,096</b>	459,737
Housekeeping and provisions	<b>347,112</b>	407,523
Depreciation	<b>333,296</b>	333,040
Amortisation	<b>25,000</b>	25,000
Teaching materials and other school expenses	<b>212,599</b>	288,274
General support costs - staff costs	<b>360,277</b>	366,926
- other	<b>118,372</b>	130,202
	<u><b>4,675,266</b></u>	<u>4,805,366</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

**6. Governance costs**

	<b>2020</b>	2019
	£	£
Staff costs	<b>35,632</b>	31,359
Audit fees	<b>8,955</b>	7,237
Professional fees	<b>20,544</b>	31,142
General office expenses	<b>13,152</b>	12,965
	<b>78,283</b>	82,703
	<b>78,283</b>	82,703

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

**7. Auditors' remuneration**

	<b>2020</b>	2019
	£	£
Fees payable to the company's auditor for the audit of the company's annual accounts	<b>8,955</b>	7,237
	<b>8,955</b>	7,237

**8. Staff costs**

	<b>2020</b>	2019
	£	£
Wages and salaries	<b>2,968,954</b>	3,035,142
Social security costs	<b>230,969</b>	216,792
Contribution to pension schemes	<b>474,596</b>	372,749
	<b>3,674,519</b>	3,624,683
	<b>3,674,519</b>	3,624,683

Staff costs include a sum of £31,370 in respect of redundancy settlements (2019: nil).

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**8. Staff costs (continued)**

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

	<b>2020</b>	2019
	<b>No.</b>	No.
Average no. of employees	<b>128</b>	130

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

	<b>2020</b>	2019
	<b>No.</b>	No.
In the band £70,001 - £80,000	<b>1</b>	1
In the band £100,001 - £110,000	<b>1</b>	1

Company pension contributions in respect of the employee whose earnings were between £70,001 and £80,000 were £22,438 (2019: £16,022). Company pension contributions in respect of the employee whose earnings were between £100,001 and £110,000 were £17,772 (2019: £12,114).

The key management personnel comprise the Headmaster and the Bursar. The total employee remuneration (including employer's national insurance costs) of the key management personnel was £221,035 (2019: £205,339).

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**9. Intangible assets**

	<b>Programme Related Investments £</b>
<b>Cost</b>	
At 1 August 2019	<b>375,000</b>
At 31 July 2020	<b>375,000</b>
<b>Amortisation</b>	
At 1 August 2019	<b>200,000</b>
Charge for the year	<b>25,000</b>
At 31 July 2020	<b>225,000</b>
<b>Net book value</b>	
At 31 July 2020	<b>150,000</b>
<i>At 31 July 2019</i>	<i>175,000</i>

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

**10. Tangible fixed assets**

	Freehold property £	Motor vehicles £	Furniture, fittings and equipment £	Assets in the course of construction £	Total £
<b>Cost or valuation</b>					
At 1 August 2019	11,101,994	215,520	1,702,561	328,056	13,348,131
Additions	40,202	-	84,069	347,310	471,581
At 31 July 2020	<u>11,142,196</u>	<u>215,520</u>	<u>1,786,630</u>	<u>675,366</u>	<u>13,819,712</u>
<b>Depreciation</b>					
At 1 August 2019	3,662,692	168,578	1,438,296	-	5,269,566
Charge for the year	214,920	13,761	104,615	-	333,296
At 31 July 2020	<u>3,877,612</u>	<u>182,339</u>	<u>1,542,911</u>	<u>-</u>	<u>5,602,862</u>
<b>Net book value</b>					
At 31 July 2020	<u><u>7,264,584</u></u>	<u><u>33,181</u></u>	<u><u>243,719</u></u>	<u><u>675,366</u></u>	<u><u>8,216,850</u></u>
At 31 July 2019	<u><u>7,439,302</u></u>	<u><u>46,942</u></u>	<u><u>264,265</u></u>	<u><u>328,056</u></u>	<u><u>8,078,565</u></u>

**11. Debtors**

	2020 £	2019 £
<b>Due within one year</b>		
Trade debtors	25,883	47,339
Prepayments and accrued income	87,665	105,579
	<u><u>113,548</u></u>	<u><u>152,918</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

**12. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Bank loans	50,000	50,000
Fee deposits	21,600	20,700
Trade creditors	71,498	122,805
Other taxation and social security	62,916	63,784
Fees in advance	681,947	640,293
Other creditors	81,839	46,138
Accruals and deferred income	105,241	192,865
	<u>1,075,041</u>	<u>1,136,585</u>

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

	2020 £	2019 £
Bank loans	737,500	787,500
Fee deposits	137,139	158,435
	<u>874,639</u>	<u>945,935</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2020 £	2019 £
<b>Bank loans</b>		
Amount due in less than one year	50,000	50,000
Amount due within one to two years	50,000	50,000
Amount due within two to five years	150,000	150,000
Amount due over 5 years	537,500	587,500
	<u>787,500</u>	<u>837,500</u>

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

**14. Statement of funds**

**Statement of funds - current year**

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2020 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Designated Funds	84,263	-	-	-	84,263
<b>General funds</b>					
Unrestricted funds	7,353,290	5,408,350	(5,021,913)	160,193	7,899,920
<b>Total Unrestricted funds</b>	<b>7,437,553</b>	<b>5,408,350</b>	<b>(5,021,913)</b>	<b>160,193</b>	<b>7,984,183</b>
<b>Restricted funds</b>					
Government grants	-	160,193	-	(160,193)	-
<b>Total of funds</b>	<b>7,437,553</b>	<b>5,568,543</b>	<b>(5,021,913)</b>	<b>-</b>	<b>7,984,183</b>

Following a receipt of a donation of £84,263 in 2013 the Governors decided to designate these funds to specific projects in the future in the name of the Timothy Alston Foundation. There have been no movements in this fund since receipt.

The transfer between unrestricted and restricted funds reflects the CJRS government grant being applied to fund the costs of furloughed staff.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

**14. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 August 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 July 2019 £</i>
<b>Unrestricted funds</b>				
<b>Designated funds</b>				
Designated Funds	84,263	-	-	84,263
<b>General funds</b>				
Unrestricted funds	6,997,819	5,645,084	(5,289,613)	7,353,290
<b>Total Unrestricted funds</b>	<b>7,082,082</b>	<b>5,645,084</b>	<b>(5,289,613)</b>	<b>7,437,553</b>

**15. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Tangible fixed assets	8,216,850	<b>8,216,850</b>
Intangible fixed assets	150,000	<b>150,000</b>
Current assets	1,567,013	<b>1,567,013</b>
Creditors due within one year	(1,075,041)	<b>(1,075,041)</b>
Creditors due in more than one year	(874,639)	<b>(874,639)</b>
<b>Total</b>	<b>7,984,183</b>	<b>7,984,183</b>

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**15. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior period**

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	8,078,565	8,078,565
Intangible fixed assets	175,000	175,000
Current assets	1,266,508	1,266,508
Creditors due within one year	(1,136,585)	(1,136,585)
Creditors due in more than one year	(945,935)	(945,935)
<b>Total</b>	<u><u>7,437,553</u></u>	<u><u>7,437,553</u></u>

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

	<b>2020 £</b>	<b>2019 £</b>
Net income for the period (as per Statement of Financial Activities)	<u><b>546,630</b></u>	<u>355,471</u>
<b>Adjustments for:</b>		
Depreciation charges	<b>333,296</b>	333,040
Amortisation charges	<b>25,000</b>	25,000
Decrease/(increase) in debtors	<b>39,370</b>	(41,177)
Increase/(decrease) in creditors	<b>(82,840)</b>	227,113
<b>Net cash provided by operating activities</b>	<u><u><b>861,456</b></u></u>	<u><u>899,447</u></u>

**17. Analysis of cash and cash equivalents**

	<b>2020 £</b>	<b>2019 £</b>
Cash at bank and in hand	<u><b>1,453,465</b></u>	<u>1,113,590</u>
<b>Total cash and cash equivalents</b>	<u><u><b>1,453,465</b></u></u>	<u><u>1,113,590</u></u>

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**18. Analysis of changes in net debt**

	At 1 August 2019	Cash flows	Other non- cash changes	At 31 July 2020
	£	£	£	£
Cash at bank and in hand	1,113,590	339,875	-	1,453,465
Debt due within 1 year	(50,000)	50,000	(50,000)	(50,000)
Debt due after 1 year	(787,500)	-	50,000	(737,500)
	<u>276,090</u>	<u>389,875</u>	<u>-</u>	<u>665,965</u>

**19. Capital commitments**

	2020	2019
	£	£
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	-	188,000
	<u>-</u>	<u>188,000</u>

**20. Pension commitments**

The School participates in the Teachers' Pension Scheme ("the TPS") for teaching staff. The pension charge for the year includes contributions payable to the TPS of £335,256 (2019: £276,958) and at the year-end £Nil (2019: £44,029) was accrued in respect of contributions to this scheme. The amounts outstanding at the end of the year are £331 (2019: £331) to the non-teaching staff defined contribution scheme.

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

**Teachers' Pension Scheme**

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

**Valuation of the Teachers' Pension Scheme**

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

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**20. Pension commitments (continued)**

benefits and many other factors.

The previous actuarial valuation was carried out as at 31 March 2012 and determined the contributions for the period, which were paid at a rate of 16.48%. This rate has been paid since September 2015.

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%).

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

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

**Scheme changes**

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

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

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

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**21. Operating lease commitments**

At 31 July 2020 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
<b>Operating leases which expire</b>		
Not later than 1 year	15,864	27,951
Later than 1 year and not later than 5 years	41,081	37,594
Later than 5 years	123,875	131,875
	<u>180,820</u>	<u>197,420</u>

**22. Related party transactions**

Five trustees (2019: 9) had expenses totalling £1,008 (2019: £1,352) reimbursed by the School in relation to travel expenses. During the year, no Trustees received any remuneration or other benefits (2019 - £nil).

Dr R Carroll is the wife of Dr S M Carroll (governor - resigned on 24/03/2020) who is engaged as the School doctor and was paid £4,400 (2019: £5,000) in the year.

The Company is a founding co-member of the Central Norwich Hockey Consortium Limited, a registered charity. The School's funding is recognised as a programme related investment. The School hires the hockey pitch operated by the consortium and during the year fees totalling £7,500 (2019: £6,287) were payable. The School currently expects to use the facilities for a period of 15 years and is amortising the original investment by way of annual grant to the consortium. A grant of £25,000 was made to the consortium in the year (2019: £25,000).