

Registered number: 00940118
Charity number: 311293

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

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

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

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TOWN CLOSE EDUCATIONAL TRUST LIMITED
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2023

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

TOWN CLOSE EDUCATIONAL TRUST LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2023

The Trustees present their report and audited financial statements for the year ended 31 July 2023 which comply with the requirements of the Charities Acts 2011, with other current statutory requirements and with the requirements of the charity's governing document. The Trustees have adopted the provisions of the 2019 Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland" in preparing the annual report and financial statements of the charity.

Principal activity and status

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

Mission and objectives of the School

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

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

Structure, Governance and Management

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

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

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

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

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

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

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

Key Management Personnel – Pay policy for senior staff

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

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

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

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

Public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken. An annual review of this is conducted and reported to the Governing Body and the Trust continues to review its activities regularly to ensure public benefit is a consideration in all decisions. To this end, public benefit is a regular agenda item for meetings of the SMT, Heads of Department have public benefit as a reporting criteria and it is regularly discussed at common room meetings.

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

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

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

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

Public benefit (continued)

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

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

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

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

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

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

Strategic objectives and achievements

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

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

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

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

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

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

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

Operational performance

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

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

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

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

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

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

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

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

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

Financial review and reserves policy

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

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

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

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

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

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

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

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

Objectives and Plans

Objectives for the next year and the medium term include:

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

Investment power

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

Asset cover for funds

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

Systems review and risk management

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

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

Statement of Trustees' responsibilities

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

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

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

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

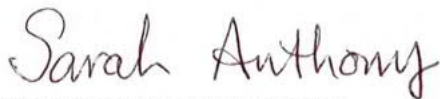
In so far as each of the Trustees is aware:

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

Auditor

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

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



.....
Ms S J Anthony

Date: 15th MARCH 2024

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

Opinion

We have audited the financial statements of Town Close Educational Trust Limited (the 'charitable company') for the year ended 31 July 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

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

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

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

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

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

Use of our report

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



J Grimmer FCA DChA (Senior statutory auditor)

for and on behalf of

Larking Gowen LLP

Statutory Auditors

Norwich

1st Floor Prospect House

Rouen Road

Norwich

Norfolk

NR1 1RE

Date: 3 April 2024

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

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

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

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

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


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


BALANCE SHEET
AS AT 31 JULY 2023

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

Date: 15th MARCH 2024

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

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2023

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

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

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

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

1. General information

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

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

2.2 Going concern

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

Further detail is provided in the Trustees' report.

2.3 Income

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

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

2.4 Expenditure

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

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

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

2. Accounting policies (continued)

2.4 Expenditure (continued)

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

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

All expenditure is inclusive of irrecoverable VAT.

2.5 Investments

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

2.6 Tangible fixed assets and depreciation

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

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

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

Depreciation is provided on the following bases:

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

2.7 Debtors

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

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

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

2. Accounting policies (continued)

2.8 Cash at bank and in hand

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

2.9 Liabilities and provisions

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

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

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

2.10 Financial instruments

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

2.11 Operating leases

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

2.12 Pensions

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

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

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

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

2. Accounting policies (continued)

2.13 Fund accounting

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

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

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

3. School fees

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

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

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

4. Income from other activities

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

5. School Expenses

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

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

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

6. Governance costs

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

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

7. Auditors' remuneration

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

8. Staff costs

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

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

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

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

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

8. Staff costs (continued)

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

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

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

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

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

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

9. Investments

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

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

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

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

10. Tangible fixed assets

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

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

	2023 £	2022 £
Land	1,925,062	1,925,062
Buildings	5,274,603	5,453,541
	<u>7,199,665</u>	<u>7,378,603</u>

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

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

11. Debtors

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

12. Creditors: Amounts falling due within one year

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

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

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

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

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

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

	2023 £	2022 £
Bank loans	-	637,500
Fee deposits	139,239	141,039
	<u>139,239</u>	<u>778,539</u>

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

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

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

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

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

14. Statement of funds

Statement of funds - current year

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

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

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

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

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

14. Statement of funds (continued)

Statement of funds - prior year

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

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

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

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

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

Analysis of net assets between funds - prior year

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

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

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

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

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

17. Analysis of cash and cash equivalents

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

18. Analysis of changes in net debt

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

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

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

19. Pension commitments

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

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

Teachers' Pension Scheme

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

Valuation of the Teachers' Pension Scheme

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

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

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

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

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

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

TOWN CLOSE EDUCATIONAL TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

20. Operating lease commitments

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

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

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

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

21. Related party transactions

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

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

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

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

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

