

**Registered number: 00485947**  
**Charity number: 312057**

**TORMEAD LIMITED**  
**(A company limited by guarantee)**

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

**TORMEAD LIMITED**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2023**

|                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>                  | <p>M Howse LLB *~, Chair<br/> A L Cullum BA PGCE NPQH +<br/> R B Finnan BSc (Hons) MRICS * (appointed 1 October 2022)<br/> S A Geary * (resigned 30 October 2022)<br/> R Harris BA ACA, Chair ~ (resigned 21 March 2023)<br/> K Jefferies MBBS MSc MRCPsych + (appointed 1 October 2022)<br/> Dr C M Kissin MB ChB MRCP FRCR +^<br/> Prof G Miller BSc MSc PhD PGCE +<br/> S G Newnes-Smith ACA *~<br/> P J O'Keefe RIBA MCIQB MIMgt* (resigned 28 June 2023)<br/> A R C Spender BSc FIA +~<br/> F Thompson LLB * (appointed 25 October 2022)<br/> J Watkins FCA +~<br/> C Zagorski MB BChir FRCR MA (Cantab) + (appointed 1 October 2022)</p> <p>*Members of the Finance and General Purposes Committee<br/> +Members of the Academic Committee<br/> ~Members of the HR and Remuneration Committee<br/> ^Designated Safeguarding Governor</p> |
| <b>Company registered number</b> | 00485947                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Charity registered number</b> | 312057                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Registered office</b>         | Tormead Limited<br>Cranley Road<br>Guildford<br>GU1 2JD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Bursar</b>                    | S Lehrter MA (Oxon) ACIB                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Head</b>                      | D Boyd MA (Oxon) MA (UCL) PGCE (Cantab)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Independent auditors</b>      | James Cowper Kreston Audit<br>Reading Bridge House<br>George Street<br>Reading<br>Berkshire<br>RG1 8LS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Bankers</b>                   | Lloyds Bank Plc<br>Connaught House<br>Alexandra Terrace<br>Guildford<br>GU1 3DA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Solicitors</b>                | Farrer & Co<br>66 Lincoln's Inn Fields<br>London<br>WC2A 3LH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

**TORMEAD LIMITED**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

The Trustees present their annual report, together with the audited financial statements of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

**OBJECTS, AIMS AND ACTIVITIES**

**Objects**

The school was founded in 1905 and its objects, as set out in its governing document, are the advancement of education through the provision of a school or schools for girls and boys. Tormead School is the operating name of Tormead Limited. It is a charity established as a company limited by guarantee, registration number 485947.

The school provides education in Guildford for girls from the ages of 4 to 18. It is the aim of the school to attain the highest academic levels whilst providing an extra-curricular programme that seeks to develop a life-long love of learning and a desire to contribute to the community. It also looks to prepare pupils for life at university and beyond.

The school does not benefit from endowment income and therefore makes a proportion of gross fee income available to provide fee assistance to pupils who would not otherwise be able to join or remain at the school.

**Our aims**

- We provide an outstanding all-round education for girls that is modern, progressive and diverse
- We nurture and develop girls' confidence and skills, providing a safe space in which they can take risks
- We promote subjects and careers where women have historically been under-represented
- We foster a culture of respect, inclusion and kindness towards each other
- We prepare our girls for life beyond school
- We encourage our girls to contribute to their communities
- We listen to staff, pupils and parents and are open to feedback
- We celebrate the effort and achievement of our community.

**Our Ethos**

Tormead School is a charitable trust which seeks to benefit the public through the pursuit of its aims. Fees are set at a level both to ensure the financial viability of the school and to facilitate delivery of a first-class education.

Tormead School is committed to safeguarding and promoting the welfare of our pupils and expects all staff to share this commitment. In all we do, we strive to keep our pupils safe and appropriately provided for, and this was confirmed by the ISI Compliance inspection undertaken in November 2021, in which the school met all the requirements of the Independent School Standard Regulations, including those that relate to safeguarding.

A further compliance inspection was undertaken by ISI on behalf of the Department for Education in September 2023, in response to the school's request to increase pupil numbers to 850. The school was again confirmed as fully satisfactory in all areas assessed under this process.

**Objectives for the year**

Our objectives are set to reflect our educational aims and the ethos of the school. In setting objectives and planning activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary guidance on advancing education and on fee-charging. Objectives for the year, and strategies to meet these, were:

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

**1. Prepare girls, within a supportive environment, to meet today's challenges**

Pastoral care is at the heart of everything we do at Tormead, focusing on strong and positive relationships between pupils and staff as well as maintaining an open partnership with parents. The relatively small size of our school means that each girl is visible and well-known as the individual she is, with unique needs.

Our purpose-built Wellbeing Centre remains the hub for pupils to engage with our health, welfare and counselling teams.

**2. The pursuit of academic excellence**

Tormead is an academically selective school and results in 2023 are testament to the hard work of our pupils and the dedication of our teaching staff. We continue to review the curriculum to offer the widest choice possible, delivering rigour whilst remaining broad and balanced.

**3. Continued focus on extracurricular activities**

All pupils benefitted from an extracurricular programme tailored to their interests and needs, with a wide range of different clubs and activities on offer, providing opportunities for leadership, community engagement, sporting achievement and other interests.

Our three-year joint 6th Form expedition schedule with RGS Guildford started with a joint trip to Vietnam over the summer, followed by Nepal this autumn.

**4. A leading position at the cutting edge of IT in education**

As a school committed to technological excellence and innovation in support of delivering our curriculum, Tormead continues to hold Apple Distinguished School status. September saw the roll-out of over 200 new Apple devices to pupils and staff, and we continue to provide state of the art facilities in all teaching spaces.

During the year, the wifi equipment was upgraded in the main senior school building to allow for better monitoring, management and troubleshooting of our wireless devices.

**5. An aspirational and ambitious Sixth Form**

The Sixth Form continues to have an academic focus with extensive opportunities for girls to take part in intellectual life beyond their individual subjects. Extended Project Qualification (EPQ) continued to provide the opportunity to undertake more in-depth research into chosen topics, and our programme of external speakers introduced the girls to a wide variety of life experiences as well as widening subject knowledge.

We continued to develop the programme of events with RGS Guildford. This year saw both the return of the joint Prefects' Dinner at Tormead, followed by a reciprocal summer BBQ and games evening hosted by RGS.

**6. The further development of external links with parents and the community**

The school has continued to see increasing levels of parental involvement as the number and scale of events in the Tormead calendar has continued to increase.

In addition, work to foster relationships with our network of old girls through our Alumnae and Development Office has continued. A number of networking events were held, with alumnae returning to present to our community on their journey post Tormead.

**7. The optimisation of the site**

September 2022 saw the opening of our new, fully refurbished 6th Form Centre. Our new, state-of-the-art Wellbeing Centre became fully operational, and during the year a further £1.1m was spent upgrading school facilities and continuing the delivery of projects in our site 'masterplan'.

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

Work commenced on the former residential property at 15 Hillier Road to provide further teaching facilities for the growing Prep School. This started with the conversion of the old garage to a new music room, and will continue in 2023-2024 with work to the ground and first floors and outside spaces.

We have developed new 'prototype' classroom spaces, incorporating learning walls, modern furniture, and air conditioning, which will in due course be rolled out across the school.

We continue to progress our partnership project with Guildford County School for the development and improvement of the sports facilities at the Urnfield, a sports ground situated around 5 minutes from Tormead by minibus. This includes a full-size artificial hockey pitch, athletics track, new facilities for field sports, a grass football pitch, and the installation of cricket nets. The use of the ground will be shared, with both schools considering it to be their home ground.

Planning permission was finally granted for the proposed scheme following an appeal hearing in September 2022. We are now in the process of fulfilling the planning officer's final pre-commencement condition, involving complex ecological matters, and expect construction to begin in 2024.

### **Future developments**

The above objectives will continue to be central to the future development of the school; our strategic goals for 2023-2024 can be summarised as follows:

- Our educational offering is consistently excellent
- Our pastoral care is consistently excellent
- School leadership is consistently excellent
- To make Tormead a first choice for parents in the Guildford and wider Surrey area, when they are thinking about their daughter's education
- To make Tormead a first choice for teachers when we recruit and to create a working environment that retains the best staff
- To grow our community at both the top end (Sixth Form) and the start (Prep) to be a more resilient organisation
- To develop our alumnae community and build a community for life
- To develop meaningful partnerships to make a valuable contribution to the wider community
- To build our development capacity to support bursaries and facilities projects
- To develop our school estate to be leading within the area
- Ensure prudent management of the school's finances, mindful of current and future pressures in the sector, to assure delivery of our ambitious targets.

### **PUBLIC BENEFIT**

#### **Bursary policy**

The Trustees are committed to ensuring that financial assistance is available, within the means of the school, for families who would not otherwise be able to afford the fees, or to relieve hardship where a pupil's education might be at risk. Our bursary awards are available to all who meet our general entrance requirements and are made solely on the basis of parental means. The financial needs assessment is made in conjunction with an independent assessor, with awards made by the Bursary Committee.

The Trustees are aware that the school has no endowments from which to draw funds to meet the financial commitments of bursaries, all the charity's income coming solely from fees. There is therefore a balance to be struck in the number of bursaries awarded and the fees being received from other parents that subsidise the scheme.

Bursary awards can be for up to 100% of fees. Entrance Bursaries are awarded on entry to the school at Year 7 and Year 12. Financial assistance is available for families awarded a bursary with the cost of uniform, educational school trips and public examinations.

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

During the year, the school provided means-tested Entrance Bursaries for 47 pupils whose parents could not afford the full fees, with 15 pupils receiving support of 100% of fees. An additional 4 pupils received some additional financial assistance for part of the year, with means-tested bursary funding totalling £651k.

Beyond the considerable public benefit of providing a high-class education to pupils of the school, which equips them with excellent academic qualifications and instils in them a sense of citizenship and responsibility in later life, the school also provided wider benefits as detailed below.

### **Charitable giving**

Adventure and service is an important part of the education we provide to our pupils and we seek to help them develop their awareness of, involvement in and commitment to the wider community and charity. The students, under staff supervision, undertake a number of fundraising activities during the course of each year. Charities are nominated by the pupils and are approved by the Head or Bursar who, amongst other considerations, check that they are all approved charities. The Assistant Head: Co-Curricular maintains overall oversight of their fundraising activities.

During the 2022/23 academic year the pupils of both Prep and Senior Schools raised over £15,000 for a number of different charities, including the DEC Ukraine appeal. House charities receiving donations include MIND, UNICEF, WWF and Home Start Guildford. Funds were also raised to support DEC fundraising following the earthquakes in Turkey and Syria, BBC Children in Need and Comic Relief.

### **Fundraising**

Tormead has not historically undertaken any activities to raise funds for use by the school. Instead, all equipment and services required by the school to operate have been financed from the school's normal operating expenditure and capital expenditure budgets. As such, the school did not make use of professional fundraisers or commercial participators during the year. This situation is likely to change in 2023-2024, as the Alumnae and Development Office commences fundraising activities in anticipation of the school's 120th birthday in 2025.

There is an active parents' association (Tormead Parents Association – 'TPA') which organises and runs a number of events during the course of each academic year, typically including a fundraising element, either through income from ticket sales exceeding event costs, or through the inclusion of a raffle or auction. This year saw a full return to the TPA's traditional fundraising activities, including the popular Christmas 'Cracker Fair', summer black tie dinner, games evenings and Prep Easter hunt. Whilst the school does not direct the TPA in any way, all events require the prior approval of the Head or Bursar. During the year, the TPA made a donation of £35,000 to the school, which was used towards the purchase of a new minibus.

Neither the school nor any person acting on behalf of the school during the year was subject to an undertaking to be bound by any voluntary scheme for regulating fundraising, or any voluntary standard of fundraising, in respect of activities on behalf of the school. As such, there have been no failures to comply with any such a scheme or standards. The school has received no complaints about the activities of the school or those of persons acting on behalf of the school for the purpose of fundraising.

### **Educational and other benefits to those who are not pupils**

The partnership arrangement with Guildford County School for the redevelopment and expansion of sporting facilities at the Urnfield will create significant benefit for the pupils of Guildford County School, in addition to the benefits afforded to Tormead students. The facilities will also be available for use by the wider community.

Tormead was instrumental in the formation in 2022 of the West Surrey Partnership, a group of schools from both the independent and state sectors, established to work for the mutual benefit of all students and staff in the area, fostering respect, collaboration and citizenship. During the year, pupils benefitted from three partnership days; a Literacy day for KS3, a Wellbeing day for KS2, and a Sustainability Day for KS5.

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

The Guildford 11-19 Partnership is a collaboration of schools, colleges and the University of Surrey. During the year students benefitted from the IMAG programme, which provides opportunities for Interested, Motivated and Able pupils in the area to enrich their knowledge and understanding through a series of workshops and lectures hosted by members.

Over the year, Tormead pupils dedicated 2054 hours to volunteering as part of their Duke of Edinburgh Award Scheme, with a social value of £9,879.

Regular community volunteering formed part of the Sixth Form timetable. Sixth Form students volunteer at local primary schools, nurseries, charity shops and schools for disabled children. During the school year a total of 1416 hours, with a social value of £6,796.80, were undertaken by Sixth Formers. Tormead students volunteer with the following organisations: Sayers Croft, St. Joseph Trust, Albury Care Home, St. Joseph's Catholic Primary School, Boxgrove Primary School, Holy Trinity Junior School, and the Shooting Star Charity.

### **REVIEW OF ACTIVITIES AND ACHIEVEMENTS**

Pupil numbers were 788 at the end of the Summer term 2023, made up of 185 in the Prep School and 603 in the Senior School.

#### **Academic Review**

During the year, a full review of the senior school timetable was undertaken, resulting in a 10% per cent increase in contact time across KS3 and KS4 and a 20% increase at KS5.

The appointment of a new Careers Advisor saw a significant growth in personalised provision, with nearly 200 individual appointments conducted over the academic year. Parents and alumnae contributed to a comprehensive careers education programme, introducing their careers to Year 10 through to Year 13 during assemblies, PSHE lessons and specialist careers events. A new work experience programme was launched to Year 11 and Year 12 in June 2023, with 49% of Year 11s and 100% of Year 12 students completing an online or in-person placement. Placements ranged from medicine, law, engineering and finance to theatre, education, charity and the creative arts.

The Oxbridge coordinators continued to provide a structured programme of preparation for our candidates and arranged mock interviews for those girls invited to interview. As ever, the Lower Sixth enjoyed participating in the Young Enterprise Company programme.

In response to the disruptions brought about by the cancellation of exams in 2020 and 2021, the government continues to progress towards its goal of realigning results with pre-pandemic norms, following several years of grade inflation. The Trustees are delighted to report that pupils have demonstrated consistent academic achievement, highlighted by exceptional results at both A level and GCSE. At A level, 61% of our students achieved A\* or A grades, while an impressive 90% secured A\* - B grades, and 97% achieved A\* - C grades.

Our graduating pupils are embarking on diverse academic journeys, with many heading to top universities. Three students have been accepted to study Law, Engineering, and Classics at Cambridge, whilst 67% of our A level cohort have earned a place at Russell Group universities, enrolling in a wide array of programs, including Medicine, Veterinary Medicine, Natural Sciences, Psychology, Mathematics, Physics, Biology, Quantity Surveying, English Literature, History, Public Relations, Sociology, and Marketing.

At GCSE level, 69% of all grades fell within the 7-9 grades, with strong performances across all subjects. The 'Value Added', the measure of progress pupils make over a period of time, was particularly impressive in Mathematics, Computer Science and Physical Education.

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

**Extracurricular**

**Sport**

We were delighted to be able to bring home an abundance of trophies and awards in another extremely successful year for sport, including the following:

Gymnastics - Tormead gymnasts continue to deliver at the highest standard, becoming national champions in 5 out of the 6 Independent Schools' Gymnastics Association competitions, three of the four British Schools' Milano competitions, and two out of the three floor and vault competitions. Many pupils also won individual medals.

Cheerleading and Dance – Tormead dancers and cheerleaders choreographed artistic pieces for both in-house shows and external competitions, winning awards in the Future Cheer Spotlight competition, Destination Dance, Xcite Dance and the We Create Dance Festival.

Netball – a strong season which saw the U16s qualifying for the County Finals of the Mid Surrey Cup, the U14s winning 12 out of 16 of their matches during the season, and some impressive performances in the Conover tournament weekend.

Hockey – Tormead's First team won 13 matches out of 20 and 5 draws. The U12 team delivered 9 wins and 1 draw out of their 12 matches, becoming the Surrey Plate champions.

Rowing - Tormead rowing continues to go from strength to strength with sessions for all year groups in their curriculum games afternoon, as well as their extra-curricular sessions on Saturdays. Over 80 students are now involved with rowing enjoying sessions at Weybridge Ladies Amateur Rowing Club.

Pupils participated in a range of other sports with extensive fixture lists, including cross country, biathlon, swimming, athletics, football, cricket and tennis.

**Music**

Music continued to thrive at Tormead, with two large-scale concerts showcasing the talents of our whole music community: the Christmas Spectacular and Spring Concert, each featuring more than 150 performers. The Tormead Singing and Instrumental festivals were introduced, and to extend the reach to the whole school community, senior and junior choirs were launched, to complement our auditioned choirs. Evensong performances at Winchester and Portsmouth cathedrals continued, and the spring term saw a sell-out jazz and pop night. An endangered instrument scheme was introduced, encouraging Tormead musicians to learn less commonly played instruments from highly trained teachers.

**Drama**

The academic year kicked off with House drama competitions, getting everyone in the mood for the successful and innovative productions which followed. Audiences were wowed with impressive renderings of Little Women, Bright. Young. Things, and a range of productions devised by our drama club students. The highlight of a fabulous year was a performance of 'Legally Blonde', played over 2 nights on the mainstage at the Yvonne Arnaud theatre. The production involved over 65 students, including a number of boys from George Abbot School in Guildford. LAMDA speech and drama exams took place as usual, with every student passing with either a merit or a distinction this year.

**Clubs and Activities**

In addition to sports, music and drama, the school continued to provide a wide range of clubs and activities for pupils, encouraging involvement in a variety of activities to broaden interests and develop new skills. In addition to art, chess, cookery and robotics, this year saw the introduction of new clubs including Circus Skills, Lego Club, Special Effects Club and Advanced Problem Solving.

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

**Trips and Residential**

A wide variety of day and residential trips were on offer during the school year. As pupils progress through the school, the choice of destinations broadens. The major trips during the year were a sports tour to Malaysia, a biology enrichment trip to Costa Rica and a personal development expedition to Vietnam. Sixth Formers were encouraged to fundraise part of the cost of the more expensive trips themselves.

The trips programme included theatre performances, subject master classes, field trips, Year 10 language residential trips to Paris, Valencia and Cologne, Year 9 'Battlefields' tour in Belgium, a ski trip, and induction/bonding trips for Year 7 and Sixth Form.

Pupils also took part in all levels of the Duke of Edinburgh Award Scheme, with 77 Year 10 students undertaking the Bronze award, 35 Year 11 students starting their Silver award, and 26 Sixth Formers working towards their Gold award. Six Duke of Edinburgh Award Scheme expeditions took place, supported by Tormead staff volunteers.

In May we hosted a group of Nepalese students and their Headmaster from Bhu Pu School in the town of Besishar in Nepal. The visits are part of a wider Nepal Partnership link with RGS Guildford (RGS). In 2019 a team of students and staff from the RGS and Tormead visited the Bhu Pu School, with a follow-up visit taking place in October 2023. These reciprocal visits promote a growth in cultural understanding and learning for all involved.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

Under the Memorandum and Articles of Association of Tormead Limited, control of the company is vested in the Council of Management (also known as the Governing Body), whose Members perform a role equivalent to that of company directors. The Council Members are also the Charity Trustees and the Governors of the school and are responsible for appointing new trustees. New appointments require a three quarters majority vote at a council meeting for the appointment to be approved. Trustees are appointed for a 4-year term and may be re-elected at the end of their term.

The school aims to have a broad range of skills on the trustee body and the current trustees are experienced in the following fields: school and university education, finance, property, business, medicine, engineering and law. Nominations for vacancies as they are anticipated or arise generally are forwarded to the Governing Body for review. Prospective candidates are interviewed by a panel of trustees and the appointment of new governors are presented by the Chair of Governors and Head for the Board's approval.

A recruitment process for new trustees was undertaken during the summer term and 4 new Trustees joined the Board in October 2022, further strengthening the skillset of the Board.

New trustees receive formal induction materials from the Clerk to the Governors, are notified of relevant training courses and encouraged to utilise resources available from the Association of Governing Bodies of Independent Schools (AGBIS). They are invited to visit the School and attend School events wherever possible.

Ongoing training is provided through specialist training presentations to the Board of Governors and its committees.

**Trustees**

Details of trustees who were in office during the year ended 31 August 2023 are listed on page 1. During the year, R Harris (Chair of the Board), S Geary and P O'Keefe resigned. Four new trustees joined in October 2022: C Zagorski, F Thompson, R Finnan and K Jefferies. Trustees serve a four-year term and can offer themselves for re-election, subject to eligibility. M Howse took over as Chair in March 2023. A Spender offered herself to serve for a further 4-year term.

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

**Organisational Structure**

The Full Council met four times. It establishes an overall framework for the governance of the school and delegates certain key responsibilities to its committees. The activities of the committees are monitored through the minutes of their meetings and the ratification of decisions where required. During the year to 31 August 2023 there were three committees:

- Finance and General Purposes Committee, which also serves as the Audit Committee
- Academic Committee
- HR and Remuneration Committee

All committees operate under terms of reference and procedures approved by the Full Council.

The trustees are responsible for setting general policy and strategic direction, adopting operational plans, approving the annual budget and other financial decisions in accordance with the Scheme of Delegation, setting pay policies and determining senior leadership pay.

The day to day running of the school is delegated to the Head and the Bursar, supported by an Executive Leadership Group, Senior Management Team and the Prep School Senior Team.

**Risk management**

The Trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that the school faces
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- The implementation of procedures designed to minimise or manage any potential impact on the school, should those risks materialise.

**Financial risks**

The school's operations expose it to a variety of financial risks. The monitoring of these risks is the responsibility of the Finance and General Purposes Committee.

The Trustees are aware of the uncertain political and economic climate at the present time, particularly the dramatic increase in inflation and cost of living, notably energy and food prices, and how this may impact upon the future pupil numbers at the school. Removal by a Labour government of the VAT exemption on private school fees and other benefits of charitable status applicable to independent schools are likely to affect financial performance. The Trustees continue to exercise prudence in the management of the school's finances to ensure that the impact of problems in the wider economy, or political shifts, is managed effectively, ensuring that the potential impact is regularly monitored through detailed scenario modelling.

The recent increase in the school's capacity to 850 will enable the school to expand, providing further protection against some of the financial uncertainties that lie ahead.

**Credit risk**

Tormead has in place a very clear and well-defined procedure for the collection of all debts. The Bursar ensures that the procedure is followed and that the school enters into early dialogue with any potential debtors to ensure that problems are identified and resolved at an early stage. Where the collection of debts remains problematic, these are referred for a debt collection agency to recovery on our behalf.

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

**Interest rate risk**

The school ensures that its exposure to unfavourable movements in interest rates is minimised by negotiating very favourable terms through its lender by fixing its loans for a number of years so that future repayments are known. The term loan was fixed for 15 years at an extremely favourable rate, and the debt repayments are factored into the school's long-term financial planning to ensure that they are affordable.

**Compliance risk**

The school has robust policies, procedures and processes in place to ensure compliance. Safeguarding and Health and Safety are fundamental to the school's operation and the welfare of pupils and staff is of utmost importance. There are nominated trustees with responsibility for oversight of Safeguarding and E Safety, and the Trustees review the management of Safeguarding at each meeting of Full Council. There is also a nominated trustee for Health and Safety who reports to the Finance and General Purposes Committee each term.

During the year, the school commissioned a professional survey to reassure trustees that none of the school buildings contains RAAC (Reinforced Autoclaved Aerated Concrete). The maintenance of all buildings to the highest standard continues to be a key priority for the estates team.

The Trustees have assessed the major risks to which the Company is exposed, in particular those related to the operations and finances of the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

**Investment powers**

The Trustees are empowered to invest the funds of Tormead Limited in stocks, securities, property or other investments as they think fit and in accordance with trust law. At present, all surplus funds are held in cash in current and appropriate treasury term accounts.

**Pay policy for senior staff**

The Trustees consider the Board of Trustees (who are the directors for the purposes of company law), along with the Head and the Bursar, to be the key management personnel of the charity in charge of directing, controlling, running and operating the school on a day to day basis. Trustees give of their time freely and no trustee received remuneration in the year.

The Trustees consider the remuneration of key management personnel at schools of a similar size and profile to benchmark the salaries of the Head and the Bursar. The Trustees approve the annual pay increase, if any, for all staff at the school and this is applied to the salaries of the Head and the Bursar. In determining the annual pay award, the Trustees consider the maintained sector pay award, the overall economic outlook and the financial position of the school, particularly with reference to the budget for the next year. An element of the pay of the Head and Bursar is also performance-related. The level of award of any performance-related element of remuneration is determined by the HR and Remuneration Committee.

**FINANCIAL REVIEW**

The Statement of Financial Activities is presented on page 15. Total incoming resources amounted to £13,357,479 (2022: £11,777,735), of which £12,178,030 (2022: £11,003,984) was expended as direct charitable expenditure. This increase in income was achieved primarily through the successful recruitment of additional pupils in both the Prep and Senior Schools.

At year end total unrestricted funds increased by £1,179,439 (2022: £773,738).

During the year, £1,109,015 was invested in capital projects for the improvement of the site and computer equipment (2022: £1,797,900). The cash balance at year end was £6,395,212 (2022: £5,479,572).

**TORMEAD LIMITED**  
**(A company limited by guarantee)**

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

**Fixed assets**

The school's land and buildings were valued by King Sturge & Co in 10 December 1999 at £6,975,000. The valuation has not been included in these financial statements.

The net book value of land and buildings in the financial statements is £16,103,325 (2022: £16,474,296). The Trustees believe that the market value of land and buildings held by the school is significantly in excess of the net book value, although no formal valuation has been undertaken since 1999.

As reported above, the school is committed to a joint project with the Guildford County School to upgrade the sports facilities at the Urnfield. The Trustees have elected to proceed with this project and cash reserves will be allocated to the project accordingly.

**Charity reserves**

Reserves are necessary as a contingency for meeting unscheduled repairs and maintenance or unforeseen expenditure. The Trustees monitor the level of reserves on a term by term basis and review the policy on an annual basis. To ensure the school is always in a position to manage its ongoing operations, the governors have agreed the school should retain net current assets equivalent to at least 3 months' salary costs. As at 31 August 2023 net current assets were £4,925,884 with an average 3-month salary cost of £1,826,110, illustrating that this measure was comfortably met.

**Auditors**

Our auditors, James Cowper Kreston have indicated a willingness to continue in office. A resolution to re-appoint the auditors will be proposed at the next meeting of the Full Council of Management.  
Disclosure of information to the auditors

So far as each of the Trustees serving at the time this report is approved are aware:

- There is no relevant audit information of which the auditors are unaware, and
- They have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

*M Howse*

Matthew Howse 19 Jan 2024 10:54:22 GMT (UTC +0)

.....  
**M Howse**  
Chair of Trustees  
Date:

19 January 2024

**TORMEAD LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TORMEAD LIMITED**

**Opinion**

We have audited the financial statements of Tormead Limited (the 'charity') for the year ended 31 August 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 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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.

**TORMEAD LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TORMEAD 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 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.

**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.

**TORMEAD LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TORMEAD LIMITED (CONTINUED)**

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

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.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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.



**Darren O'Connor BSc (Hons) FCCA ACA (Senior statutory auditor)**

for and on behalf of

**James Cowper Kreston Audit**

Reading Bridge House

George Street

Reading

Berkshire

RG1 8LS

Date: 5 April 2024

**TORMEAD LIMITED**  
(A company limited by guarantee)

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

|                                    | Note | Endowment<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|------------------------------------|------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>Income and endowments from:</b> |      |                                 |                                  |                                    |                             |                             |
| Donations and legacies             | 4    | -                               | -                                | 43,416                             | 43,416                      | 3,759                       |
| Other income                       | 6    | -                               | -                                | 1,102,956                          | 1,102,956                   | 656,162                     |
| Charitable activities              | 5    | -                               | -                                | 12,688,000                         | 12,688,000                  | 11,294,701                  |
| Investments                        | 7    | -                               | 10                               | 48,556                             | 48,566                      | 707                         |
| <b>Total income and endowments</b> |      | -                               | 10                               | 13,882,928                         | 13,882,938                  | 11,955,329                  |
| <b>Expenditure on:</b>             |      |                                 |                                  |                                    |                             |                             |
| Charitable activities              | 9    | -                               | -                                | 12,703,489                         | 12,703,489                  | 11,181,578                  |
| <b>Total expenditure</b>           |      | -                               | -                                | 12,703,489                         | 12,703,489                  | 11,181,578                  |
| <b>Net movement in funds</b>       |      | -                               | 10                               | 1,179,439                          | 1,179,449                   | 773,751                     |
| <b>Reconciliation of funds:</b>    |      |                                 |                                  |                                    |                             |                             |
| Total funds brought forward        |      | 119,000                         | 6,575                            | 17,239,302                         | 17,364,877                  | 16,591,126                  |
| Net movement in funds              |      | -                               | 10                               | 1,179,439                          | 1,179,449                   | 773,751                     |
| <b>Total funds carried forward</b> |      | 119,000                         | 6,585                            | 18,418,741                         | 18,544,326                  | 17,364,877                  |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 19 to 35 form part of these financial statements.

**TORMEAD LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 00485947**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

|                                                         | Note | 2023<br>£          | 2022<br>£          |
|---------------------------------------------------------|------|--------------------|--------------------|
| <b>Fixed assets</b>                                     |      |                    |                    |
| Tangible assets                                         | 14   | <b>16,861,724</b>  | 16,878,655         |
|                                                         |      | <u>16,861,724</u>  | <u>16,878,655</u>  |
| <b>Current assets</b>                                   |      |                    |                    |
| Stocks                                                  | 15   | 6,148              | 6,358              |
| Debtors                                                 | 16   | 379,951            | 686,573            |
| Cash at bank and in hand                                |      | 6,395,212          | 5,479,572          |
|                                                         |      | <u>6,781,311</u>   | <u>6,172,503</u>   |
| Creditors: amounts falling due within one year          | 17   | <u>(1,870,643)</u> | <u>(2,251,626)</u> |
| <b>Net current assets</b>                               |      | <b>4,910,668</b>   | 3,920,877          |
| <b>Total assets less current liabilities</b>            |      | <b>21,772,392</b>  | 20,799,532         |
| Creditors: amounts falling due after more than one year | 18   | <u>(3,228,066)</u> | <u>(3,434,655)</u> |
| <b>Net assets</b>                                       |      | <b>18,544,326</b>  | 17,364,877         |
| <b>Total net assets</b>                                 |      | <b>18,544,326</b>  | 17,364,877         |
| <b>Charity funds</b>                                    |      |                    |                    |
| Endowment funds                                         | 19   | 119,000            | 119,000            |
| Restricted funds                                        | 19   | 6,585              | 6,575              |
| Unrestricted funds                                      | 19   | 18,418,741         | 17,239,302         |
| <b>Total funds</b>                                      |      | <b>18,544,326</b>  | 17,364,877         |

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

**TORMEAD LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 00485947**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2023**

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

*M Howse*

Matthew Howse 19 Jan 2024 10:54:22 GMT (UTC +0)

*SG Newnes-Smith*

Suzanne Newnes-Smith 22 Jan 2024 12:36:01 GMT (UTC +0)

.....  
**M Howse**

Chair of Trustees

Date:

19 January 2024

.....  
**S G Newnes-Smith**

Chair of the Finance and General Purposes Committee

Date:

22 January 2024

The notes on pages 19 to 35 form part of these financial statements.

**TORMEAD LIMITED**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

|                                                         | 2023<br>£        | 2022<br>£          |
|---------------------------------------------------------|------------------|--------------------|
| <b>Cash flows from operating activities</b>             |                  |                    |
| Net cash used in operating activities                   | 2,070,519        | 1,896,427          |
| <b>Cash flows from investing activities</b>             |                  |                    |
| Proceeds from the sale of tangible fixed assets         | 125              | -                  |
| Purchase of tangible fixed assets                       | (915,464)        | (1,350,727)        |
| Bank interest receivable                                | 48,556           | 707                |
| <b>Net cash used in investing activities</b>            | <b>(866,783)</b> | <b>(1,350,020)</b> |
| <b>Cash flows from financing activities</b>             |                  |                    |
| Repayments of borrowing                                 | (217,620)        | (212,936)          |
| Finance costs paid                                      | (70,476)         | (75,383)           |
| <b>Net cash used in financing activities</b>            | <b>(288,096)</b> | <b>(288,319)</b>   |
| <b>Change in cash and cash equivalents in the year</b>  | <b>915,640</b>   | <b>258,088</b>     |
| Cash and cash equivalents at the beginning of the year  | 5,479,572        | 5,221,484          |
| <b>Cash and cash equivalents at the end of the year</b> | <b>6,395,212</b> | <b>5,479,572</b>   |

The notes on pages 19 to 35 form part of these financial statements

**TORMEAD LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**1. General information**

The school is a registered charity and private company limited by guarantee, incorporated in England and Wales. The members of the charitable Company are the Trustees named on page 1. The registered office is Tormead School, Cranley Road, Guildford, Surrey, GU1 2JD. In the event of the charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable Company.

The School functional and presentational currency is GBP.

**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.

Tormead 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 Income**

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably. Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school. Income from government grants is recognised when the charity has entitlement to the funds, and any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

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

All expenditure is inclusive of irrecoverable VAT.

**2.4 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**TORMEAD LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**2. Accounting policies (continued)**

**2.5 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 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             | - Nil                                                                        |
| Freehold building         | - On a straight-line basis over 10-25 years.<br>Once they have come into use |
| Minibus                   | - On a straight-line basis over 5 years                                      |
| Fixtures and fittings     | - On a straight-line basis over 5 years                                      |
| Computer equipment        | - On a straight-line basis over 3 years                                      |
| Assets under construction | - Nil                                                                        |

**2.6 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**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 Charity 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.

**TORMEAD LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**2. Accounting policies (continued)**

**2.10 Financial instruments**

The Charity 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**

The Charity operates a defined contribution pension scheme for non-teaching staff and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

The Charity contributes to the governments Teachers Pension Scheme, a defined benefit scheme. However, the Charity's liability to the scheme is limited to the extent of contributions payable. Contributions are charged through the Statement of Financial Activities when they are incurred and relate to unrestricted funds.

**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 Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity 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.

Investment income, gains and losses are allocated to the appropriate fund.

**TORMEAD LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**3. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

**Fixed assets:**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. These are re-assessed annually and amended when necessary to reflect current estimates. See accounting policy 2.5 and note 14.

**4. Income from donations and legacies**

|                   | <b>Unrestricted<br/>funds<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> |
|-------------------|----------------------------------------------|---------------------------------------|---------------------------------------|
| Donations         | 42,995                                       | <b>42,995</b>                         | 300                                   |
| Government grants | 421                                          | <b>421</b>                            | 3,459                                 |
|                   | <u>43,416</u>                                | <u><b>43,416</b></u>                  | <u>3,759</u>                          |
| Total 2022        | <u>3,759</u>                                 | <u>3,759</u>                          |                                       |

**TORMEAD LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**5. Income from charitable activities - Fee income**

|                      | <b>Unrestricted<br/>funds<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> |
|----------------------|----------------------------------------------|---------------------------------------|---------------------------------------|
| Gross fees           | 13,743,027                                   | <b>13,743,027</b>                     | 12,236,323                            |
| Less: Bursaries      | (651,244)                                    | <b>(651,244)</b>                      | (590,559)                             |
| Scholarships         | (221,287)                                    | <b>(221,287)</b>                      | (224,182)                             |
| Staff discounts      | (147,400)                                    | <b>(147,400)</b>                      | (97,367)                              |
| Sister discounts     | (32,939)                                     | <b>(32,939)</b>                       | (25,572)                              |
| Advance fee discount | (2,157)                                      | <b>(2,157)</b>                        | (3,942)                               |
|                      | <u>12,688,000</u>                            | <u><b>12,688,000</b></u>              | <u>11,294,701</u>                     |
| Total 2022           | <u>11,294,701</u>                            | <u><b>11,294,701</b></u>              |                                       |

**6. Other income**

|                                                               | <b>Unrestricted<br/>funds<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> |
|---------------------------------------------------------------|----------------------------------------------|---------------------------------------|---------------------------------------|
| Registration fees, reimbursed disbursements and sundry income | 543,551                                      | <b>543,551</b>                        | 440,490                               |
| Trip income*                                                  | 559,405                                      | <b>559,405</b>                        | 215,672                               |
|                                                               | <u>1,102,956</u>                             | <u><b>1,102,956</b></u>               | <u>656,162</u>                        |
| Total 2022                                                    | <u>656,162</u>                               | <u><b>656,162</b></u>                 |                                       |

\* Trip income includes payments from pupils for residential and day trips of £559,405 (2022: £215,672).

**TORMEAD LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**7. Investment income**

|                          | Restricted<br>funds<br>2023<br>£ | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|--------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Bank interest receivable | 10                               | 48,556                             | <b>48,566</b>               | 707                         |
| Total 2022               | -                                | 707                                | 707                         |                             |

**8. Analysis of expenditure on charitable activities**

|                | Staff costs<br>2023<br>£ | Other<br>2023<br>£ | Depreciation<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|----------------|--------------------------|--------------------|---------------------------|-----------------------------|-----------------------------|
| Teaching costs | 6,379,926                | 950,356            | 72,198                    | <b>7,402,480</b>            | 6,690,257                   |
| Welfare        | 161,292                  | 605,004            | 14,051                    | <b>780,347</b>              | 737,538                     |
| Premises       | 262,491                  | 1,059,713          | 980,777                   | <b>2,302,981</b>            | 2,100,702                   |
| Support costs  | 500,732                  | 1,582,328          | 22,013                    | <b>2,105,073</b>            | 1,532,379                   |
| Finance costs  | -                        | 112,608            | -                         | <b>112,608</b>              | 120,702                     |
|                | <b>7,304,441</b>         | <b>4,310,009</b>   | <b>1,089,039</b>          | <b>12,703,489</b>           | <b>11,181,578</b>           |
| Total 2022     | 6,580,696                | 3,505,882          | 917,406                   | 11,003,984                  |                             |

**9. Analysis of expenditure by activities**

|                                       | Direct costs<br>2023<br>£ | Support<br>costs<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|---------------------------------------|---------------------------|-------------------------------|-----------------------------|-----------------------------|
| Analysis of expenditure by activities | 10,485,808                | 2,217,681                     | <b>12,703,489</b>           | 11,181,578                  |
| Total 2022                            | 9,528,497                 | 1,653,081                     | 11,181,578                  |                             |

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**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

|                                       | Activities<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|---------------------------------------|-------------------------|-----------------------------|-----------------------------|
| Staff costs                           | 500,732                 | 500,732                     | 419,272                     |
| Depreciation                          | 22,013                  | 22,013                      | 7,434                       |
| Travel costs                          | 343,514                 | 343,514                     | 345,573                     |
| Insurance                             | 60,966                  | 60,966                      | 38,943                      |
| Legal and professional                | 238,544                 | 238,544                     | 119,948                     |
| Books, journals, IT costs             | 15,477                  | 15,477                      | 31,043                      |
| Other office costs                    | 342,173                 | 342,173                     | 319,607                     |
| Interest on bank loans and overdrafts | 70,476                  | 70,476                      | 75,383                      |
| Bad debt charge                       | 42,132                  | 42,132                      | 45,319                      |
| Trip expenditure*                     | 560,985                 | 560,985                     | 221,373                     |
| Governance                            | 20,669                  | 20,669                      | 29,186                      |
|                                       | <u>2,217,681</u>        | <u>2,217,681</u>            | <u>1,653,081</u>            |
| Total 2022                            | <u>1,653,081</u>        | <u>1,653,081</u>            |                             |

\* Trip expenditure includes £560,985 (2022: £221,373) payable for residential and day trips.

**10. Auditors' remuneration**

|                                                                                                   | 2023<br>£    | 2022<br>£    |
|---------------------------------------------------------------------------------------------------|--------------|--------------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts              | 18,000       | 19,975       |
| Fees payable to the Charity's auditor in respect of:<br>All non-audit services not included above | <u>2,400</u> | <u>3,230</u> |

**11. Taxation**

As a charity, the School is exempt from tax on income and gains in accordance with current tax legislation to the extent that these are applied to its charitable objects. No tax charge has arisen in the Charity.

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**12. Staff costs**

|                                 | 2023<br>£        | 2022<br>£        |
|---------------------------------|------------------|------------------|
| Wages and salaries              | 5,704,436        | 5,135,946        |
| Social security costs           | 607,051          | 534,674          |
| Contribution to pension schemes | 992,954          | 910,076          |
|                                 | <u>7,304,441</u> | <u>6,580,696</u> |

The average number of permanent employees employed by the Charity was 165 (2022: 149) and the full time equivalent is as follows:

|                | 2023<br>No. | 2022<br>No. |
|----------------|-------------|-------------|
| Head           | 1           | 1           |
| Teachers       | 107         | 95          |
| Domestic       | 9           | 9           |
| Administration | 10          | 9           |
|                | <u>127</u>  | <u>114</u>  |

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

|                                 | 2023<br>No. | 2022<br>No. |
|---------------------------------|-------------|-------------|
| In the band £60,001 - £70,000   | 4           | 4           |
| In the band £70,001 - £80,000   | 2           | 1           |
| In the band £80,001 - £90,000   | 1           | -           |
| In the band £100,001 - £110,000 | 1           | -           |
| In the band £160,001 - £170,000 | -           | 1           |
| In the band £170,001 - £180,000 | 1           | -           |

The key management personnel of the Charity comprise the Trustees, the Head and the Bursar. The total employee benefits of the key management personnel of the Charity were £357,048 (2022: £334,969).

**13. Trustees' remuneration and expenses**

During the year, no trustee received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, no trustee expenses have been incurred (2022 - £NIL).

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**14. Tangible fixed assets**

|                          | Freehold<br>property<br>£ | Assets<br>under<br>construction<br>£ | Fixtures<br>and<br>fittings<br>£ | Computer<br>equipment<br>£ | Minibus<br>£  | Total<br>£        |
|--------------------------|---------------------------|--------------------------------------|----------------------------------|----------------------------|---------------|-------------------|
| <b>Cost or valuation</b> |                           |                                      |                                  |                            |               |                   |
| At 1 September 2022      | 23,994,340                | -                                    | 2,059,636                        | 793,321                    | -             | 26,847,297        |
| Additions                | 586,542                   | 275,362                              | 73,300                           | 129,195                    | 44,616        | 1,109,015         |
| Disposals                | (36,907)                  | -                                    | (97,634)                         | (19,744)                   | -             | (154,285)         |
| At 31 August 2023        | <u>24,543,975</u>         | <u>275,362</u>                       | <u>2,035,302</u>                 | <u>902,772</u>             | <u>44,616</u> | <u>27,802,027</u> |
| <b>Depreciation</b>      |                           |                                      |                                  |                            |               |                   |
| At 1 September 2022      | 7,520,044                 | -                                    | 1,751,255                        | 697,343                    | -             | 9,968,642         |
| Charge for the year      | 920,606                   | -                                    | 106,265                          | 57,706                     | 4,462         | 1,089,039         |
| On disposals             | -                         | -                                    | (97,634)                         | (19,744)                   | -             | (117,378)         |
| At 31 August 2023        | <u>8,440,650</u>          | <u>-</u>                             | <u>1,759,886</u>                 | <u>735,305</u>             | <u>4,462</u>  | <u>10,940,303</u> |
| <b>Net book value</b>    |                           |                                      |                                  |                            |               |                   |
| At 31 August 2023        | <u>16,103,325</u>         | <u>275,362</u>                       | <u>275,416</u>                   | <u>167,467</u>             | <u>40,154</u> | <u>16,861,724</u> |
| At 31 August 2022        | <u>16,474,296</u>         | <u>-</u>                             | <u>308,381</u>                   | <u>95,978</u>              | <u>-</u>      | <u>16,878,655</u> |

The school's land and buildings were valued by King Sturge & Co in 10 December 1999 at £6,975,000. The school has adopted the historical cost model and therefore the valuation has not been included in these financial statements.

**15. Stocks**

|                                     | 2023<br>£    | 2022<br>£    |
|-------------------------------------|--------------|--------------|
| Finished goods and goods for resale | <u>6,148</u> | <u>6,358</u> |

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**16. Debtors**

|                                | 2023<br>£      | 2022<br>£      |
|--------------------------------|----------------|----------------|
| <b>Due within one year</b>     |                |                |
| Trade debtors                  | 38,068         | 94,109         |
| Other debtors                  | 45,604         | 46,941         |
| Prepayments and accrued income | 296,279        | 545,523        |
|                                | <u>379,951</u> | <u>686,573</u> |

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

|                                    | 2023<br>£        | 2022<br>£        |
|------------------------------------|------------------|------------------|
| Bank loans                         | 222,460          | 217,620          |
| Trade creditors                    | 204,515          | 485,957          |
| Other taxation and social security | 147,624          | 134,436          |
| Other creditors                    | 173,421          | 59,241           |
| Accruals and deferred income       | 1,122,623        | 1,354,372        |
|                                    | <u>1,870,643</u> | <u>2,251,626</u> |

|                                          | 2023<br>£      | 2022<br>£      |
|------------------------------------------|----------------|----------------|
| Deferred income at 1 September 2022      | 629,182        | 572,263        |
| Resources deferred during the year       | 616,323        | 579,324        |
| Amounts released from previous periods   | (629,182)      | (522,405)      |
| <b>Deferred income at 31 August 2023</b> | <u>616,323</u> | <u>629,182</u> |

Deferred income comprises fees paid in advance in respect of the Autumn 2023 term and amounts paid into advance fee schemes in respect of tuition fees for future years.

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

|                              | 2023<br>£        | 2022<br>£        |
|------------------------------|------------------|------------------|
| Bank loans                   | 2,766,765        | 2,989,225        |
| Accruals and deferred income | 461,301          | 445,430          |
|                              | <u>3,228,066</u> | <u>3,434,655</u> |

Bank loans of £2,989,225 (2022: £3,206,845) are secured against the freehold property of the Charitable Company. The net book value of the assets secured is £16,103,325 (2022: £16,474,296), however the market value of the property is expected to be significantly higher.

In June 2020, The School negotiated a new fixed rate loan at a rate of 2.281%, repayable in instalments over a 15-year term.

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

|                                     | 2023<br>£        | As restated<br>2022<br>£ |
|-------------------------------------|------------------|--------------------------|
| Payable or repayable by instalments | 1,823,838        | 2,067,726                |
|                                     | <u>1,823,838</u> | <u>2,067,726</u>         |

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**19. Statement of funds**

**Statement of funds - current year**

|                           | <b>Balance at 1<br/>September<br/>2022<br/>£</b> | <b>Income<br/>£</b>      | <b>Expenditure<br/>£</b>   | <b>Balance at<br/>31 August<br/>2023<br/>£</b> |
|---------------------------|--------------------------------------------------|--------------------------|----------------------------|------------------------------------------------|
| <b>Unrestricted funds</b> |                                                  |                          |                            |                                                |
| General Funds             | 17,239,302                                       | 13,882,928               | (12,703,489)               | 18,418,741                                     |
|                           | <u>17,239,302</u>                                | <u>13,882,928</u>        | <u>(12,703,489)</u>        | <u>18,418,741</u>                              |
| <b>Endowment funds</b>    |                                                  |                          |                            |                                                |
| Endowment Fund            | 119,000                                          | -                        | -                          | 119,000                                        |
|                           | <u>119,000</u>                                   | <u>-</u>                 | <u>-</u>                   | <u>119,000</u>                                 |
| <b>Restricted funds</b>   |                                                  |                          |                            |                                                |
| Restricted Fund           | 6,575                                            | 10                       | -                          | 6,585                                          |
|                           | <u>6,575</u>                                     | <u>10</u>                | <u>-</u>                   | <u>6,585</u>                                   |
| <b>Total of funds</b>     | <b><u>17,364,877</u></b>                         | <b><u>13,882,938</u></b> | <b><u>(12,703,489)</u></b> | <b><u>18,544,326</u></b>                       |

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

**Statement of funds - prior year**

|                           | Balance at<br>1 September<br>2021<br>£ | Income<br>£       | Expenditure<br>£    | Balance at<br>31 August<br>2022<br>£ |
|---------------------------|----------------------------------------|-------------------|---------------------|--------------------------------------|
| <b>Unrestricted funds</b> |                                        |                   |                     |                                      |
| General Funds             | 16,465,564                             | 11,777,722        | (11,003,984)        | 17,239,302                           |
|                           | <u>16,465,564</u>                      | <u>11,777,722</u> | <u>(11,003,984)</u> | <u>17,239,302</u>                    |
| <b>Endowment funds</b>    |                                        |                   |                     |                                      |
| Endowment Fund            | 119,000                                | -                 | -                   | 119,000                              |
|                           | <u>119,000</u>                         | <u>-</u>          | <u>-</u>            | <u>119,000</u>                       |
| <b>Restricted funds</b>   |                                        |                   |                     |                                      |
| Restricted Fund           | 6,562                                  | 13                | -                   | 6,575                                |
|                           | <u>6,562</u>                           | <u>13</u>         | <u>-</u>            | <u>6,575</u>                         |
| <b>Total of funds</b>     | <u>16,591,126</u>                      | <u>11,777,735</u> | <u>(11,003,984)</u> | <u>17,364,877</u>                    |

**20. Summary of funds**

**Summary of funds - current year**

|                  | Balance at 1<br>September<br>2022<br>£ | Income<br>£       | Expenditure<br>£    | Balance at<br>31 August<br>2023<br>£ |
|------------------|----------------------------------------|-------------------|---------------------|--------------------------------------|
| General funds    | 17,239,302                             | 13,882,928        | (12,703,489)        | 18,418,741                           |
| Endowment funds  | 119,000                                | -                 | -                   | 119,000                              |
| Restricted funds | 6,575                                  | 10                | -                   | 6,585                                |
|                  | <u>17,364,877</u>                      | <u>13,882,938</u> | <u>(12,703,489)</u> | <u>18,544,326</u>                    |

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**20. Summary of funds (continued)**

**Summary of funds - prior year**

|                  | Balance at<br>1 September<br>2021<br>£ | Income<br>£       | Expenditure<br>£    | Balance at<br>31 August<br>2022<br>£ |
|------------------|----------------------------------------|-------------------|---------------------|--------------------------------------|
| General funds    | 16,465,564                             | 11,777,722        | (11,003,984)        | 17,239,302                           |
| Endowment funds  | 119,000                                | -                 | -                   | 119,000                              |
| Restricted funds | 6,562                                  | 13                | -                   | 6,575                                |
|                  | <u>16,591,126</u>                      | <u>11,777,735</u> | <u>(11,003,984)</u> | <u>17,364,877</u>                    |

The Marian Shackleton endowment was donated to provide the school with interest income. This interest is accounted for in the Marian Shackleton restricted fund. These funds are used for awarding educational travel scholarships to pupils at the school.

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

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

|                                     | Endowment<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ |
|-------------------------------------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets               | -                               | -                                | 16,861,724                         | <b>16,861,724</b>           |
| Current assets                      | 119,000                         | 6,585                            | 6,655,726                          | <b>6,781,311</b>            |
| Creditors due within one year       | -                               | -                                | (1,855,427)                        | <b>(1,855,427)</b>          |
| Creditors due in more than one year | -                               | -                                | (3,243,282)                        | <b>(3,243,282)</b>          |
| <b>Total</b>                        | <u>119,000</u>                  | <u>6,585</u>                     | <u>18,418,741</u>                  | <u><b>18,544,326</b></u>    |

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

|                                     | Endowment<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Unrestricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ |
|-------------------------------------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets               | -                               | -                                | 16,878,655                         | 16,878,655                  |
| Current assets                      | 119,000                         | 6,575                            | 6,046,928                          | 6,172,503                   |
| Creditors due within one year       | -                               | -                                | (2,251,626)                        | (2,251,626)                 |
| Creditors due in more than one year | -                               | -                                | (3,434,655)                        | (3,434,655)                 |
| <b>Total</b>                        | <u>119,000</u>                  | <u>6,575</u>                     | <u>17,239,302</u>                  | <u>17,364,877</u>           |

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

|                                                                    | 2023<br>£        | 2022<br>£ |
|--------------------------------------------------------------------|------------------|-----------|
| Net income for the year (as per Statement of Financial Activities) | <b>1,179,449</b> | 773,751   |
| <b>Adjustments for:</b>                                            |                  |           |
| Depreciation charges                                               | <b>1,089,039</b> | 917,406   |
| Bank interest payable                                              | <b>70,476</b>    | 75,383    |
| Investment income                                                  | <b>(48,556)</b>  | (707)     |
| Loss on the disposal of fixed assets                               | <b>36,782</b>    | -         |
| Decrease/(increase) in stocks                                      | <b>210</b>       | (6,358)   |
| Decrease/(increase) in debtors                                     | <b>306,622</b>   | (231,489) |
| Increase/(decrease) in creditors                                   | <b>(563,503)</b> | 368,441   |
| <b>Net cash provided by operating activities</b>                   | <b>2,070,519</b> | 1,896,427 |

**23. Analysis of cash and cash equivalents**

|                                        | 2023<br>£        | 2022<br>£ |
|----------------------------------------|------------------|-----------|
| Cash in hand                           | <b>6,395,212</b> | 5,479,572 |
| <b>Total cash and cash equivalents</b> | <b>6,395,212</b> | 5,479,572 |

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

|                          | At 1<br>September<br>2022<br>£ | Cash flows<br>£  | At 31<br>August 2023<br>£ |
|--------------------------|--------------------------------|------------------|---------------------------|
| Cash at bank and in hand | 5,479,572                      | 915,640          | 6,395,212                 |
| Debt due within 1 year   | (217,620)                      | (4,840)          | (222,460)                 |
| Debt due after 1 year    | (2,989,225)                    | 222,460          | (2,766,765)               |
|                          | <b>2,272,727</b>               | <b>1,133,260</b> | <b>3,405,987</b>          |

**25. Pension commitments**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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**25. Pension commitments (continued)**

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**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 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019.

The key elements of the valuation and subsequent consultation were:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £892,919 (2022 - £828,673).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

The School also operates a defined contribution scheme for support staff and contributions for the year were £100,036 (2022: £81,403).

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**26. Operating lease commitments**

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

|                                              | 2023<br>£      | 2022<br>£      |
|----------------------------------------------|----------------|----------------|
| Not later than 1 year                        | 80,728         | 101,803        |
| Later than 1 year and not later than 5 years | 19,630         | 66,974         |
|                                              | <u>100,358</u> | <u>168,777</u> |

**27. Related party transactions**

Five trustees have daughters attending the School, and pay fees in accordance with published rates. Two trustees had children in receipt of a 10% scholarship. One trustee had a child in receipt of a 5% scholarship. One trustee has a child in receipt of a music exhibition, received instrumental lessons paid for by the school.

C Rusk, the spouse of the Head, received remuneration of £5,771 (2022: £19,264) under a contract of employment.

**28. Controlling party**

The directors do not consider there to be an ultimate controlling party.