

Registered number: 01186165  
Charity number: 268482

**THURLOW EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**THURLOW EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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<b>Registered charity name</b>	Thurlow Educational Trust
<b>Trading name</b>	Rosemead Preparatory School
<b>Charity registration number</b>	268482
<b>Company registration number</b>	01186165
<b>Registered office</b>	70 Thurlow Park Road Dulwich London SE21 8HZ
<b>Governors (company directors and charity trustees) at 31 August 2021</b>	Mr N Crawford (Chairman) Mrs J Ferguson (Treasurer) Mr T Balaam Mrs A Crane Mr B Jones Mr G Knott Mr T Lello Mrs A Morgan Mrs K Murray Dr S Shahdad Mr M Horne Mr T Rutteman Mrs M Horne Mrs E Balfe
<b>Company secretary / Bursar</b>	Mr R Sawyer
<b>Head</b>	Mr P Soutar
<b>Independent auditors</b>	
Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG	
<b>Bankers</b>	
Barclays Bank PLC, 5th Floor, Corinthian House, 17 Lansdowne Road, Croydon, CR0 2BX	

## **THURLOW EDUCATIONAL TRUST**

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### **CHAIRMAN'S STATEMENT**

**for the year ended 31 August 2021**

Miss Dorothy Plumridge started her Dame School in her parents' house in 1942. From then till now, there has always been something about Rosemead's children. When, in 1974, Miss Plumridge retired, the School became at the time the largest parent led School in the country. It still maintains this unique model, where each parent becomes a member of the School and its governing body is mainly drawn from the parent body.

My appointment as Chair of the Governors, has coincided with the biggest disruption to the educational sector since the Second World War. With the COVID-19 pandemic forcing the School's closure and a new ways of working to safeguard the children and staff.

From September we were allowed to welcome children back into School provided that each group remained in its own 'Bubble' to prevent possible cross infection. One way systems were introduced and lunches staggered. All visitors, including parents, were not allowed to enter the premises and robust hand hygiene and sanitizing regimes were introduced, with a day time cleaner employed to continually disinfect all contact surfaces.

It is perhaps indicative of these measures that the School did not experience any outbreaks of Covid infection and I would like to thank the children, their parents and staff for their support and understanding during this difficult period. When the School reopened without Covid restriction in September, there was a palpable sigh of relief.

Against this background, the School again had very successful 11+ results with all children placed within the School of their choice.

N Crawford. Chair of Governors

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### **GOVERNORS' REPORT**

**Year Ended 31 August 2021**

The Governors, who are also directors for the purposes of company law, present their annual strategic report for the year ended 31 August 2021, together with the audited financial statements, and confirm that the financial statements comply with the Companies Act 2006, the Company's Memorandum and Articles of Association and the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2019).

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

The School is a charitable company founded in 1942, incorporated in 1973 and which gained charitable trust status in 1974; its charity registration number is 268482, its company registration number is 1186165, and the liability of its members is limited to £1 each by guarantee.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing Document**

The company is governed by its Memorandum and Articles of Association, last amended on 21 May 1998.

#### **Governors and Professional Advisers**

A list of Governors and professional advisers appears on page 1.

#### **Governing Body**

The Trust is administered by a Board of Governors, whose members are also directors of the company (herein referred to as 'Governors'). The Governors meet regularly in the manner prescribed in the Articles of Association. Every year members of the Board having served three years stand down and are eligible for re-election. The Governors are authorised to appoint new members provided they do not exceed the maximum permitted.

One Governor is appointed to retain oversight of the School's Safeguarding arrangements. This Governor is provided with Training from the Local Authority, so that they may be able to provide support to the Headmaster and offer an independent route for those with concerns about the School's senior management. A Safeguarding Annual Report is provided by the designated Governor Lead to the Board, at its September meeting, on the School's activities and any Safeguarding concerns identified.

#### **Recruitment and Training of Governors**

The Board actively recruits new Governors from within its parent body and where required, external specialists, to ensure that it maintains a balanced mix of skills. At the AGM in June 2021 Mrs Ferguson (Treasurer), Mr Balaam, Dr Shahdad and Mrs Balfe announced that (effective October 2021) they would be stepping down as governors with their children leaving year 6 or moving out of the area. At the same meeting Dr Bhandari, Dr Thomas, Mr Shave and Professor Van Hemelrijck were formally elected to the Board of Governors at the AGM, taking their seats on completion of the DBS process in October 2021.

The Governors benefit from the training resources provided by AGBIS and ISBA and have attended seminars or accessed online support throughout the year. Additionally, Safeguarding training has been introduced to reflect the updated Keeping Children Safe in Education (KCSIE) guidance. The Governor with responsibility for Safeguarding has received additional training to enable her to fulfil this role.

#### **Organisational Structure and Relationships**

The Governors determine the general policy of the Trust and meet at least once each term. These duties are fundamental to the running of the School. So that these duties can be properly discharged, four Governor Sub-committees have been created, to which specific tasks have been delegated. Each Governor is expected to

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serve on at least one of these sub-committees.

The sub-committees meet regularly and comprise the Operating, Education, Property, Health & Safety and Personnel sub-committees. These committees undertake detailed reviews of the existing and newly developed educational and governance policies to inform the Board's decision to ratify policies.

The day to day management of the School is delegated to the Headmaster and the Bursar.

The School benefits from the support of the Rosemead School Association (RSA), a registered Charity run by representatives of the School's parents. The objects of the Association are: to raise funds for the Association, the promotion of social activities which support the aims of the Trust and the provision of activities with or for other bodies that support the charitable aims of the Trust.

### **OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

The object of the Charity, as set out in its Memorandum in 1974 (as amended on 21 May 1998), is to promote and provide for the advancement of education. The School's objective is 'To inspire brilliant futures.'

To achieve this, the Trust runs an independent fee-paying day School that seeks to provide the best possible learning environment for boys and girls aged between 2½ and 11, so that each child can be inspired to excel both academically and socially.

Our fees continue to be set at a level to ensure the financial viability of the School and at a level that is consistent with our aim of developing our estate to provide first class education and resources for local children. In response to the COVID pandemic, the School took the decision to reduce the fees and offer emergency support to families adversely impacted through furlough or other loss of income. This continued into the current financial year with a fee freeze in the Autumn term and a rebate to parents to reflect any savings the School made during the revised operations.

Our School welcomes children from all backgrounds. To admit a prospective child, we need to be satisfied that our School will be able to educate and develop the child to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential new recruits can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

We are an equal opportunity organisation which actively promotes the fundamental British values of democracy, the rule of law, individual liberty, and mutual respect and tolerance of those with different faiths and beliefs and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or children who are, or become, disabled.

Rosemead recognises its responsibility to prevent radicalisation and extremism and has policies and procedures in place that comply with current legislation. British Values have been fully incorporated into the School's curriculum. Rosemead is committed to safeguarding and promoting the welfare of our children and expects all staff and volunteers to share this commitment.

The school was inspected by the Independent Schools' Inspectorate (ISI) via a remote assessment, in September 2020 who found that "from the evidence reviewed the School is likely to have met the standards".

We maintain regular contact with parents throughout the year through informal contact, parent consultation evenings, formal reports, social events and through the weekly email.

The School maintains a high teacher-to-pupil ratio and employs high-quality and committed teachers and support staff to provide the most inspiring education that we can.

In undertaking its activities, the Governors have taken careful regard of the Charity Commission's guidance on

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public benefit as defined in the Charities Act and Guidance issued February 2014 (Public benefit: rules for charities) and seeks to ensure that it delivers both public benefit and provides a benefit to a sufficient section of the public through the education of local children. Reflecting the School's charitable objectives, the School offers bursaries and continues to support local and overseas charities through fundraising activities throughout the year. In response to Covid, the Governors increased the funding available for bursaries for the 2020 financial year.

### **Community Access Engagement and Outreach**

Rosemead provides education to approximately 320 children from the local area. This provides a public benefit through the learning experience that the children receive and the saving to the public purse through the reduction in state School demand.

It is important to us that access to the education we offer and our facilities are not restricted to those who can afford 100% of our fees and that where possible Thurlow Educational Trust is able to play a part in the local community and to be aware of the needs of our neighbours and offer facilities and support where appropriate.

We believe our children benefit from learning within a diverse community and that a great deal of learning occurs through social interaction, conversation and shared experiences which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

These include:

- The School traditionally hosts a number of community sporting fixtures attended by both State and Independent Schools, including Cross Country, Netball, Football and Hockey. These are now resuming after the interruption caused by Covid.
- The School encourages parents to walk or cycle to School and the School has been awarded a Gold STARS Accreditation (Sustainable Travel: Active, Responsible and Safe) – awarded to less than 10% of participating Schools in London.
- The School continues to work with residents to ensure local road safety including ongoing consultation to create a 'School Street' outside of our Pre Prep.
- The School's facilities continue to be used by a number of local organisations to provide a community venue.
- The School's hall and art studio are used by a number of external clubs to provide: Ballet, Dance Classes including; Tap and Zumba, Art and Design courses and Karate.
- Our music studios are used for singing and instrument lessons by children from the community.
- The School continues to host a number of externally facilitated 'after-School' and 'holiday' clubs to provide wrap around care to local parents.
- The School has continued to support the local Rosendale recreation ground, which is used by a range of local community groups and sports clubs.

### **Access, Scholarships and Bursaries**

The Governing body seeks to make available a proportion of its income to enable families who might not otherwise be able, benefit from Rosemead. As a small School these funds are limited and used in a targeted manner. The Board, as part of its Covid-19 response, put in place a '*Covid support fund*' to ensure that the education of children currently with the School whose parents were experiencing hardship could be protected.

A number of children currently benefit from bursary awards ranging from a remission of their fees and other concessions. In the year to 31 August 2021, the total value of bursary concession was £83,034 (prior year £78,784). Overall concessions accounted for 3.77% of income.

Whilst the School views bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees, we anticipate increased pressure on this limited resource. Bursary awards are made on the basis of parental means, subject to resources available to support these in the current and successive years, noting that priority will be given to relieve hardship where a current child's education and

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future prospects would otherwise be at risk, for example in the case of redundancy. To support the Governors in their review of applications the Trust has employed a third party organisation (currently Bursary Administration Limited) who undertake an impartial review of all applications. Information about fee assistance through bursaries is provided to all applying to the School.

Further details of Bursaries and how to apply are available on request.

### **Scholarships**

The Sports Scholarship fund, created by a team of Parents and Staff who swam the English Channel to raise these funds, continues to provide scholarships to children who might benefit from additional specialist training. The beneficiaries from the scholarship receive additional specialist coaching, support, advice and equipment.

Educational Scholarships, are awarded to those who excel, in some way, on their 7+ entrance assessment.

### **Sibling Discount Policy**

To underline the value, we place on continuity for families, we have increased the discount provided to parents who have three or more children at the School. Rosemead currently offers a 15% discount to the elder of three children. This discount then rises by 5% for each subsequent child.

### **Assistance for our teaching staff**

As part of our emphasis on attracting and retaining high caliber staff, the Governors maintain the policy to offer a discount scheme where staff members choose to educate their children at our School.

### **Fundraising**

Throughout 2020-21 the children, as year groups, chose to channel all their fundraising to support one specific charity. This enabled the children to understand more about their chosen charity and pride in helping others.

A fantastic amount was raised:

<b>Children's Chosen Charity</b>	<b>Amount Raised</b>
Pre-Prep chose Ruby's Fund (in memory of a former pupil).	£2,573
Year 3 RNIB.	£832
Year 4 RSPCA.	£1,080
Year 5 Age UK	£3,194
Year 6 The Crowd.	£1,232

In addition, we also collected the British Royal Legion Poppy Appeal, taking our charitable donations to almost £9,000.

## **STRATEGIC REPORT: REVIEW OF ACTIVITIES AND PERFORMANCE FOR THE YEAR**

### **Pupil numbers and fees**

Our educational activities are carried out through our Pre-Preparatory and Preparatory departments. The pupil roll for the start of the academic year was 309. Our fee increases this year were set by the Governors to reflect the external inflationary pressures and to ensure they are able to provide first class education and facilities. Our fees for the year September 2020 to August 2021, before the deduction of any discount or bursaries were:



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Nursery, £4,100 per term; Reception – Year 2, £4,436 per term; and Years 3 – 6, £4,686 per term.

### **Academic**

The Governors are extremely proud to say that, against the disruption to their Schooling this year 6 have attained the second-best set of results, after our record breaking results of a couple of years ago. It is a testimony to the efforts of the children and the effectiveness of the 'Remote Learning' programme the School put in place.

Our Year 6 pupils have once again gained places at some of the area's most prestigious Schools. Given the extremely difficult year that they have had throughout their Year 5, we are in awe of what they have achieved and their remarkable resilience, determination and maturity throughout.

To respond to the Covid restrictions of groups meeting, most Schools changed their assessment processes with a move to a joint 'on-line' assessment paper with interviews and scholarship assessments being via a zoom meetings.

As a School, we are pleased that we were able to adapt our processes and still give the children and the parents the advice, preparation and support that was needed.

With 153 offers across the year group (which is just short of 3 per pupil on average), the children have achieved great things. In all the 37 scholarships were awarded, ranging through Music, Sport, Art and Drama, as well as an extremely high number of Academic awards.

The School extends its congratulations to all the pupils for their hard work and dedication and we hope they continue to have brilliant futures in their chosen Schools. Congratulation also to the staff involved for their advice, pastoral care and teaching over the years, which starts as soon as they join Rosemead and the effect continues long after they have left us.

This was reflected in a review left by a Year 6 parent "Rosemead's nurturing environment and pursuit of excellence is evident in these fantastic results. No other School could have achieved so much in such a balanced and positive manner. At Rosemead, the 11+ is something to be celebrated amongst children, parents and teachers."

Congratulations go to every child.

### **Co-curricular activities**

Rosemead provides a wide range of co-curricular activities and offers over 100 opportunities for children to broaden their learning. Activities range from Music (including individual instruments, to our full orchestra or various ensembles, including an Electric Fusion band) to Chess, with our children attending local competitions and the extremely popular knitting club. It is hoped that as Covid-19 recedes the full range of activities will recommence.

## **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The results of the year's operation are set out in the attached financial statements. The net income for the year ended 31 August 2021 amounted to £375,237 (2020: £288,907). The retained reserves, at 31 August 2021 amounted to £5,996,841 (2020: £5,621,604).

These results reflect the varying impact of the Covid experience. The School offered rebates to those families who we were forced to provide remote education during the initial lockdown. Aware that there was a legacy impact of Covid, the Governors froze the fees for the Autumn term and, following a review of costs and savings, including the support received through the Furlough scheme, during the restricted working, the School was able to refund nearly £300 to our parents.

As a charity the parents of our children have the assurance that all the income of the School must be applied for educational purposes.

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As an educational charity we enjoy tax exemption on our educational activities and these are applied for our charitable aims. We are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our fee rates and bursary policies.

However, as an educational charity, we are unable to reclaim VAT tax charges on our costs, as we are exempt for VAT purposes.

We also pay tax as an employer through the national insurance contributions we make. In addition to the very substantial benefits our School brings to our children, the local community and society through the education we offer and our bursary programme, we create a social asset without cost to the Exchequer.

### **RESERVES POLICY**

The Governors regularly review the finances, budgets and spend against budget together with a termly cash flow analysis as part of the effective stewardship of the School.

Since the inception of the charity it has been the policy of the Governors to retain a small amount of income on a year to year basis and that it is prudent and necessary to maintain a contingency sum available for planned or unforeseen repairs. In common with other independent Schools, the Governors have invested in the School buildings in recent years and have a continuing programme of refurbishment, development and investment to maintain the teaching facilities for our pupils. Although the free reserves are at a negative balance, this is not uncommon practice by independent Schools which have to finance their own capital investment plans.

The Governors consider that given the strength of the charity's balance sheet, the stable cash flow and the available banking facility that can be called upon if need arises, that there is no need to build up a free reserve. The Governors regard free reserves as being the reserves of the School after deducting fixed assets and any funds held as restricted or designated. Similar to many independent Schools, the School has invested heavily in fixed assets which has resulted in this deficit. On the basis described there is a deficit on free reserves of £191,619 (2020: £713,035).

The Governors recognise that the level of reserves fluctuates during periods of investment in the School and the arrangements with our bank are in place to provide an adequate 'safety net' should it be required.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Governors are responsible for overseeing the major risks to which the charity is exposed.

The Governors have delegated the management of the specific risks to its Board Sub Committees who review risks against the following criteria; External, Financial, Governance, HR, Legal, Technological or Operational in each of their meetings. Amendments and additions are reported to each board meeting and the Governors continue to adopt a policy aimed at ensuring that the safety and wellbeing of both pupils and staff is given a high priority. The Board and its sub committees undertake a review of the key risks relating to their activities through the School's Risk Register and these are prioritised using a risk rating system to alert the School to its principal risks.

The main risks identified by the School's Risk Register relate to:

- Addressing the risks to the health and safety of its children, staff and visitors through Covid transmission
- Responding to the changing demographic and general affordability of private education and reducing roll.
- Preparing for any changes in the political landscape which might be presented. Including the loss of Business Rate Relief, the imposition of VAT on School fees and requirement to demonstrate sufficient Public Benefit.

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- Ensuring succession planning of its Governors. As parents of children in the School, Governors rotate out when their children reach Year 6. As such the School regularly needs to identify replacement governors.
- Other risks relate to the ongoing vigilance to ensure positive outcomes from inspection and the safe financial management of the School.

The Governors are satisfied that the above risks are being adequately mitigated. It is recognised that the risk rating system can only provide reasonable but not absolute assurance that major risks have been identified and adequately managed.

No Serious Incidents were reported or identified in the current year. However, post the year end on 15<sup>th</sup> November 2022, a classroom ceiling unexpectedly collapsed in the Prep School. There were a number of children and their teacher in the room when the ceiling collapsed. Fortunately nobody was seriously injured. The school's critical incident plan was implemented and parents were informed as soon as practicably possible.

The school has undertaken an investigation into the causes of the incident and is also fully cooperating with the Health & Safety Executive as they undertake their own assessment, which is currently still on-going. Support has been put in place for the children and staff impacted. Repairs are currently being undertaken to the impacted areas with them expected to be fully operational again by the Summer 2022.

### **PLANS FOR THE FUTURE**

The Board's Estates Strategy continues to be implemented to ensure that Rosemead can provide 1st class resources and accommodation across all of the year groups, ensuring that it is adequately resourced to continue to inspire brilliant futures.

The future phases for the Prep School include a new boundary wall and looking forward, the Governors have established a wish list in the Estate Strategy, to include: new catering and dining accommodation, a science laboratory, and new music and drama spaces.

In support of its public benefit responsibilities, the School will, when Covid safe, continue to work with the local community and state Schools, to ensure that the School's buildings and resources are actively used to provide benefit to all. The Governors will continue to make available means-tested bursary assistance and publicise this support in all of its publications.

The School roll, in common with other local Schools in the sector, has weakened and the Governors and staff are firmly committed to ensuring that the School is actively marketed and that every effort is being made to recruit and retain pupils.

The School promotes itself through local advertising, web presence and holding open days for potential parents. Parents are also able to attend the School during School hours on Show Rounds, accompanied by the Headmaster or other members of the senior management team.

### **STATEMENT OF GOVERNORS' RESPONSIBILITIES**

The Governors (who are also directors of Thurlow Educational Trust for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare a financial statement for each financial year that gives a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Governors are required to:

- Select suitable accounting policies and then apply them consistently

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- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

In so far as we are aware:

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

### **AUDITORS**

The auditors, haysmacintyre, will be invited to apply for re-appointment in accordance with Section 485 of the Companies Act 2006.

The Governors' Annual Strategic report was approved by the Governors in May 2022 and signed on its behalf by:

**Mr Nick Crawford**

**Chair of the Board of Governors**

**ThurLOW Educational Trust**

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THURLOW EDUCATIONAL TRUST

#### Opinion

We have audited the financial statements of Thurlow Educational Trust for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 2021 and of the charitable company's net movement in funds, including the 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 Governors with respect to going concern are described in the relevant sections of this report.

#### Other information

The Governors are responsible for the other information. The other information comprises the information included in the Governors' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Opinions 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 Governors' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Governors' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the

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audit, we have not identified material misstatements in the Governors' Report (which incorporates the strategic report and the directors' report).

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

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

#### **Responsibilities of Governors for the financial statements**

As explained more fully in the Governors' responsibilities statement set out on page 10, the Governors (who are also the directors of the charitable company for the purposes of company law and trustees for the purposes of Charity 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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the 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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the 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.

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

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the independent school regulations, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Companies Act 2006 and consider other factors such as payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at the year end; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

## **THURLOW EDUCATIONAL TRUST**

**(A Company Limited by Guarantee)**

will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### **Use of our report**

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

Tracey Young (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place  
London  
EC4R 1AG

Date:

**THURLOW EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

		Unrestricted Funds	
	Note	2021 £	2020 £
<b>INCOME FROM:</b>			
<b>Charitable activity</b>			
School fees	3	3,902,074	3,851,419
Other educational income	4	165,744	196,196
<b>Donations and grants</b>	5	77,022	198,838
<b>TOTAL INCOME</b>		<u>4,144,840</u>	<u>4,246,453</u>
<b>EXPENDITURE ON:</b>			
<b>Raising funds:</b>			
Finance costs		55,518	76,212
<b>Charitable activity:</b>			
Teaching		2,573,697	2,709,066
Welfare		230,386	251,497
Premises		343,136	318,065
Support and governance		<u>566,866</u>	<u>602,706</u>
<b>TOTAL EXPENDITURE</b>	6	<u>3,769,603</u>	<u>3,957,546</u>
<b>NET INCOME AND MOVEMENT IN FUNDS</b>		375,237	288,907
<b>RECONCILIATION OF FUNDS:</b>			
Total funds brought forward		<u>5,621,604</u>	<u>5,332,697</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>5,996,841</u></u>	<u><u>5,621,604</u></u>

All amounts relate to continuing activities.

The notes on pages 17 to 30 form part of these financial statements.



**THURLOW EDUCATIONAL TRUST****(A Company Limited by Guarantee)  
REGISTERED NUMBER: 01186165****BALANCE SHEET  
AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	9	6,188,460	6,334,639
<b>CURRENT ASSETS</b>			
Debtors	10	137,469	161,821
Cash at bank and in hand		<u>1,066,590</u>	<u>627,950</u>
		1,204,059	789,771
<b>CREDITORS:</b> amounts falling due within one year	11	<u>(555,038)</u>	<u>(488,542)</u>
<b>NET CURRENT ASSETS</b>		<u>649,021</u>	<u>301,229</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		6,837,481	6,635,868
<b>CREDITORS:</b> amounts falling due after more than one year	12	<u>(840,640)</u>	<u>(1,014,264)</u>
<b>NET ASSETS</b>		<u><u>5,996,841</u></u>	<u><u>5,621,604</u></u>
<b>CHARITY FUNDS</b>			
Restricted funds	13	-	-
Unrestricted funds	13	<u>5,996,841</u>	<u>5,621,604</u>
<b>TOTAL FUNDS</b>		<u><u>5,996,841</u></u>	<u><u>5,621,604</u></u>

The financial statements were approved and authorised for issue by the Governors on XX May 2022 and signed on their behalf, by:

**Mr Nick Crawford**  
**Chair of the Board of Governors**

The notes on pages 17 to 30 form part of these financial statements.

**THURLOW EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	14	<u>650,792</u>	<u>657,382</u>
<b>Cash flows from investing activities:</b>			
Payments for tangible fixed assets		<u>(7,148)</u>	<u>(106,441)</u>
<b>Net cash used in investing activities</b>		<u>(7,148)</u>	<u>(106,441)</u>
<b>Cash flows from financing activities:</b>			
Repayments of borrowings		(163,774)	(156,008)
Bank interest paid		<u>(41,230)</u>	<u>(50,936)</u>
<b>Net cash used in financing activities</b>		<u>(205,004)</u>	<u>(206,944)</u>
<b>Change in cash and cash equivalents in the year</b>		438,640	343,997
Cash and cash equivalents brought forward		<u>627,950</u>	<u>283,953</u>
<b>Cash and cash equivalents carried forward</b>	15	<u><u>1,066,590</u></u>	<u><u>627,950</u></u>

The notes on pages 17 to 30 form part of these financial statements.

## **THURLOW EDUCATIONAL TRUST**

**(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

#### **1. ACCOUNTING POLICIES**

##### **1.1 General information**

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 01186165) and a charity registered in England and Wales (charity number: 268482). The Charity's registered office address is: 70 Thurlow Park Road, Dulwich, London, SE21 8HZ.

##### **1.2 Basis of preparation of financial statements**

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

Thurlow Educational Trust 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.

##### **1.3 Company status**

The company has no share capital and is limited by guarantee. The members of the company are the parents or guardians of the pupils at the School. In the event of the company being wound up, the liability of the members is limited to an amount not exceeding £1 per member of the company. The company is a registered charity and there has been no change since 31 August 1992.

##### **1.4 Going Concern**

The Governors believe that there are no material uncertainties over the School's ability to continue operating as a going concern. In making this assertion the Governors have considered the impact of the Covid-19 pandemic and detailed budgets and cashflow forecasts for both the next twelve months and medium term and are satisfied that the liquidity of the business is sufficient to meet the business requirements including any obligations arising from financial, operating and other conditions.

##### **1.5 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the School 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 School 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.

## THURLOW EDUCATIONAL TRUST

(A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### 1.6 Income

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

Fees receivable and similar income:

Tuition fees are stated after deducting allowances for awards and other remissions. Other educational income comprises income from school outings, activities and other related income. These sources of income are included in the accounts when they become receivable and their value can be measured with reasonable certainty.

Donations:

Donations are recognised in the period in which they are receivable.

Investment income:

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

Government grant income:

Grant income represents the total amount claimed from HM Revenue and Customs under the Coronavirus Job Retention Scheme (CJRS). The income is accounted for in the period in which the associated salary payments are made to furloughed staff.

##### 1.7 Expenditure

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, any legal advice for the School's Governors, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

##### 1.8 Tangible fixed assets and depreciation

Items of furniture, apparatus, equipment and computers costing less than £500 are charged against income in the year of purchase.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

## THURLOW EDUCATIONAL TRUST

(A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

#### 1. ACCOUNTING POLICIES (CONTINUED)

The School previously had a policy of revaluation of Freehold land and building. As permitted by FRS 102 the value as at 1 September 2014 is considered deemed cost and the School will no longer revalue land and buildings.

Tangible fixed assets are carried at cost or deemed cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Fixtures and fittings	-	15% reducing balance
Computer equipment	-	33.33% reducing balance

##### 1.9 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

##### 1.10 Financial instruments

Basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable are accounted for on the following basis:

###### **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

###### **Debtors and creditors**

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

###### **Bank borrowings**

Liabilities for borrowings which are subject to a market rate of interest are measured at the value of the amount advanced, less capital repayments.

## **THURLOW EDUCATIONAL TRUST**

**(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

#### **1. ACCOUNTING POLICIES (CONTINUED)**

##### **1.11 Pensions**

The School contributes to the Teachers' Superannuation Scheme at rates set by the scheme actuary and advised to the Governors by the Scheme Administrator. For the purposes of complying with the relevant accounting standards, the Teachers' Superannuation Scheme is accounted for as a defined contribution scheme as the School is not responsible for or entitled to receive benefit for any surplus or deficit on the scheme. The amounts included within the Statement of Financial Activities and the Balance Sheet are in accordance with FRS 102.

The School contributes to a defined contribution scheme with Standard Life and a stakeholder scheme with Legal and General for non-teaching staff. Contributions are charged in the period in which the salaries to which they relate are payable.

#### **2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

In the application of the accounting policies, the Governors are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

**THURLOW EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**3. SCHOOL FEES**

	2021 £	2020 £
Gross fees	4,055,053	3,996,909
Less: discounts and bursaries	<u>(152,979)</u>	<u>(145,490)</u>
Total	<u><u>3,902,074</u></u>	<u><u>3,851,419</u></u>

Total bursaries of £83,034 (2020: £78,784) were paid to 18 pupils (2020: 28 pupils).

**4. OTHER EDUCATIONAL INCOME**

	2021 £	2020 £
School trips and extras	145,506	166,720
Other income	11,719	20,111
Registration fees	<u>8,519</u>	<u>9,365</u>
	<u><u>165,744</u></u>	<u><u>196,196</u></u>

**5. GRANTS AND DONATIONS**

	2021 £	2020 £
Donations	2,605	21,736
Coronavirus Job Retention Scheme grant	<u>74,417</u>	<u>177,102</u>
	<u><u>77,022</u></u>	<u><u>198,838</u></u>

In 2020, donations of £21,736 were restricted.

**THURLOW EDUCATIONAL TRUST****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021****6. ANALYSIS OF EXPENDITURE**

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total 2021 £
<b>Raising funds:</b>				
Finance costs	-	-	55,518	55,518
	<u>-</u>	<u>-</u>	<u>55,518</u>	<u>55,518</u>
<b>Charitable activities:</b>				
Teaching	2,373,120	45,729	154,848	2,573,697
Welfare	39,067	-	191,319	230,386
Premises	20,877	107,598	214,661	343,136
Support and governance	329,966	-	236,900	566,866
	<u>2,763,030</u>	<u>153,327</u>	<u>797,728</u>	<u>3,714,085</u>
Total 2021	<u>2,763,030</u>	<u>153,327</u>	<u>853,246</u>	<u>3,769,603</u>

In 2021, of the total expenditure, premises costs of £nil (2020: £1,968) and teaching costs of £nil (2020: £21,027) were in respect of restricted funds.

Finance costs consist of loan interest, bank charges and bad debt expense. Loan interest expense totalled £41,230 (2020: £50,936).

Included within Support and Governance costs are £13,470 (2020: £12,900) relating to auditor's remuneration and Governors' meeting costs of £nil (2020: £150).

**ANALYSIS OF EXPENDITURE - PRIOR YEAR**

	Staff Costs 2020 £	Depreciation 2020 £	Other Costs 2020 £	Total 2020 £
<b>Raising funds:</b>				
Finance costs	-	-	76,212	76,212
	<u>-</u>	<u>-</u>	<u>76,212</u>	<u>76,212</u>
<b>Charitable activities:</b>				
Teaching	2,394,857	48,560	265,649	2,709,066
Welfare	36,870	-	214,627	251,497
Premises	36,689	107,614	173,762	318,065
Support and governance	339,252	-	263,454	602,706
	<u>2,807,668</u>	<u>156,174</u>	<u>917,492</u>	<u>3,881,334</u>
Total 2020	<u>2,807,668</u>	<u>156,174</u>	<u>993,704</u>	<u>3,957,546</u>



**THURLOW EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**7. NET INCOME**

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets: - owned by the charity	153,327	156,174
Auditors remuneration - audit	<u>13,470</u>	<u>12,900</u>

During the year, no Governors received any remuneration (2020 - £NIL).

During the year, no Governors received any reimbursement of expenses (2020 - £NIL).

**8. STAFF COSTS**

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	2,178,372	2,215,821
Social security costs	224,722	228,447
Other pension costs	359,936	363,400
	<u>2,763,030</u>	<u>2,807,668</u>

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

	2021 No.	2020 No.
Teaching staff	53	53
Caretaking staff	1	2
Administration staff	9	9
Playground assistants	<u>4</u>	<u>4</u>
	<u>67</u>	<u>68</u>

The number of higher paid employees was:

	2020 No.	2020 No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	-	-
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	1	1

The key management personnel of the school comprise the senior management team. The total employee benefits of key management personnel is £471,157 (2020: £408,524).

**THURLOW EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**9. TANGIBLE FIXED ASSETS**

	Freehold land and buildings £	Equipment, fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 September 2020	6,702,806	760,789	7,463,595
Additions	<u>2,500</u>	<u>4,648</u>	<u>7,148</u>
At 31 August 2021	<u>6,705,306</u>	<u>765,437</u>	<u>7,470,743</u>
<b>Depreciation</b>			
At 1 September 2020	618,658	510,298	1,128,956
Charge for the year	<u>107,598</u>	<u>45,729</u>	<u>153,327</u>
At 31 August 2021	<u>726,256</u>	<u>556,027</u>	<u>1,282,283</u>
<b>Net book value</b>			
At 31 August 2021	<u><u>5,979,050</u></u>	<u><u>209,410</u></u>	<u><u>6,188,460</u></u>
At 31 August 2020	<u><u>6,084,147</u></u>	<u><u>250,491</u></u>	<u><u>6,334,639</u></u>

The Thurlow Park Road and Elmcourt Road sites were revalued by Stanley Hicks & Son Chartered Surveyors (RICS) in October 2013 at £4,825,000 at an existing use value. The historical cost of land and buildings is £1,906,847. The depreciation on the historical cost of the buildings would be £19,068.

**THURLOW EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**10. DEBTORS**

	2021 £	2020 £
Fee debtors	102,604	123,976
Other debtors	4,447	3,945
Prepayments and accrued income	30,418	33,900
	<hr/>	<hr/>
	<u>137,469</u>	<u>161,821</u>

An impairment loss of £18,271 (2020: £17,972) was recognised against trade debtors.

**11. CREDITORS: Amounts falling due within one year**

	2021 £	2020 £
Bank loans	172,094	163,245
Trade creditors	37,796	26,759
Other taxation and social security	53,450	53,429
Fees in advance	133,656	109,711
Other creditors	93,736	93,267
Accruals and deferred income	64,306	42,131
	<hr/>	<hr/>
	<u>555,038</u>	<u>488,542</u>

**THURLOW EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**12. CREDITORS: Amounts falling due after more than one year**

	2021 £	2020 £
Bank loans	580,140	752,764
Other creditors	260,500	261,500
	<u>840,640</u>	<u>1,014,264</u>

Included within the above are amounts falling due as follows:

	2021 £	2020 £
<b>Between two and five years</b>		
Bank loans	<u>568,382</u>	<u>747,636</u>
<b>Over five years</b>		
Bank loans	<u>11,759</u>	<u>5,128</u>

The bank overdraft facility and bank loans are secured by a first legal charge over the freehold properties known as St Cuthbert's Church, Elmcourt Road, London, SE27 9BZ and 70 Thurlow Park Road, London, SE21 8HZ. The School has three bank loans, as detailed below:

- A medium loan with an outstanding balance of £95,178. Repayments are made quarterly. Interest is payable at 1.85% over the bank's base rate.
- A mortgage loan with an outstanding balance of £221,089. Repayments are made quarterly. Interest is payable at 1.65% over the bank's base rate.
- A treasury loan with an outstanding balance of £435,968. Repayments commenced in April 2010 and will be made quarterly until cessation in January 2025. Interest is payable at a fixed rate of 7.185%

**THURLOW EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**13. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>				
General Funds	<u>5,621,604</u>	<u>4,144,840</u>	<u>(3,769,603)</u>	<u>5,996,841</u>
Total of funds	<u>5,621,604</u>	<u>4,144,840</u>	<u>(3,769,603)</u>	<u>5,996,841</u>

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>				
General Funds	<u>5,331,438</u>	<u>4,224,717</u>	<u>(3,934,551)</u>	<u>5,621,604</u>
<b>Restricted funds</b>				
RSA Fund	119	21,736	(21,855)	-
Nursery grant fund	1,140	-	(1,140)	-
	<u>1,259</u>	<u>21,736</u>	<u>(22,995)</u>	<u>-</u>
Total of funds	<u>5,332,697</u>	<u>4,246,453</u>	<u>3,957,546</u>	<u>5,621,604</u>

**RSA Fund**

This fund relates to amounts given by the Rosemead School Association towards specific needs of the School. A proportion of the funds have been spent in the year to support the delivery of education.

**Nursery Grant Fund**

The fund relates to grants received from Lambeth Council to fund improvements for the Nursery.

## THURLOW EDUCATIONAL TRUST

(A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

#### 14. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	375,237	288,907
<b>Adjustment for:</b>		
Depreciation charge	153,327	156,174
Interest payable	41,230	50,936
Decrease/(increase) in debtors	24,352	124,461
Increase/(decrease) in creditors	56,646	36,904
<b>Net cash provided by operating activities</b>	<u>650,792</u>	<u>657,382</u>

#### 15. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	<u>1,066,590</u>	<u>627,950</u>
	<u>1,066,590</u>	<u>627,950</u>

#### 16. PENSION COMMITMENTS

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £337,544 (2020: £319,208) and at the year-end £43,309 (2020 - £36,777) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

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

## THURLOW EDUCATIONAL TRUST

(A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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

Until the cost cap mechanism revision is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Contributions were made into a defined contribution scheme with Standard Life and a stakeholder pension scheme with Legal and General for some non-teaching staff. Contributions were made of £22,392 (2020: £44,192) during the year. The School's contribution outstanding at the year end were £nil (2020: £nil).

#### 17. RECONCILIATION OF NET DEBT

	1 September 2020	Cash-flows	Other non- cash changes	31 August 2021
	£	£	£	£
Cash	627,950	425,836	-	1,053,786
	<hr/>	<hr/>	<hr/>	<hr/>
	627,950	425,836	-	1,053,786
Loans falling due within one year	(163,254)	163,783	(172,623)	(172,094)
Loans falling due after more than one year	(752,764)	-	172,623	(580,141)
	<hr/>	<hr/>	<hr/>	<hr/>
	(916,018)	163,783	-	(752,235)
Total	<hr/> <u>(288,059)</u>	<hr/> <u>589,619</u>	<hr/> <u>-</u>	<hr/> <u>301,551</u>

**THURLOW EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**18. CAPITAL COMMITMENTS**

At 31 August 2021 the company had capital commitments as follows:

	2021 £	2020 £
Contracted for but not provided in these financial statements	<u>-</u>	<u>-</u>

**19. OPERATING LEASE COMMITMENTS**

At 31 August 2021 the total of the Charity's future minimum lease payments under non-cancellable operating leases in respect of a photocopier was:

	2021 £	2020 £
<b>Amounts payable:</b>		
Within 1 year	2,823	2,823
Between 1 and 5 years	<u>7,763</u>	<u>10,762</u>
Total	<u><u>10,586</u></u>	<u><u>13,585</u></u>

**20. RELATED PARTY TRANSACTIONS**

As at 31 August 2021, 2 Governors did not have children who were pupils at Rosemead School during the year (2020: 2). School fees paid and discounts received were at the same rate and on the same terms as for all other parents of pupils at the school. The Governors are not involved in decision making processes relating to their own children. There are no other related party transactions.