

**Charity Registration No. 1103522**

**Company Registration No. 05091977 (England and Wales)**

**THE CATHEDRAL SCHOOL LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST AUGUST 2023**

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

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# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## COMPANY INFORMATION

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### ***DIRECTORS AND ADVISORS***

#### **Directors**

Mr M R Havard, BSc, Econ(Hons) (Chairman)  
Mrs K Bates, LPQH, Cert. Ed (Retired 31.12.2022)  
Mr P Dewey, BSc, FCA  
Mrs P Jones, BA(Hons)  
Professor P J Knowles, BA, PhD  
Mr P R Lacey, MA  
Miss E McKinnie, BSc, MEB (Appointed March 2023)  
Mrs J E Newley, MA Cert Ed  
Mr J C Rawlins, FRICS, MRAC  
Mr J Smith (Appointed March 2023)  
Mr P A Smith, BSc  
Mr M Tossell, LL.B (Hons) (Appointed March 2023)  
The Revd Canon B D Clover, MA, FRSA, LTCL  
Mr R A Leek  
1103522  
05091977  
The Cathedral School, Cardiff Road, Llandaff,  
Cardiff. CF52YH

#### **Provost**

#### **Company Secretary**

#### **Charity No.**

#### **Company No.**

#### **Principal Address and Registered Office**

#### **Key Management Personnel**

#### **Head**

#### **Bursar**

Mrs C V Sherwood, MA (Hons Cantab)  
Mr R A Leek

#### **Auditor**

RSM UK Audit LLP  
Portland, 25 High Street, Crawley, West Sussex.  
RH10 1BG

#### **Bankers**

Barclays PLC, 6<sup>TH</sup> Floor, 5 Callaghan Square,  
Cardiff, CF10 5BT

#### **Solicitors**

Veale Wasbrough Vizards, Narrow Quay House,  
Narrow Quay, Bristol. BS1 4BZ  
Geldards LLP, 4 Capital Quarter, Tyndall Street,  
Cardiff. CF10 4BZ

#### **Insurance Brokers**

Marsh  
1 Tower Place West  
Tower Place  
London  
EC3R 5BU

# **THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED**

## **DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023**

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The directors present their report and financial statements for the year ended 31st August 2023 and confirm they comply with the requirements of the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006.

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

The charity was formed in 2004 and is registered with the Charity Commission as charity number 1103522. The charity is a limited liability company and wholly owned subsidiary of The Woodard Corporation (charity number 1096270). The charitable company is incorporated in the United Kingdom. Directors of the Company are also Fellows (members) of the Woodard Corporation and participate in the election of its board of management and are committed to its charitable objects.

Note 30 provides details of connected charities.

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

#### **Governing Document**

The company is governed by Articles of Association as adopted by Special Resolution dated 20 March 2013, replacing those dated 29 March 2004 amended by Special Resolution(s) dated 25 January 2006, 28 April 2009 and 23 June 2009. They permit funds to be managed in such a manner as the directors see fit, provided that such powers are only exercised for the purposes of attaining the objects and in a manner which is legally charitable. The Articles of Association forbid the distribution of any property or funds, which are to be applied solely towards the promotion of the objects of the company.

#### **Governing Body**

The governors are the directors and charitable trustees of the company and comprise the governing body of The Cathedral School and are elected to hold office for five years. The governing body met three times during the year. Reference to directors, governors and trustees are interchangeable throughout these accounts.

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

All governors are Fellows of the Woodard Corporation. Fellows are responsible for electing the Woodard Corporation Board. Governors are recruited on the basis of nominations from school contacts and from selection when a post becomes available. The governing body look to ensure a mix of skills and select new governors on the basis of background, competence, specialist skills and, in the case of Fellows, Christian commitment. Governors are provided with induction training by the Head, Bursar and staff and a wider programme of training events is organised by the Woodard Corporation.

Where possible the governors consider that the skills and experience of the governing body should comprise the following:

- A Governor with a legal background.
- A Governor with a financial/accounting background.
- A Governor with education experience.
- A Governor with estates management experience.
- A Governor with senior managerial or business experience.
- A Governor with experience of equal opportunities or disability needs.
- At least one female Governor and at least one male Governor.
- An Anglican Ordained Minister.

One Governor may have one or more of these skills.

#### **Volunteers**

Governors are volunteers providing their time for free to support the governance of the school. The school also relies on a number of others to undertake volunteer roles including fundraising events via 'The Friends of the Cathedral School'. Parents of infant aged children also assist with School trips and

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## DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

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visits.

### Organisational Management

The school is governed by the governing body which delegates work to a number of committees. Membership of each committee is outlined on page 13. The directors determine the general policy of the company.

Joint Estates and Finance Committee – the joint committee develops the school's estates strategy, including capital developments and maintenance of the buildings and has a remit to consider budgets, both revenue and capital, cash flow information and financial reports, including the financial statements. It also considers financial policies and the financial regulations. It makes recommendations to the governing body for approval. The Estates and Finance Committee met three times during the year.

Education Committee – the Education Committee is responsible for oversight of the academic performance of the school and educational policy, making recommendations to the governing body. It met four times during the year.

Remuneration Committee - the Remuneration Committee makes recommendations to the governing body regarding the remuneration of the Head and the Bursar. It also considers the overall staff salary increases and makes recommendations to the Finance Committee. It met twice during the year.

Risk Management Committee – the Risk Management Committee sets and reviews the Risk Management Register on an annual basis. The Committee consists of the full board and meets once a year.

The day to day management of the company is delegated to the Head and the Bursar as the Key Management personnel, overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day to day administration is undertaken within the policies and procedures approved by the governors which provide for only significant expenditure decisions and major capital projects to be referred to the governors for prior approval.

The Head oversees the recruitment of all educational staff, whilst under delegated authority the bursar oversees the recruitment of administrative and non-teaching support staff. The Head and Bursar are invited to attend governors' meetings.

The remuneration of key management personnel is set by the governing body, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the school's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere.

We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the school's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

### School Structure and Relationships

The School has developed links with a wide range of organisations to ensure the widest possible access to our facilities and Schooling. Through membership of the family of Woodard Schools, Headmasters' and Headmistresses' Conference (HMC), Independent Association of Preparatory Schools (IAPS), the Choir Schools Association (CSA), Society of Heads, The Independent Schools' Bursars Association (ISBA), Association of Governing Bodies of Independent Schools (AGBIS) and through networking with peer groups we ensure that we are able to attain the highest standards of quality and performance. We encourage pupils to develop awareness of the social context of the all-round education they receive at the School and they are encouraged in a number of activities to enhance their understanding. We have a growing alumni group, the Old Llandavians. A committee of parents and staff form 'The Friends of the Cathedral School' and are generous in supporting the work of the School, which is greatly appreciated. We also cooperate with charities and local Primary Schools in our ongoing endeavours

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to widen public access to the Schooling we can provide, to optimise the educational use of our culture and sporting facilities and to awaken in our pupils, in the public interest, an awareness of the social context of the all-round education they receive.

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

#### **Charitable Objects**

The charity's objects, as set out in the Articles of Association, are to promote and extend education (including spiritual, moral, social, cultural and physical education) in accordance with the doctrines and principles of the Church. The Church is defined as being the Church of England and churches in full communion with the See of Canterbury.

#### **Intended impact**

Woodard schools strive for the best all round education of every aspect of each individual; they ensure high standards of religious education; and they see themselves as communities working together for the benefit of all members, and of the Church and the nation. They are strong Christian foundations which adhere to catholic belief as found in the Church, to Christian worship focused in the Eucharist, and to the care of each individual and the whole school community particularised in the ministry of the Chaplain.

#### **Aims**

The Cathedral School is a day school for pupils from the ages of 3 to 18. It aims to support children in reaching their potential in all areas of their activity at the school, and in the wider community. This is certainly enabling each child to meet their academic potential and also enabling children to find success in co-curricular excellence in art, drama, sport, music or dance. We produce 'well rounded' individuals who are able to make a positive contribution to society. All Woodard schools aim to provide a rounded education to help the pupils to make their way in adult life.

#### **Primary objectives**

The primary objectives of The Cathedral School to fulfil these aims focus around the following 5 ethos statements:

- Achievement – recognizing that all young people have a unique set of skills and enabling all pupils to fulfil their potential
- Care – to enable an inclusive community in our Christian environment supporting spiritual growth, understanding, respect and empathy for all
- Opportunity – Every teaching and learning opportunity to enable the child to flourish
- Ambition – Aiming high in all aspects of school life – with no-one left behind
- Leadership – Planning effectively & working together to inspire others and achieve a shared purpose

#### **Strategies to achieve the primary objectives**

**Achievement** - the focus was on ensuring the best possible academic outcomes at the end of Key Stage 2, Key Stage 4 and Key Stage 5, as public examination standards returned to pre-Covid levels. In addition, the ALN department sought to strengthen our provision for pupils with additional learning needs, in response to the changing legislation in Wales, which came into force in September 2022.

**Care** - the emphasis was on strengthening the impact of our new status as a School of Sanctuary (the first independent school to be so accredited) and seeing this embedded across the whole school. The School sought to provide additional opportunities for staff well-being. We also aimed to increase parental understanding of School expectations of inter-pupil behaviour and our Good Behaviour and Anti-Bullying procedures to enable a consistent approach at both home and school.

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**Opportunity** - departments worked to strengthen the curriculum offering in Primary Mathematics and the Senior Creative Arts and Humanities departments. Outside the classroom, the aim was to give more opportunity for pupils to have an impact in the school through remodelling and strengthening the School Council.

**Leadership** - the School aimed to improve our response to the climate crisis, through a new committee charged with designing and beginning the implementation of a new whole-school environmental strategy. The School also aimed to put together a new bursary fund-raising strategy, ready for implementation in 2023-24.

### Principal Activities of the Year

The principal activity of the school is the delivery of education to pupils ranging from 3 to 18 years of age. We also run a number of summer school activities and the school is open at other times for use by the local community. Pupil numbers at the school during the year were as follows:

	2022/2023		2021/2022	
Senior School	468		471	
Preparatory School	174		173	
Pre-Preparatory School	152		157	
Total	<u>794</u>		<u>801</u>	
	2022/2023		2021/2022	
	Boys	Girls	Boys	Girls
Senior School	284	184	295	176
Preparatory School	120	54	115	58
Pre-Preparatory School	96	56	97	60
Total	<u>500</u>	<u>294</u>	<u>507</u>	<u>294</u>

### Public Benefit

As part of our primary objectives, the school aims to create an environment to nurture children, to get the best from them and to allow them to develop and fulfil their potential. We provide them with a first class independent education and a wide range of sporting and artistic opportunities. Our public benefit aim is that all pupils will be self-confident and desire to contribute to the wider community.

In terms of public benefit, we also recognise the benefit to the community of the School educating 800+ pupils at no cost to the public purse. The Cathedral School provides boy and girl Choristers to sing services in Llandaff Cathedral, greatly enhancing the spiritual, musical and cultural lives of the City of Cardiff and the Diocese of Llandaff, as well as representing the Wales at times of national importance. In the past academic year, the Choristers sang for a variety of local and national events, including the Welsh national commemoration of the passing of HM Queen Elizabeth II, attended by the King and Queen.

In the furtherance of these aims, The Cathedral School governors, as the charity trustees, have complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

Our school welcomes pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our school will be able to educate and develop a prospective pupil 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 pupils 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.

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Our school is a delighted to be part of a wider community and we are keen that our links with the community remain strong. We were the first independent school to be recognised as a School of Sanctuary and continued to supported Llandaff Diocese in their partnership work on *Taith Advent*. The activities undertaken and the success of our programme are explained in the 'review of achievements and performance for the year' section of this report.

Woodard and its schools provide a significant benefit to the public. The school strives to ensure that measures of public benefit are appropriate, and that significant sections of the public are not excluded from the opportunity to benefit from the education and facilities offered due to the need to pay a fee. In addition to significant provision of bursaries and other forms of financial support, the school provides a wide range of opportunities for community benefit and facilities and events are often open to all. Further detail of the public benefit offered is included in the section entitled 'Review of Achievements and Performance for the Year' below.

### ***Concessions Including Bursaries & Scholarships***

Our school does not have an endowment and in funding our concessions we have to be mindful that we must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards. Further details of our concessions policies and how to apply are available on our website at [www.cathedral-school.co.uk](http://www.cathedral-school.co.uk).

All criteria and policies relating to concessions are kept under review and are updated when necessary.

#### ***Bursaries***

Bursary awards are important in helping to ensure children from families who would otherwise not be able to afford the fees can access the education we offer. Our bursary awards are available to all who meet our general entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk for example in the case of redundancy. In most cases the budget for bursaries is allocated using a "needs blind" approach as far as possible, whilst giving priority to the continuity of education of those pupils already at the school.

This year the value of means tested bursaries totalled £290,248 (£235,266 – 2022) and represented 2.8% of our gross fees. They provided assistance to 33 of our pupils of which 3 pupils benefited from a full remission of fees.

#### ***Scholarships***

The purpose of our scholarship awards is to recognise high academic potential or the ability to excel in our co-curricular activities. Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. In addition, awards may be subject to conditions imposed by the original donor.

The school awarded scholarships to 198 pupils, based on their educational merit and potential, totalling £227,829 (£197,305 – 2022) and representing 2.2% of our gross fees. Of this number, 10 also qualified for means-tested bursary support and are included in the figures relating to bursary awards.

The Cathedral School provides the Choristers to Llandaff Cathedral and in so doing subsidises their fees via Chorister scholarships. The Scholarships ranges from 35% to 66% remission of fees. This year the value of Chorister Scholarships totalled £211,856 (£201,430 – 2022) and represented 2% of our gross fees. We supported 38 Choristers during the year.

The progress of pupils receiving scholarships is reviewed at least annually to ensure their progress is in line with their abilities. No scholarships were withdrawn in the year as a result of reviews.

#### **Employment Policy**

We are an equal opportunity organisation 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 pupils who are or become disabled.



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### Engagement with Suppliers, Customers and Others in a Business Relationship with The Cathedral School

The Cathedral School seeks to engage actively and positively with all stakeholders in the local community and in the wider educational landscape. Collaborative relationships with suppliers, parents, educational partners and community leaders are seen as key enablers to achieving success in all of the school's operations.

During the year the school has further promoted this engagement through specific initiatives including:

- Regular communication and engagement with parents and prospective parents of pupils attending The Cathedral School to enhance the understanding of the provision to each pupil and to fully coordinate support to pupils from parents and schools.
- Engagement with other educational organisations and partners at local and national levels to share best practice and to provide peer support.
- Active dialogues with local councils on matters which impact children and families in the community as well as relate to operation of each school.
- Engaging with local businesses to promote career and educational opportunities for pupils for their mutual benefit.
- Seeking all possible opportunities to engage with local and national suppliers in the area.
- Seeking regular communication with all suppliers and ensuring good commercial practices of prompt payment and clear communication to optimise arrangements for supply of goods and services to The Cathedral School.
- Promoting and encouraging pupil and staff opportunities to engage in local voluntary and other projects to support the community.
- Providing community access to The Cathedral School and, in many cases, adopting a role that puts the school or academy at the heart of a community.

## STRATEGIC REPORT

### REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

During the year we educated an average of 794 children between the ages of 3 and 18. The school offers a broad curriculum and, whilst entry is subject to meeting the academic requirements of the school, we educate children with a wide range of ability. The educational performance of the school was excellent, as demonstrated by the public examination results. An exceptional 44% of grades were 9 or 8 (England Pathway – equivalent to A\*), with 64% of all grades at 9-7 (A\*/A). The most common grade awarded overall was 9, the highest possible grade. 100% of pupils achieved the equivalent of at least five GCSE grades 9-4 (A\*-C), including English, Mathematics and Science.

At A Level 8% of all grades at A\* and 87% at A\*/A, with 98% of university applicants gaining a place at their first choice university. The most common grade was A\* with more than a quarter of the cohort achieving 3A\* grades and more than two thirds attaining exclusively A\*/A grades. At AS Level, 75% of grades were A. These results were listed as third highest in the country in the Telegraph League Table of UK private schools 2023.

These results are well above the national average for all schools and significantly above the average performance of independent schools, demonstrating both the effectiveness of our educational offering during the pandemic and the excellent way in which we prepared students for their first ever public examinations, particularly the A level cohort, who had not sat GCSEs.

We continue to improve facilities through constant investment in the fabric of the buildings and assets. This year, saw the completion of the refurbishment of the north facing aspects of original school building, School House. Major repair work was also completed to prevent subsidence in the school chapel. The roof and windows of the Sixth Form Centre were also refurbished and every interactive whiteboard in the School was replaced and upgraded.

The Cathedral School choristers continued to go from strength to strength, singing for the King and Queen at the televised national memorial service in September 2022. Both girls and boys performed at significant festivals throughout the year, including the services to welcome the new Dean of Llandaff in

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November 2022 and the new Bishop of Llandaff in April 2023. The cathedral hosted their first Christmas and Summer concert since the Coronavirus pandemic, welcoming figures from the BBC and S4C and featuring performances from both boy and girl choristers.

### Music

We have a particular strength in music and the performing arts and the school prides itself on the quality of our choirs and orchestras and the progress made by our pupils in national ensembles.

- 10 pupils between Year 7 and Year 13 were members of the National Youth Choir / National Youth Orchestra and a significant number play for the various Cardiff / Glamorgan ensembles.
- 2022 saw the return of our celebrated 'St Cecilia' concert, this year being styled a 'Festive' concert, in view of it being held in December. Nearly 160 Senior pupils were involved, the largest concert ever in the School's history.
- The Primary section ensembles and choirs concert was well attended by pupils, having over 100 pupils involved in the Cathedral performing in ensembles ranging from p-buzz to the Cantemus choir.
- The 2022-23 year involved an extensive schedule of concerts catering for the varying needs of both soloists, choirs and instrumental ensembles. Apart from the St Cecilia Concert, the Lent Term Instrumental Concert, Senior Summer Concert, and Springtime Serenade were particular highlights, the latter seeing the first return of the Jazz Band since 2019.
- Our half termly lunchtime concerts are held in the cathedral and are open to the public, being particularly popular to the local Llandaff residents.
- We also support the local community with events they hold each year, including providing both the bugler and the brass band for the Remembrance service held on the cathedral green.

### Drama

- The Senior Michaelmas Production a devised project called 'HOME' was conceived in response to the refugee crisis in Ukraine and the work done to gain accreditation as a School of Sanctuary. The pupils worked collaboratively to create a performance which consisted of a range of performance poetry, physical theatre, script extracts, verbatim accounts from real refugees and statistics. The piece became a powerful way to educate our community on the widespread issue and dispel misconceptions. We performed on two evenings to a public audience, one matinee for primary pupils and one for the whole of KS3 as a 'PHME' session.
- The summer musical, 'Made In Dagenham' was a real crowd pleaser but no less a powerful reminder of events in the past that have made a huge impact on our lives today. The show, based on the true events of the Ford factory workers who took on the unions to fight for equal pay for women.
- The first musical for the Junior section, 'Pirates of the Curry-bean' was a joyful celebration of the triumph of good over evil and the delights of the open seas – and the pirate cat!

### Sport

The range of sports offered at The Cathedral School reflects the importance given to sporting activity and physical education. 93% of Year 7-9 represented the school in at least one fixture, 83% of Year 10, 73% of Year 11 (including 96% of girls) and 67% of the Sixth Form. This enables us to offer first team fixtures for the most able sports players and also to maintain a "sports for all" programme with B and even C teams in some year groups.

- A number of pupils are outstanding in their field and have represented their country in running, badminton, baseball, cricket, football, gymnastics, hockey, squash and swimming. It has been an outstanding year for sporting success for our different teams.
- In tennis, we were U13 boys South Wales Aegon Finalists, the U15 boys were South West England & South Wales Aegon Finalists and the U13 girls were South Wales Aegon Finalists.
- In cricket our U15 Girls were ECB Indoor Cricket National Finalists (4th place).
- In netball our U13 team and U14 team were County Netball Finalists.
- In rugby our U12, U14 and U15 teams won the Cardiff Schools Plate.
- In Swimming our U13 Girls won the Freestyle Relay and our U13 boys were IAPS National football finalists. Our U13 boys were the South West tournament 6-a-side Football Winners Hockey and our U14 girls hockey team were Hockey Wales Champions.

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Our very high participation rates in the Duke of Edinburgh Award (89% of eligible pupils taking the Bronze Award, 64% taking Silver and 20% taking Gold) outstrip the national target of 50% of young people across the country and we remain fully committed to enable pupils to participate in the Award. Expeditions and residential trips were popular with staff and pupils and volunteering continued in the local community, volunteering for local charity shops, their local OAP home, or helping out in hockey coaching.

Through development of, and provision of access to facilities, the school remains an important community resource.

### **Facilities made open to the public include:**

Our music and performance facilities are made available to a wide range of local music societies, including:

- Cardiff and Vale Youth Jazz Orchestra
- Local Nursery Training Days (6th Form Centre)
- Stage School

Our sports pitches are recognised as being of particular quality and are regularly used by:

- Cardiff Cavaliers Cricket Club
- Hosted ICC World Cup Cricket practice days
- Mitres Cricket Club
- Salem Chapel Cricket Club
- St Fagans Cricket Club
- UMCC Cricket Fixtures

Our sports hall is also regularly used throughout the year for evening and weekend activities by the following organisations:

- Cardiff Volleyball Club
- Mad Science Holiday Club
- Celtic Dragon Netball
- Cricket Wales
- Lisvane Cricket
- St Fagans Cricket

Our Main School classrooms host:

- Cardiff Vineyard Church
- Nuestra Escuela Spanish School
- Stage Coach Summer School

Our Memorial Hall hosts:

- Ballet and Tap groups on weekends and during the weekday evenings
- Birthday parties – 12 this year
- Cwmni Dawns Wern Caerdydd
- Cardiff Kung Fu Academy
- Pilates and yoga classes – these take place on four evenings per week
- The Llandaff society monthly meetings
- Charitable activities for Organisations such as NSPCC

Our Outdoor Court hosts:

- Mad Hockey

We also stage the start and finish of the Castles and Cathedral Cycle Ride

### **Partnerships**

We continued to develop our close relationship with the diocesan Church in Wales schools this year as well as strengthening our links with local charities. Once again, we supported the local *Taith Advent* initiative, raising awareness and teaching children about refugees and issues faced by refugees around the world. In Lent, we joined the diocesan Lamentations Project, reassuring children across the diocese that "it's OK not to be OK" and allowing them to express their sadness.

We supported the development of the music curriculum with Cwmbach CiW Primary School, with a member of staff going to work with them once a week throughout the year. During Christian Aid week,

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we once again combined our efforts with Llandaff City CiW Primary School, joining a collaborative sponsored walk to raise funds.

As the first independent school in Wales to be designated as a School of Sanctuary for our commitment to ensuring that we are a safe and welcoming place for all. Feedback from parents showed that resulting discussions at home positively impacted the children, developing their cultural understanding and instigated further discussions at home with their families.

As members of the Rotary youth charitable body 'Interact', we continued to work with local schools (Howells, Whitchurch High, Llanishen High and Whitchurch Primary) to raise money and awareness of global issues, including the first Valentine Roses Project since the pandemic.

### Charitable Activities

As well as supporting the local community, we have undertaken specific fundraising for projects such as Save the Children and the Teenage Cancer Trust. The school community takes part in a wide range of sponsored events and other fundraising activities and these continued during lockdown with pupils raising money as individuals by running marathon distances either individually or in a team. Not taking into account the sums raised during lockdown, the school raised £14,367 to support local and national charities.

### Alumni Relations and Development

Significant progress has been made this year in improving our Alumni relations. Whilst we could only welcome a small number of former students on site for Old Llandavians Day, we appointed an Alumni Relations and Development Officer at the end of the summer term, whose role will be to strengthen the links between the Alumni and the School

### Key Performance Indicators

The Key Performance Indicators (KPIs) used by the school are:

KPI	Target	Actual
Surplus	5% of net fees	2%
Pupil Numbers	800	794
Total salaries to net fees	70% of net fees	66%
A Level target	50% of all grades to be at A or above	85% of all grades were at A or above
GCSE Level target	65% of all grades to be at 7 or above	64% of all grades were at 7 or above

We are pleased with the surplus generated. At the start of the Academic year, our numbers were lower than budgeted at 786 (budget 806) but improved to 796 early into the Michaelmas term. This year we also saw costs increasing dramatically as high inflation took hold, we have managed these costs extremely well throughout the year.

### Funds held as custodian trustee on behalf of others

The Cathedral School does not hold funds or act as custodian trustee on behalf of others.

## FINANCIAL REVIEW

### Results for the Year

The net incoming resources for the year amounted to £192,389 of which the operating surplus on school activities was £189,041. This surplus has been achieved against a background of strongly rising operating costs, so that in the circumstances we consider it a highly satisfactory achievement.

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The parents of our pupils often make significant sacrifices to pay the fees. In doing so they help to relieve the state of the financial burden of educating 794 UK based children. The saving is estimated to have a value in the last year of £5,534,180. The school is also unable to recover the VAT on purchases it makes. During the past year, The Cathedral School has paid an estimated £443,911 in irrecoverable VAT on goods and services.

The Cathedral School provides a pension to some staff under the terms of the Pensions Trust Growth Plan. As a result of this pension scheme being under funded, The Cathedral School is committed to contributing to a recovery plan. During the course of the year The Cathedral School made contributions to the recovery plan of £4,524 and the recognised liability under the plan reduced by £4,230, with this value being recognised in the Statement of Financial Activities. Further details can be found in note 29.

Following a technical breach of the Debt Service Cover covenant this year with Barclays Bank, the long term loan has been restated as being due within one year. Subsequent to the year end (31st August 2023), the bank have confirmed verbally that they will issue a waiver, confirming that as a consequence of the breach an event of default has occurred. They have stated that it is not the present intention of the bank to exercise its right in connection with the default, but the bank retains all rights in respect of the breach.

### **Reserves Level and Policy, and Financial Viability**

It has been the School's policy to utilise funds to ensure that high quality up-to-date facilities are provided for the benefit of pupils. The aim is to budget so as to provide sufficient working capital to meet the present needs and future development requirements of the School without the requirement to have recourse to sales of tangible fixed assets or use of the School's readily realisable investments supporting unrestricted funds. Unrestricted funds increased by £189,041 to total £8,863,295, as shown in note 21. The Cathedral School plans to fund longer term capital expenditure and meet long term liabilities through careful management of resources and investments and through building reserves through operations and trading. The School aims to make an overall surplus of 5% to build up to the target for free reserves. This year's result indicates that our surplus was 2% of net fees.

The Governors have invested substantial sums into new School buildings in recent years and have a continuing programme of refurbishment, development, and investment to maintain excellent teaching facilities for our pupils. In common with most independent Schools, and due to the having to fund their own capital investment plans, free reserves are at a negative balance illustrating the extent of the investment in our School. The School's total reserves of £8,995,289 at the year-end included £131,994 of restricted funds and £8,863,295 unrestricted funds. Fixed assets held for charity use totalled £9,292,720, leaving free reserves of -£295k (2022: -£505k) at the year-end, an improvement of £210k. The School's financial viability does not depend on income reserves but in its ability to continue to trade at a surplus on an annual basis, and on the substantial portfolio of fixed assets held for operational use. The School does not have, and cannot rely on, permanent endowments.

The company's unrestricted reserve are primarily invested in tangible fixed assets which are all used for its direct charitable activities.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The consideration of risks in the paragraphs below reflects the current more stable environment, post the Coronavirus Pandemic, offering a wider view of common events plus a specific risk looking at those events that could impact the continuity of education.

The governors consider the economic turbulence of recent years and the affordability of fees by parents across the independent sector to be the principal risk faced by the school. The School is currently close to being full, but there is no room for complacency. The governing body, therefore, decided last year to increase the fees in September 2022 by 4.3%. For September 2023 the governing body, taking account of inflation and the demand on wage increases in the public sector, has needed to increase fees by 9%, this was a very difficult decision. The independent sector as a whole is currently subject to potentially increased political risk as the stated policy of the Labour Party is to remove tax concessions for charitable independent schools. If elected, and if this policy is enacted, there is a significant risk to the independent sector as VAT would have to be added to school fees. This would potentially make the fees unaffordable for a proportion of parents, materially affecting the income.

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2023

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Health and Safety is always a significant area for risk management. The risks range from fire and damage to infrastructure, to personal risks (most notably when away from the campus on trips and expeditions). The level and breadth of activity at the school is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment.

The governing body is responsible for the identification and management of risks. The major risks to which the charity is exposed, as identified by the directors, have been reviewed and systems or procedures have been established to manage those risks. Detailed examination of the risks and establishment of controls to mitigate them is delegated to the Senior Management Team and the process is overseen by the Risk Management Team, which consists of the full governing body. A formal review of the risk management processes is undertaken annually.

The principal risks to which the school is exposed include those affecting protection of pupils and security and preservation of charitable assets both now and in the future. Significant risk areas:

- the governors consider possible catastrophic events and ensure that the school has a plan in place to allow education to continue in a range of different scenarios.
- the market in which the school operates is highly competitive and we monitor developments in education to ensure that pupils always receive a first class, holistic and varied educational experience in our school.
- we strive to ensure that all staff are able to work in a safe and supportive environment and policies, procedures and training in Human Resource management and Health and Safety help to ensure that the school meets expectations.
- the school operates in a highly regulated sector, including in matters of child protection, and we appoint appropriate professional advisers to ensure that we can keep up to date with all requirements; school or individual membership of bodies being the constituent associations of the Independent Schools Council also ensure that we have access to up-to-date information and support.
- the school operates in an increasingly litigious environment, and we appoint appropriate professional advisers and purchase insurance using specialist brokers and advisers to ensure that we can keep up to date with all requirements and meet all challenges.
- all organisations face difficult economic conditions, particularly in relation to the impact of inflation, and directors and senior managers in the school keep abreast of economic conditions locally, nationally and internationally to identify trends and develop plans to address issues.

The key controls used by the school include:

- formal agendas and minutes for all meetings of the governing body and committees
- terms of reference for all committees
- comprehensive strategic planning, financial forecasting, budgeting and management accounting
- established and identifiable organisational structures and reporting lines which are regularly reviewed
- comprehensive formal written policies
- clear authorisation limits
- vetting procedures, as required by law, for protection of the vulnerable

### GOING CONCERN

The accounts show that we are currently cash positive, this is the case even without recognising that over 25% of our parents regularly pay fees in advance of the due date. We also have £1.5m bank overdraft facility, in case of need, which has never been called upon.

The School has a financial plan up until the end of 2027/28, conservatively indicating an annual EBITDA of £345k to £552k – the latter being the equivalent to 40 senior pupil fees. Our cash forecast of circa £3.1m in 2024/25, gives the governors confidence that the School will be able to restart the capital project of a new Sixth Form Building in the next few years.

Having considered all factors and reviewing the available evidence, including demand v capacity, exam results and the handling of the lock down which has given rise to potential additional funding opportunities, the governors have a reasonable expectation that the School will be able to continue operating for the foreseeable future. Therefore, the financial statements have been prepared on a going concern basis.

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2023

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### FUTURE PLANS

The governing body's current five-year strategic plan was approved on June 2023 and is reviewed on an annual basis. The key objectives of the current plan are:

1. To establish new markets for the school by undertaking specific research, so that pupil numbers can be increased to be consistently above 800 year on year.
2. To achieve a total of £25,000 in appeal funds before the end of the next academic year to August 2024 by commencing a formal fundraising programme with appropriate resources.
3. To continue to improve school facilities through completion of a ten year architect's plan for the school site, with a particular emphasis on school dining and Sixth Form provision.
4. To prepare effectively for the likely increase to school costs from external challenges including: increased TPS costs and change of Government, resulting in a change to taxation on Independent Schools.
5. To widen access to the schools still further through the provision of means-tested bursaries equivalent to 4 full-fee-paying places by establishing a larger budget and improving management of awards.

### DIRECTORS

The directors who served during the year, and the committees of which they are members, are:

M R Havard (Chairman)	Joint Estates and Finance, Nominations, Remuneration, Risk Management
Mrs K Bates Resigned 31 December 2022	Education, Remuneration, Risk Management
P R Dewey	Joint Estates and Finance, Nominations, Remuneration, Risk Management
Mrs P Jones	Joint Estates and Finance, Risk Management
P J Knowles	Education, Remuneration, Risk Management
P R Lacey	Risk Management
Miss E McKinnie (Appointed March 2023)	Joint Estates and Finance, Risk Management
Mrs J E Newley	Education, Joint Estates and Finance, Risk Management
J C Rawlins	Joint Estates and Finance, Nominations, Risk Management
J Smith (Appointed March 2023)	Joint Estates and Finance, Risk Management
P A Smith	Education, Nominations, Remuneration, Risk Management
M Tossell (Appointed March 2023)	Joint Estates and Finance, Remuneration, Risk Management

None of the directors has any beneficial interest in the company. The Cathedral School buys trustees and officers insurance on behalf of the directors.

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

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### Exemptions from disclosure

The Cathedral School has not taken advantage of any exemption from disclosure in relation to trustee details.

### AUDITOR

RSM UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.



# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

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### DIRECTORS RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' Report, the Strategic Report included within the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare company financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing each of the company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting 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; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors of The Cathedral School on 29 November 2023, including, in their capacity as company directors, approving the Directors' and Strategic Reports contained therein, and signed on its behalf by:



M Robin Havard  
CHAIRMAN

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED YEAR ENDED 31ST AUGUST 2023

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### Opinion

We have audited the financial statements of The Cathedral School (Llandaff) Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the Charity Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "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 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 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.

### Other information

The other information comprises the information included in the Directors' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Directors' 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.

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED YEAR ENDED 31ST AUGUST 2023

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### 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 Directors' Report, which includes the Directors' Report and the Strategic 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 Directors' Report and the Strategic Report included within the Directors 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 audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Directors' Report.

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

- adequate 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 Statement of Trustees' responsibilities set out on page 14, 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.

### 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.

### The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED YEAR ENDED 31ST AUGUST 2023

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audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Directors' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent Schools Standard) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2022, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and substantive test of details over donations, and other educational income.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <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

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED YEAR ENDED 31ST AUGUST 2023

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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.

RSM UK Audit LLP

Zoë Longstaff-Tyrrell (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Portland,  
25 High Street,  
Crawley,  
West Sussex,  
RH10 1BG

Date 06/12/23

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>					
<b>Charitable Activities</b>					
School fees receivable	2	9,466,231	-	9,466,231	9,279,907
Ancillary trading income	3	432,285	-	432,285	284,774
<b>Other trading activities</b>					
Non-ancillary trading income	4	50,898	-	50,898	41,479
<b>Investments</b>					
Investment income	5	-	560	560	550
Bank and other interest	5	52,263	-	52,263	2,425
<b>Other – Grants and donations</b>					
Grants and donations	6	-	2,368	2,368	200
<b>Other incoming resources</b>					
<b>TOTAL INCOMING RESOURCES</b>	21	10,001,677	2,928	10,004,605	9,609,335
<b>Expenditure on:</b>					
<b>Raising funds</b>					
Financing costs	7a	(117,050)	-	(117,050)	(73,561)
<b>TOTAL DEDUCTIBLE COSTS</b>					(73,561)
<b>Charitable Activities</b>					
Education and grant making	7b	(9,695,586)	-	(9,695,586)	(8,935,166)
<b>TOTAL EXPENDITURE</b>		(9,812,636)	-	(9,812,636)	(9,008,727)
Net gains/(losses) on investment assets	13	-	620	620	1,200
<b>Net income/(expenditure)</b>		189,041	3,548	192,589	601,808
<b>Net Movement in funds for the year</b>		189,041	3,548	192,589	601,808
Fund balances at 1st September		8,674,254	128,446	8,802,700	8,200,795
<b>FUND BALANCES AS AT 31ST AUGUST</b>		8,863,295	131,994	8,995,289	8,802,603

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## BALANCE SHEET AS AT 31ST AUGUST 2023

	Note	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible assets	12	9,279,440	9,295,336
Investments	13	13,280	12,660
		<b>9,292,720</b>	9,307,996
<b>CURRENT ASSETS</b>			
Stock		6,306	4,486
Debtors	14	310,839	247,008
Cash at bank and in hand		2,758,110	2,568,570
		<b>3,075,255</b>	2,820,064
<b>CURRENT LIABILITIES</b>			
Creditors payable within one year	15	(2,988,121)	(1,493,751)
<b>NET CURRENT ASSETS</b>		<b>87,134</b>	1,326,313
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>9,379,854</b>	10,634,309
<b>LONG TERM LIABILITIES</b>			
Creditors payable after one year	16	(378,300)	(1,821,211)
<b>TOTAL NET ASSETS EXCLUDING PENSION LIABILITY</b>			
Net pension liability	23	(6,165)	(10,395)
<b>NET ASSETS</b>		<b>8,995,389</b>	8,802,703
<b>REPRESENTED BY:</b>			
<b>CALLED UP SHARE CAPITAL</b>	19	100	100
<b>RESTRICTED FUNDS</b>	21	131,994	128,446
<b>UNRESTRICTED FUNDS</b>			
General reserve	21	8,863,295	8,674,157
		<b>8,995,389</b>	8,802,703

The financial statements were approved and authorised for issue by the Board on 29 November 2023 and signed on its behalf by



**M Robin Havard**  
CHAIRMAN

Company registration number **05091977**

The notes on pages 23 to 42 form part of these financial statements.

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## CASH FLOW STATEMENT AS AT 31ST AUGUST 2023

	Notes	2023 £'000	2022 £'000
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by operating activities</b>	24	<b>699,600</b>	<b>929,306</b>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		<b>52,823</b>	550
Purchase of property, plant and equipment		<b>(270,907)</b>	(102,414)
<b>Net cash provided by (used in) investing activities</b>		<b>(218,084)</b>	(101,864)
<b>Cash flows from financing activities:</b>			
Repayments of borrowing		<b>(174,926)</b>	(189,157)
Financing costs		<b>(103,983)</b>	(73,561)
<b>Net cash provided by (used in) financing activities</b>		<b>(278,909)</b>	(262,718)
<b>Change in cash and cash equivalents in the year</b>		<b>189,540</b>	564,724
<b>Cash and cash equivalents at the beginning of the year</b>		<b>2,568,570</b>	2,003,846
<b>Cash and cash equivalents at the end of the year</b>	25	<b>2,758,110</b>	2,568,570



# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

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### 1. ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year and in the preceding year are:

#### a) Basis of Accounting

The accounts of the The Cathedral School have been prepared under the Companies Act 2006 and in accordance with the Statement of Recommended Practice for Charities ('SORP (FRS102)') and with applicable UK Accounting Standards. They are drawn up on the historical cost accounting basis except that property and share investments held as fixed assets are carried at fair value.

The Cathedral School meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Further details are provided in note 30, and in the accounting policies for depreciation of fixed assets, for pensions and bad debts. The financial statements are presented in sterling (£) and the functional currency is sterling (£).

#### b) Going Concern

The accounts show that we are currently cash positive, this is the case even without recognising that over 25% of our parents regularly pay fees in advance of the due date. We also have £1.5m bank overdraft facility, in case of need, which has never been called upon.

The School has a financial plan up until the end of 2027/28, conservatively indicating an annual EBITDA of £345k to £552k – the latter being the equivalent to 40 senior pupil fees. Our cash forecast of circa £3.1m in 2024/25, gives the governors confidence that the School will be able to restart the capital project of a new Sixth Form Building in the next few years.

Having considered all factors and reviewing the available evidence, including demand v capacity, exam results and the handling of the lock down which has given rise to potential additional funding opportunities, the governors have a reasonable expectation that the School will be able to continue operating for the foreseeable future. Therefore, the financial statements have been prepared on a going concern basis.

#### c) School Fees Receivable and Similar Income

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions by the school, but include contributions received from restricted funds for scholarships, bursaries and other grants. Fees in Advance Scheme Contracts are those fees received in advance of education to be provided in future years under a specific contract. The fees are either held as investments in interest bearing assets until taken to income to match liabilities in the term when used, or refunded, or they are held within the unrestricted reserves of the school. Any surplus of assets over liabilities is held within the fund as a buffer. Debts are provided for if not recovered within one term. Estimating amounts to provide against recovery of debts is a matter of judgement.

#### d) Ancillary and Non-Ancillary Trading Income

Ancillary trading income represents amounts from activities to generate funds within the charitable objects, for example school shop sales, coaches to and from school and school trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of school facilities out of term time and rental from spare school buildings. Income from these activities is recognised in the Statement of Financial

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

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Activities when the goods are sold or services provided.

### e) **Voluntary sources, Grants and Donations**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can reliably be quantified, and the economic benefit is considered probable.

Voluntary income for general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the school in case of donated services or facilities.

### f) **Coronavirus Job Retention Scheme (CJRS) Income**

The CJRS grant is receivable as compensation for staff costs incurred and for the purpose of giving immediate financial support to the organisation with no future related costs. It is recognised as income in the period in which it becomes receivable within 'Other – Grants and Donations' (note 7).

### g) **Expenditure**

Expenditure is accrued as soon as there is a contractual obligation or a liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. Bad debts are provided for in accordance with the group bad debt policy. The cost of refurbishing and converting existing buildings is written-off in the year in which it is incurred except where the useful life has been extended.

### h) **Finance and Other Costs**

Other costs include amounts accrued in accordance with the terms of Fees in Advance Scheme Contracts.

### i) **Pension Costs**

The school company participates in the Teachers' Pensions scheme. The funds of the schemes are separate from the company, although the company's share of the schemes cannot be identified as the schemes are multi-employer schemes, and so the pension costs are accounted for as defined contribution schemes.

The company offers membership of the Pensions Trust Growth Plan to employees other than the full-time academic staff. The Pensions Trust Growth Plan is a multi-employer pension scheme where the scheme assets are pooled for investment purposes and cannot be attributed to individual employers. Benefits are paid from the total scheme assets. It is in most respects a money purchase arrangement but has some guarantees. As a result, it is not possible or appropriate to identify the assets and liabilities of the scheme which are attributable to the company, though, due to the guarantees inherent in the scheme, the companies remain potentially liable for a debt on withdrawal from the scheme. In accordance with Financial Reporting Standard (FRS) 102 (section 28) therefore, the scheme is accounted for in a fashion which is similar to a defined contribution scheme.

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises. More detail is given in notes 37 and 40.

### j) **Tangible Fixed Assets and Depreciation**

In accordance with Section 35.10 (d) of FRS102, The Cathedral School has elected to use the carrying value of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost at the date of transition to FRS102, 1 September 2014.

Tangible fixed assets are stated at cost less depreciation. Individual capital items, or projects, with a value greater than £10,000 are capitalised. Assets in the course of construction are stated at cost less any provision for impairment. They are transferred to completed assets

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

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when substantially all of the activities necessary to get the asset ready for use are complete. Where appropriate cost includes our own labour costs in relation to construction, and directly attributable overheads.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold Buildings:	- Variable according to the building and written off over the expected useful life (see paragraph below)
Freehold improvements	- Over the useful economic life of the improvement
Leasehold land and buildings	- Over the shorter of the economic life of the asset or the life of the lease
Leasehold enhancements	- Over the shorter of the economic life of the asset or the life of the lease
Fixtures, fittings and equipment	- 25% on cost
Computer equipment	- 25% on cost
Motor vehicles	- 25% on cost

Freehold land is not depreciated.

The company has reviewed its tangible assets, which comprise land, buildings and initial fixtures and fittings. The company undertakes an annual review of all buildings assessing their useful economic life. In some cases the useful economic life of a building is anticipated to be of considerable length, often in excess of 100 years. The buildings are capitalised in the financial statements at historic cost. Where the calculated depreciation charge is a material figure, it is charged in these financial statements but, where the carrying value is not more than the estimated recoverable amount and the depreciation on the building is not material to these financial statements, it has been assessed, but not charged on the basis that it is not material. The directors will continue to carry out annual assessments of the recoverable amount and the estimated useful life of all buildings and where the depreciation is a material value, it will be charged. The review is based on the directors' assessments of the market value and the future economic benefit derived from an asset versus its carrying value in the financial statements.

When the company undertakes a significant refurbishment project that will have an economic benefit, the cost of the refurbishment is capitalised, recorded separately under 'Freehold Improvements', its useful life is estimated and it is depreciated over that useful life.

No depreciation is provided for in respect of investment properties in accordance with Section 16 of FRS102. Such properties are held for their investment potential and not for consumption within the business. Investment properties are stated at their fair value at the balance sheet date.

The Cathedral School exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

### k) **Financial Instruments**

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

### l) **Investments and Fees in Advance Investments**

Investments and Fees in Advance investments are carried at fair value, which is deemed to be market value as at the balance sheet date.

Realised and unrealised investment gains and losses are recognised as 'net gains/(losses) on investment assets' in the Statement of Financial Activities and are allocated to the appropriate

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

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fund according to the 'ownership' of the underlying assets.

m) **Stocks**

Stocks comprise raw materials, consumable stores and goods held for resale: they are valued at the lower of cost and net realisable value.

n) **Leasing Commitments**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives or the period of the lease whichever is the shorter. The interest element of the obligations is charged to the Statement of Financial Activities over the period of the lease. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term. Lease incentives are accounted for over the lease term on a straight-line basis.

- o) **Fee Deposits** Refundable fee deposits are currently classified between long term and short term in the financial statements. These deposits are refundable in the event that the pupils leave a school on one term's notice and as such the deposit would be refunded to the parents at that point. However, the financial statements are prepared on a going concern basis and it is assumed that the majority of children will remain in school for their full years of education and therefore the deposit will be refunded to them when they leave school.

Short term deposits reflect those pupils that will be leaving a school within one year, and the longer-term element reflects those pupils that will be leaving a school after 12 months from the balance sheet date.

p) **Fund Accounts**

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. Endowment funds are further sub-divided into permanent and expendable, where required by the terms of the trust.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

### 2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE

	2023 £	2022 £
The school fees income comprises		
Gross fees	10,407,002	10,134,056
Less: Total scholarships, bursaries, etc	(940,771)	(854,149)
Add back: Scholarships, Grants etc paid for by Restricted Funds	-	-
	<b>9,466,231</b>	<b>9,279,907</b>

### 3. CHARITABLE ACTIVITIES – ANCILLARY TRADING INCOME

	2023 £	2022 £
Extras	-	15,400
Entrance fees and registration fees	17,000	18,700
Pupil transport	74,538	
Extra Subjects	201,125	158,892
Sundry Income Other	119,865	80,513
School Shop Commission	19,757	11,269
	<b>432,285</b>	<b>284,774</b>

### 4. OTHER TRADING ACTIVITIES

	2023 £	2022 £
<b>Non-ancillary trading income</b>		
Lettings income	45,786	41,479
Interest receivable – pupil bills	5,112	-
	<b>50,898</b>	<b>41,479</b>

### 5. INVESTMENTS - BANK AND OTHER INTEREST RECEIVABLE

	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Bank interest	52,263	-	52,263	2,425
Other interest	-	560	560	550
	<b>52,263</b>	<b>560</b>	<b>52,823</b>	<b>2,975</b>

### 6. OTHER - GRANTS AND DONATIONS

	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
The Cathedral School Foundation	-	2,368	2,368	-
	<b>-</b>	<b>2,398</b>	<b>2,398</b>	<b>-</b>

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

### 7. ANALYSIS OF EXPENDITURE

#### a) Total expenditure

	Staff costs (note 10)	Support costs	Depreci ation (Note 12)	Total 2023	Total 2022
	£	£	£	£	£
<b>Costs of raising funds</b>					
Non ancillary trading	-	-	-	-	-
Other income generating activities	-	-	-	-	-
Financing cost (note 8)	-	117,050	-	<b>117,050</b>	73,561
Investment management	-	-	-	-	-
Fundraising and development	-	-	-	-	-
<b>Total cost of generating funds</b>	-	117,050	-	<b>117,050</b>	73,561
<b>b) Charitable expenditure</b>					
Teaching	5,453,235	563,311	27,465	<b>6,044,011</b>	5,713,082
Welfare	38,884	749,832	-	<b>788,716</b>	634,780
Premises	245,020	1,163,964	259,338	<b>1,668,322</b>	1,487,294
School administration	541,478	657,289	-	<b>1,198,767</b>	1,154,960
Donations	-	-	-	-	-
Grants awards and prizes (note 8)	-	-	-	-	-
Movement in Pension recovery plan	-	(4,230)	-	<b>(4,230)</b>	(54,950)
Governance	-	-	-	-	-
<b>Education and grant making</b>	6,278,617	3,130,166	286,803	<b>9,695,586</b>	8,935,166
<b>Total Expenditure</b>	6,278,617	3,247,216	286,803	<b>9,812,636</b>	9,008,727

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

### 8. ANALYSIS OF EXPENDITURE (Continued)

#### a) Grants, awards and prizes

The Cathedral School makes awards to individual families to support schooling.

	2023 £	2022 £
<b>From Restricted Funds:</b>		
Scholarships	-	18,720
<b>From Unrestricted Funds:</b>		
Bursaries (Hardship)	290,248	235,266
Bursaries (Scholarships)	211,855	201,430
Bursaries (Siblings)	19,656	18,517
Scholarships	227,829	178,585
	<b>749,588</b>	<b>652,518</b>

#### b) Total resources expended include:

The Cathedral School reimburses governors for 'out of pocket' expenses including travel subsistence and accommodation, where a claim is made. 2 governors were reimbursed during the year (2022: 5).

	2023 £	2022 £
Remuneration paid to auditor for audit services	20,100	21,600
Depreciation of tangible fixed assets:		
- owned by the Charitable Company	286,803	276,685
Operating lease rentals:		
- land and buildings	184,611	93,294
- other assets	84,736	71,793
Reimbursement of 'out of pocket' expenses to governors	575	125
Other Governance Costs – Legal Fees	8,680	12,608
	<b>585,505</b>	<b>476,105</b>

### 8. FINANCING COSTS

	2023 £	2022 £
Bank interest payable	93,064	47,862
Bank charges	10,919	10,968
Provision for bad and doubtful debts	13,067	14,731
	<b>117,050</b>	<b>73,561</b>

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

### 9. STAFF COSTS

	2023 £	2022 £
The aggregate payroll costs for the year were:		
Wages and salaries	4,829,788	4,705,460
Social security costs	507,278	486,402
Other pension costs	938,046	908,102
Private medical insurance	3,505	9,865
	<b>6,278,617</b>	<b>6,109,829</b>

None of the governors received remuneration or other benefits from The Cathedral School or from any connected body.

The Head and Bursar are classed by the school as being the Key Management Personnel.

	2023 £	2022 £
Aggregate employee benefits of key management personnel	<b>253,492</b>	<b>245,201</b>

The number of higher paid employees whose annual emoluments were £60,000 or more was:

	2023 No	2022 No
£60,001 - £70,000	6	5
£70,001 - £80,000		
£80,001 - £90,000	1	1
£90,001 - £100,000		
£100,001 - £110,000	1	1
£110,001 - £120,000		
The number with retirement benefits accruing: - in Defined Contribution schemes was	1	1
Of which the contributions amounted to	<b>£19,698</b>	<b>£16,715</b>

For 2023 there are nil (2022:1) employees earning over £60,000 per year that have chosen not to participate in a pension scheme.



# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

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### 10. STAFF COSTS (Continued)

The average number of employees during the year calculated on a head count basis, was 161  
(2022: 152)

	2023 No	2022 No
Teaching	82	80
Welfare	25	12
Premises	11	12
Support	37	40
Other activities	6	8
	<hr/>	<hr/>
	161	152
	<hr/>	<hr/>

### 10. DIRECTORS

None of the directors (or any persons connected with them) received any remuneration during the year.

### 11. TAXATION

The company is a registered charity and therefore no liability to taxation arises on its charitable activities.

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

### 12. TANGIBLE FIXED ASSETS

Group and company	Freehold Land & Buildings £	Leasehold Land & Buildings £	Fixtures, Fittings & Equipment £	Computer Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 <sup>st</sup> September 2022	4,465,688	8,546,423	480,886	42,755	144,336	13,680,088
Additions			188,399	82,508		270,907
<b>At 31<sup>st</sup> August 2023</b>	<b>4,465,688</b>	<b>8,546,423</b>	<b>669,285</b>	<b>125,263</b>	<b>144,336</b>	<b>13,950,995</b>
<b>Depreciation</b>						
At 1 <sup>st</sup> September 2022	286,725	3,574,142	412,784	16,295	94,806	4,384,752
Charge for the year	44,942	198,202	20,589	10,689	12,381	286,803
<b>At 31<sup>st</sup> August 2023</b>	<b>331,667</b>	<b>3,772,344</b>	<b>433,373</b>	<b>26,984</b>	<b>107,187</b>	<b>4,671,555</b>
<b>Net book value at 31<sup>st</sup> August 2023</b>	<b>4,134,021</b>	<b>4,774,079</b>	<b>235,912</b>	<b>98,279</b>	<b>37,149</b>	<b>9,279,440</b>
Net book value at 31 <sup>st</sup> August 2022	4,178,963	4,972,281	68,102	26,460	49,530	9,295,336

All tangible assets are held for charitable activities apart from certain assets at a cost of £13,950,995 (2022: £13,680,088) and a net book value of £9,279,440 (2022: £9,295,336) used for activities to generate funds.

All assets are used for charitable purposes.

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

### 13. INVESTMENTS

	Investments 2023 £	2022 £
At 1 September	12,660	11,460
Unrealised gains/(losses) on investments	620	1,200
<b>Investments at 31 August</b>	<b>13,280</b>	12,660
<b>Investments comprise:</b>		
<b>Listed investments</b>		
Equities – Murray International	13,280	12,660
<b>Investments at 31 August</b>	<b>13,280</b>	12,660

### 14. DEBTORS

	2023 £	2022 £
School fees receivable	87,264	51,137
Other debtors	-	2,810
Prepayments and accrued income	223,008	191,712
Amounts due from parent company	567	1,349
	<b>310,839</b>	247,008

### 15. CREDITORS: amounts falling due within one year

	2023 £	2022 £
Bank loans and overdrafts (note 17)	1,483,580	200,292
Deposits from parents	17,300	22,900
Fees received from parents in advance of term	897,634	663,481
Trade creditors	429,598	307,158
Taxation and social security	-	115,581
Other creditors	90,352	62,197
Accruals	69,657	122,142
	<b>2,988,121</b>	1,493,751

The Cathedral School has a bank loan from Barclays Plc. The loan is secured by charges on the school's assets and by a debenture at a rate of interest of 2.320% over base rate, and is repayable over a term of 5 years, with effect from April 2020, following renegotiation.

At year end the School was in breach of one of the three covenants that are attached to the loan, the bank have been understanding as to the reason for the breach and are in the process of applying for a waiver for the breach which related to the Debt Service Cover covenant.

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

Following a technical breach of the Debt Service Cover covenant this year with Barclays Bank, the long term loan has been restated as being due within one year. Subsequent to the year end (31st August 2023), the bank have confirmed verbally that they will issue a waiver, confirming that as a consequence of the breach an event of default has occurred. They have stated that it is not the present intention of the bank to exercise its right in connection with the default, but the bank retains all rights in respect of the breach.

	2023	2022
Summary of movements in deferred income	£	£
Balance at 1 September 2022	663,481	797,804
Amounts arising in the year	881,159	663,481
Amounts transferred to SOFA	(663,481)	(797,804)
<b>Balance at 31 August 2023</b>	<b>881,159</b>	<b>663,481</b>

### 16. CREDITORS: amounts falling due after one year

	2023	2022
	£	£
Bank loans and overdrafts (note 17)	-	1,458,311
Deposits from parents	378,300	362,900
	<b>378,300</b>	<b>1,821,211</b>

### 17. BANK LOAN

	2023	2022
	£	£
The bank loan is repayable in instalments		
Due within 1 to 2 years	-	205,498
Due within 2 to 5 years	-	1,252,813
Due after more than one year	-	1,458,311
Due within 1 year	1,483,580	200,292
	<b>1,483,580</b>	<b>1,658,603</b>

### 18. COMMITMENTS UNDER OPERATING LEASES

The future minimum commitments under non-cancellable operating leases are:

	Land and buildings		Other	
	2023	2022	2023	2022
	£	£	£	£
Within 1 year	98,350	98,350	97,920	97,920
Within 1 to 5 years	384,400	384,400	24,780	122,700
After 5 years	7,981,671	8,099,216	-	-
	<b>8,464,421</b>	<b>8,581,966</b>	<b>122,700</b>	<b>220,620</b>

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

### 19. SHARE CAPITAL

	2023 £	2022 £
<b>Authorised</b>		
100 Ordinary Shares of £1 each	100	100
<b>Allotted, called up and fully paid</b>		
100 Ordinary Shares of £1 each	100	100

### 20. FUNDS

The Cathedral School's funds are analysed under the following headings:

#### a) RESTRICTED FUNDS

The income funds of the Company include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

The Chorister Special Fund assist parents of Choristers who have fallen into financial difficulty and are unable to meet the total cost of fees less the Chorister Scholarship.

The Special Fund Support Funding is a fund that helps families who have lost their main income earner. The fund helps to pay the fees of the child until the next natural break in their education.

#### b) UNRESTRICTED FUNDS

Unrestricted funds represent accumulated income from the School's activities and other sources that are available for the general purpose of the School.

### 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Tangible fixed assets	9,279,440	-	9,279,440	9,295,336
Investments	-	13,280	13,280	12,660
Net current assets	(31,680)	118,714	87,034	1,326,313
Long term liabilities	(384,465)	-	(384,465)	(1,831,606)
	<u>8,863,295</u>	<u>131,994</u>	<u>8,995,289</u>	<u>8,802,703</u>
	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Tangible fixed assets	9,295,336	-	9,295,336	9,469,617
Investments	-	12,660	12,660	11,460
Net current (liabilities)/assets	1,210,427	115,786	1,326,313	803,760
Long term liabilities	(1,831,606)	-	(1,831,606)	(2,083,942)
	<u>8,674,157</u>	<u>128,446</u>	<u>8,802,703</u>	<u>8,200,895</u>

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

### 22. SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	At 1 Sept 2022 £	Incoming resources £	Resources expended £	Gains/ (losses) £	At 31 August 2023 £
<b>Restricted Funds</b>					
Revaluation Reserve	8,561	-	-	620	9,181
Chorister Special Fund	77,371	560	-	-	77,931
Special Fund - Support	42,514	2,368	-	-	44,882
	<u>128,446</u>	<u>2,928</u>	<u>-</u>	<u>620</u>	<u>131,994</u>
<b>Unrestricted Funds</b>					
General Reserves	8,674,254	10,001,677	(9,812,636)	-	8,863,295
	<u>8,674,254</u>	<u>10,001,677</u>	<u>(9,812,636)</u>	<u>-</u>	<u>8,863,295</u>
<b>Total Funds</b>	<u><b>8,802,700</b></u>	<u><b>10,004,605</b></u>	<u><b>(9,812,636)</b></u>	<u><b>620</b></u>	<u><b>8,995,289</b></u>
	At 1 Sept 2021 £	Incoming resources £	Resources expended £	Gains/ (losses) £	At 31 August 2022 £
<b>Restricted Funds</b>					
Revaluation Reserve	7,361	-	-	1,200	8,561
Chorister Special Fund	76,821	550	-	-	77,371
Special Fund - Support	61,234	-	(18,720)	-	42,514
	<u>145,416</u>	<u>550</u>	<u>(18,720)</u>	<u>1,200</u>	<u>128,446</u>
<b>Unrestricted Funds</b>					
General Reserve	8,055,379	9,608,882	(8,990,007)	-	8,674,254
	<u>8,055,379</u>	<u>9,608,882</u>	<u>(8,990,007)</u>	<u>-</u>	<u>8,674,254</u>
	<u><b>145,416</b></u>	<u><b>550</b></u>	<u><b>(18,720)</b></u>	<u><b>1,200</b></u>	<u><b>128,446</b></u>
<b>Total Funds</b>	<u><b>8,200,795</b></u>	<u><b>9,609,432</b></u>	<u><b>(9,008,727)</b></u>	<u><b>1,200</b></u>	<u><b>8,802,700</b></u>

Chorister Special Fund is a restricted fund available to support Choristers where their parents have fallen into difficulty covering school fees, in excess of the Chorister Scholarship.

Special Fund – Support. A restricted Fund to assist pupils to continue at the school until the next natural break in their education following a major change to family financial circumstances, such as the loss of the main Income earner.

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

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### 23. PENSION SCHEMES

#### Teachers' Pension Scheme

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 £808,976 (2022: £788,296) and at the year-end £93,440 (2022 - £92,146) was accrued in respect of contributions to this scheme.

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 School has accounted for its contributions to the scheme as if it were a defined contribution 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 2023 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020 in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation are:

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222 billion
- Notional past service deficit of £39.8 billion (2016 £22 billion)
- Discount rate is 1.7% in excess of CPI (2016 2.4% in excess of CPI) (this change has had the greatest financial significance)

As a result of the valuation, new employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 31 March 2027 (compared to 23.68% under the previous valuation including a 0.08% administration levy).

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

### 23. PENSION SCHEMES (Continued)

#### Pensions Trust Growth Plan

The school participates in the TPT Retirement Solutions - The Growth Plan, which is a multi-employer scheme providing benefits to over 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the school to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for it as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the school is potentially liable for other participating employers' obligations if those employers are unable to meet their share of scheme deficits following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficits on an annuity purchase basis on withdrawal from the scheme.

Summary of provision for pension deficit recovery plan

	<b>Company 2023 £'000</b>	<b>2022 £'000</b>
TPT Retirement Solutions - The Growth Plan	<b>6,165</b>	10,395

#### TPT Retirement Solutions - The Growth Plan Deficit Contributions

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2022 to 31 January 2025:	£3.312 m per annum
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Unless a concession has been agreed with the Trustee the term to 31<sup>st</sup> January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows.

From 1 April 2019 to 30 September 2025:	£11.243 m per annum (payable monthly and increasing by 3% each on 1 <sup>st</sup> April)
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The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.



# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

### 23. PENSION SCHEMES (Continued)

<b>Present Values of Provision</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Present value of provision	<b>6,165</b>	10,395
<b>Reconciliation of opening and closing provisions</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Provision at 1 September	<b>10,395</b>	65,345
Unwinding of the discount factor	<b>355</b>	372
Deficit contribution paid	<b>(4,524)</b>	(12,632)
Remeasurements - impact of any change in assumptions	<b>(61)</b>	(458)
Remeasurements - amendments to the contribution schedule	<b>-</b>	(42,232)
<b>Provision at 31 August</b>	<b>6,165</b>	10,395

<b>Income and expenditure impact</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Interest expense	<b>355</b>	372
Unwinding of the discount factor		
Remeasurements - impact of any change in assumptions	<b>(61)</b>	(458)
Remeasurements - amendments to the contribution schedule	<b>-</b>	(42,232)
Contributions paid in respect of future service *		
Costs recognised in income and expenditure account		

\*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company

<b>Assumptions</b>	<b>2023</b>	<b>2022</b>
	<b>% per annum</b>	<b>% per annum</b>
Rate of discount	<b>6.04</b>	4.46

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

#### Deficit Contributions Schedule

The following schedule shows the deficit contributions agreed between the company and the scheme at each year end period:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Year 1	<b>5</b>	5
Year 2	<b>3</b>	5
Year 3	<b>-</b>	2
Year 4		
	<b>8</b>	12

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

### 23. PENSION SCHEMES (Continued)

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

The current valuation does not reflect the expected increase in benefits and therefore liability as a result of Guaranteed Minimum Pension ('GMP') equalisation between men and women which is required as a result of the removal of the Additional State Pension. Methodologies for a long-term solution are still being investigated by the Government as set out in the published (January 2018) outcome of the Government Consultation 'Indexation and Equalisation of GMP in Public Sector Pensions Schemes' and therefore the expected impact cannot be reliably estimated and consequently no provision/liability has been recognised.

### 24. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATIONS

	2023 £	2022 £
<b>Net income for the period (as per the Statement of Financial Activities)</b>	<b>192,589</b>	<b>601,808</b>
<b>Adjustments for</b>		
Depreciation charges	286,803	276,695
Interest Receivable	(52,263)	-
Interest Payable	117,050	73,561
Dividends, interest and rents from investments	(560)	(550)
(Gains)/losses on investments	(620)	(1,200)
(Increase)/decrease in stocks	(1,820)	(1,428)
Decrease/(Increase) in debtors	(63,831)	51,640
(Decrease)/increase in creditors	222,252	(71,220)
<b>Net cash provided by (used in) operating activities</b>	<b>699,600</b>	<b>929,306</b>

### 25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash in hand and at bank	2,758,110	2,568,570
Overdraft facilities repayable on demand	-	-
<b>Total cash and cash equivalents</b>	<b>2,758,110</b>	<b>2,568,570</b>

# THE CATHEDRAL SCHOOL (LLANDAFF) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

### 26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 <sup>st</sup> Sept 2022	Cash flows	Other non- cash changes	At 31 <sup>st</sup> Aug 2023
	£	£	£	£
<b>Cash and cash equivalents</b>				
Cash	2,568,570	189,540	-	<b>2,758,110</b>
<b>Borrowings</b>				
Loans falling due within one year	(200,292)	175,023	(1,458,311)	<b>(1,483,580)</b>
Loans falling due after more than one year	(1,458,311)	-	1,458,311	-
	<u>(1,658,603)</u>	<u>175,023</u>	<u>-</u>	<u><b>(1,483,580)</b></u>
<b>Total</b>	<u>909,967</u>	<u>364,563</u>	<u>-</u>	<u><b>1,274,530</b></u>

### 27. CONTINGENT LIABILITIES

The Company has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2022. As of this date the estimated employer debt for the Company was £6,165 including Series 3 liabilities.

### 28. ULTIMATE CONTROLLING PARTY

The Woodard Corporation Limited is the ultimate controlling party, a registered charity number 1096270, which is incorporated in England and Wales. Copies of the financial statements of the Woodard Corporation can be obtained from High Street, Abbots Bromley, Rugeley, Staffordshire, WS15 3BW. The accounts of The Cathedral School Limited are included within the consolidated financial statements of the Woodard Corporation Limited.

### 29. RELATED PARTIES

As stated in note 28, The Cathedral School Limited is a wholly owned subsidiary of The Woodard Corporation. An amount of £64,431 was paid during the year to Woodard Corporation by way of a levy to meet running costs.

### 30. ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the financial statements, the directors are required to make estimates and judgements. The matters detailed below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations, financial position and cashflows. Accounting policies are shown at note 1 to the financial statements.

#### Pensions Scheme deficit reduction payments:

As explained at note 23, there is a deficit reduction plan in place in respect of The Cathedral School's membership of the Pension Trust's Growth Plan. FRS 102 requires a liability to be recognised in respect of the present value of future contributions payable under the terms of the deficit recovery plan. The incorporation of this liability in the financial statements involves the exercise of judgement in a number of areas, including the selection of an appropriate discount rate.

#### Provision for bad debts:

Debts are provided for if not recovered within one term. Estimating amounts to provide against recovery of debts is a matter of judgement.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31ST AUGUST 2023

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**Depreciation, impairment and residual values of fixed assets:**

Judgement is exercised in estimating the residual values of fixed assets, the selection of appropriate rates of depreciation and for matters of impairment.