

Cranford School

England & Wales · Charity number 280883

Details

Other names	CRANFORD HOUSE SCHOOL TRUST LIMITED, CRANFORD HOUSE SCHOOL
Status	Registered
Legal form	Charitable company
Company number	01510524
Registered	1980-09-10
Register	View on the Charity Commission register

Contact

Address	Cranford School Moulsford Wallingford OX10 9HT
Phone	01491651218
Email	office@cranfordschool.co.uk
Website	www.cranfordschool.co.uk

Activities

Objects: TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION OF CHILDREN IN THE UNITED KINGDOM AND ELSEWHERE SUCH EDUCATION TO BE DESIGNED TO GIVE A SOUND CHRISTIAN AND MORAL BASIS TO ALL PUPILS.

Activities: To promote and provide for the advancement of education of children in the United Kingdom and elsewhere such education designed to give a sound Christian and moral basis to all pupils.

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** OXFORDSHIRE
- Oxfordshire
- Reading
- Slough
- West Berkshire
- Windsor And Maidenhead
- Wokingham

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£11,716,350	£10,601,061	£9,496,016	142
2023-08-31	£10,084,776	£9,552,031	£8,380,727	144
2022-08-31	£9,233,308	£8,717,768	£7,847,982	143
2021-08-31	£8,048,121	£7,728,396	£7,332,442	146
2020-08-31	£7,288,310	£6,916,630	£7,012,717	136

Trustees

Name	Role	Appointed
Chris Temple		2021-01-26
Christine Ellis		2023-06-15
Katharine Ann HUDSON		2025-11-28
Munroop Singh ATWAL		2025-11-28
Sara Fuge		2022-11-10
Stuart Wallis		2018-11-27

Cranford School

England & Wales - Charity number 280883

Accounts

Charity Registration No. 280883

Company Registration No. 01510524 (England and Wales)

CRANFORD SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

CRANFORD SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	R. Fisher J. Clarke S. Wallis (Chairman) C. Temple S. Fuge C. Ellis
Charity number	280883
Company number	01510524
Principal address	Moulsford Wallingford Oxfordshire OX10 9HT
Registered office	Moulsford Wallingford Oxfordshire OX10 9HT
Auditor	Kench & Co Ltd 10 Station Road Henley on Thames Oxfordshire RG9 1AY
Bankers	Lloyds Bank PLC Market Place Didcot Oxfordshire OX11 7LQ
Solicitors	Field Seymour Parkes 11 London Street PO Box 174 Reading Berkshire RG1 4QW

CRANFORD SCHOOL

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CRANFORD SCHOOL

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

The Governors of the School, who are also Directors of the Company and Charity Trustees, present their annual report, together with the audited financial statements for the year ended 31 August 2024.

The format and content of this report and financial statements comply with the requirements of the Companies Act 2006, the Company's Memorandum and Articles of Association, the Charities Act 2011 and the Statement of Recommended Practice; "Accounting and Reporting by Charities (FRS102)".

Cranford School, was incorporated on 1 August 1980 as a charitable company in England and Wales, limited by guarantee with company registration number 01510524, and charity registration number 280883.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The principal charitable objects, as set out in the Memorandum of Association, are to promote and to provide for the advancement of education of children in the UK and elsewhere, such education to be designed to give a sound Christian and moral basis to all pupils. The principal activity of the Company is the operation of an independent nursery school, junior school, senior school and sixth form.

Cranford School continues to enjoy a growing national reputation for excellence as one of the UK's leading small independent day schools. Situated on the Oxfordshire-Berkshire border, the school offers a vibrant education to boys and girls aged 3-18. Rated 'Excellent' in all categories by the Independent Schools Inspectorate, Cranford specialises in academic achievement, outstanding pastoral care, and extra-curricular opportunities for all. Firmly based on traditional values, within a warmly nurturing environment, the school's key aim is to ensure academic success for all pupils, whilst also fully embracing their diversity of ability and talent.

Key areas of focus this year are:

- To further enhance the academic performance of all pupils
- To continue to provide excellent pastoral support
- To further support outreach initiatives to local schools and the wider community
- To continue to embed the new Sixth Form and the natural transition from Senior School
- A continued commitment to ensure that the school is governed and lead so as to ensure that it continues to be a place of educational excellence for many future generations.
- Continue to support families and the broadening access to the school through bursaries.

The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

Strategic report

The description under the headings 'Achievements and Performance' and 'Financial Review' meet the company law requirements for the Governors to present a strategic report.

CRANFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

Achievements and performance

The school continues to go from strength to strength under the continued leadership of Headmaster, Dr James Raymond at Cranford School, with over 600 pupils currently on roll. 2024 marked a year of continued academic excellence with 74% of all grades at A-Level awarded at A*-B and an impressive 45% achieving A*/A. Registrations at our key entry points of Reception, Year 7 and Sixth Form continue to be strong, with a healthy trend of oversubscription for places into Senior School. The move to a co-educational through-school model has been validated by the school community with an equal gender balance in place across the school that is now firmly established. A wide programme of community outreach events and open events have already attracted excellent interest and with the current trajectory this will only improve throughout the academic year. The Junior School Day of Discovery themed "Great Inventors" attracted over 1400 members of the local community including families and primary school children to attend the free open community event held at the school. The event was also an opportunity to help raise vital funds for UNICEF as part of the school's broader programme of charitable fundraising.

Our popular Stretch and Challenge series of Saturday morning masterclasses continues and is well attended during both the Autumn and Spring Term. Children from local primary schools in Years 5 and 6 enjoy free specialist teacher lead classes across multiple subjects over the 10-week programme. The school's swimming pool and facilities along with our dedicated swimming coach are helping local primary schools with their swimming provision during the Summer Term. South Moreton Primary pupils in both Years 5 and 6 enjoyed swimming lessons at Cranford in 2024. Cranford continues to support grass roots sport with local sporting clubs Wallingford Netball, Wallingford Wildcats Hockey, and Goring Cricket all consistently using Cranford's sporting facilities outside of school hours.

Throughout 2024 the school has supported numerous charities together with the support of the school's families and the wider community. The annual Junior School Mini-Marathon is a festive occasion for the entire Junior School with this year's chosen charity being SSNAP (Supporting Sick Newborns and their Parents).

Sport remains a key part of life at Cranford. Many pupils enjoy individual sporting success outside school, with several playing at county, regional, academy or national level in a host of sports which include, but are not limited to, cricket, football, netball, equestrian, swimming, hockey, dance, and athletics. In school, all pupils from Years 3 to 11 are able, and encouraged to, take part in competitive match play in line with the school's ethos of Sport For All. Team practices are open to everyone and multiple teams within each year group means sporting opportunities are made as widely available as possible. Our U16 Girls' Hockey team reached the national finals finishing 3rd in the country whilst three other age-group Hockey teams progressed to the Regional Championships having won or finished runner-up at County competitions. Whilst extensive sporting opportunities are available within the school curriculum, there are also a host of extra-curricular physical activities and clubs on offer, allowing Cranford pupils to experience an incredible variety of sports or physical activities.

The opportunity for pupils to learn to perform in front of an audience with ease continues to be a focus in school, thanks to the efforts of our excellent Performing Arts department. With non-auditioned choirs embedded right across the school and a programme of annual plays, musicals and dance productions in place, all pupils are very much encouraged to build their confidence in performing. Our continued success in regional and national music competitions is particularly pleasing, for example with pupils winning the UK wide KS4 ISA Musical Theatre competition this year, as well as success in auditions for the prestigious National Youth Choir and Garsington Opera. Our continued success in debating, writing and public speaking competitions is also particularly pleasing, with active participation from students this year in Model United Nations. The arts continue to develop within the curriculum with the first delivery of this year of GCSE 3D Design and A-Level Theatre Studies.

An incredibly rich extra-curricular programme presents pupils of all ages with the chance to explore a wealth of interests and new talents. Their experiences are further enhanced by an exciting programme of trips and expeditions which this year included international destinations such as the Sports Tour to Holland or Ski Trip to Italy alongside PGL adventures in Dorset and residential trips for all year groups from Year 3 up, theatre trips to London, Reading and Oxford and a rich programme of academic day trips.

Financial review

The operating surplus for this academic year amounted to £1,115,289 (2023: £532,745) as set out in the financial statements.

CRANFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

It is the policy of the School to maintain and establish sufficient funds and facilities to finance capital expenditure in order to equip the School with the necessary facilities needed to continue with the standard and quality of the educational services currently provided. In recent years the school has partly financed major capital developments via debt financing. The Governors use the annual budgeting cycle and review of monthly management accounts to ensure the school can service and repay these debts comfortably and meet banking covenants. Any future developments will continue to be funded by cash reserves or via further debt financing once the Governors are satisfied that borrowing is within an affordable level. It is also the policy of the Governors to build up sufficient reserves to cover the immediate needs for essential operating expenditure for a minimum of a term or to have ready access to additional funds to finance this requirement.

The Governors have adopted a policy of achieving sufficient reserves to ensure the School can meet its ongoing obligations:

- all aspects of the School's work can be conducted in an orderly and efficient manner, including the development and maintenance of the School's buildings;
- to use, where possible, cash assets and minimise borrowing;
- the Governors take a conservative view of the School's loans and have strong preference to fix the interest rate of them over the full term of the loans, thereby minimising exposure to the vagaries of the financial markets;
- to provide cover for unexpected or unavoidable items of expenditure, which cannot be funded from current income.

The Governors take prudent steps to safeguard the assets of the School.

The Governors have assessed the major risks to which the School is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

Looking ahead to the next five years, the school is currently continuing the upward trajectory of growth in pupil numbers, but potential future challenges may present themselves for the school and the wider independent education sector which the school needs to be aware of.

Structure, governance and management

The trust is a company limited by guarantee.

The Governors, who are also the directors for the purpose of company law, and who served during the year and subsequently were:

R. Fisher

J. Clarke

A. Page

(Resigned 28 August 2024)

S. Wallis (Chairman)

F. Barton

(Resigned 20 September 2023)

C. Temple

S. Fuge

C. Ellis

Governors are elected by the Board to fill a vacancy due to retirement, or to enhance the particular skills of the Board. Potential Governors are identified from a wide range of scholastic, business and professional fields, and are considered against the Trust's specifications concerning eligibility, competence and specialist skills. They are elected at a meeting of the Board after a thorough selection and recruitment process.

The members of the Governing Body are detailed above. The members of the Governing Body are legally responsible for the overall management and control of the School and its objectives. The Governing Body has a Chairperson and several sub-committees that support the Board of Governors, namely the Finance & General Purposes, Scholarships and Bursaries, and Educational sub-committees. In addition, the School has individual Governors responsible for the following areas: Child Protection, Health and Safety, Special Educational Needs and Early Years Foundation Stage.

CRANFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

The day to day running of the School is delegated to the Headmaster and the Senior Leadership Team.

The full board meets at least three times a year. The Finance & General Purposes Committee and the Education Committee also meet at least 3 times a year. The Scholarships and Bursaries Committee meet annually or more frequently when required.

The Company has no share capital and consequently, none of the Governors has any interest in the Company. The liability of the Governors is limited to the extent of £1 each in the event of the Company winding up.

The Governors' investment powers are governed by the Memorandum of Association which permits the charity's funds to be invested as required subject to the law in order to further the objects of the charity.

Principal risks and uncertainties

- We are very mindful of the challenging economic climate, in combination with the implementation of VAT on fees, loss of business rates relief and rising national insurance costs, and the need to manage costs and affordability for our families. This is combined with the national economic picture where high inflation and economic uncertainty offering a short to medium term threat. It is hard to quantify the precise impact this will have on our parent body at this stage, but we continue to monitor this carefully.
- We are part of a highly competitive market as local independent schools continue to make changes to their structure with wholesale moves towards co-educational provision. This increases market competition for parents and opportunity/choice for parents. Changes in Reading, Henley, and Abingdon all place significant pressure on our core market.

Public benefit

The Governors acknowledge and embrace their duty to offer public access to the education Cranford House provides through a means-tested bursary scheme offered to children from the local communities. Every year financial assistance is awarded to a number of pupils via this scheme and in 2022/23 51 pupils benefited (2021/22: 66) at a combined cost to the school of £443,228 (2021/22: £475,459).

In addition, the school's pupils contribute to the local community providing entertainment and performances through the year and by inviting local schools to participate in events at the School – sporting, musical, dramatic and educational. The School also provides the use of its facilities and equipment (eg. the swimming pool, sports hall, minibuses and staging) to local schools, community groups or organisations at no cost or at a subsidised cost. It supports local and national charities through a wide variety of fundraising activities. The pupils are active participants in the Duke of Edinburgh Award Scheme which encourages community involvement. The School is also committed to serving the best interests of the local community by protecting and actively promoting the improvement of the local environment. The school has lent its minibuses to support local church events and offers its parking facilities free of charge to the community for functions held during weekends or over the school holidays.

The Governors have paid due regard to guidance issued by the Charity Commission with regards to Public Benefit.

Auditor

In accordance with the company's articles, a resolution proposing that Kench & Co Ltd be reappointed as auditor of the company will be put at a General Meeting.

CRANFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

Disclosure of information to auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Governors' report, including the strategic report, was approved by the Board of Governors.

J. Clarke

CRANFORD SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the trust 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 trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CRANFORD SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF CRANFORD SCHOOL

Opinion

We have audited the financial statements of Cranford School (the 'trust') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 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 trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

CRANFORD SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF CRANFORD SCHOOL

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

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

- adequate accounting records have not been kept, 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 Governors

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also the directors of the trust for the purpose 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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to the financial reporting framework, the Companies Act 2006 and employment law. Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above and corroborated our enquiries with management by reference to submissions and correspondence with H. M. Revenue and Customs where appropriate.

Given the size of the entity and the nature of its operations, we assessed the risks of material misstatements in respect of fraud and made appropriate enquiries of management and relevant related parties independently of management. We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries and other adjustments for appropriateness into our audit approach.

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.

CRANFORD SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF CRANFORD SCHOOL

Other matters

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

Simon Thomas ACA (Senior Statutory Auditor)
for and on behalf of Kench & Co Ltd

22 May 2025

Chartered Accountants
Statutory Auditor

Henley on Thames
Oxfordshire
RG9 1AY

CRANFORD SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income and endowments from:			
Charitable activities	3	11,642,630	10,036,965
Investments	4	71,128	47,060
Other income	5	2,592	751
Total income		<u>11,716,350</u>	<u>10,084,776</u>
Expenditure on:			
Charitable activities	6	10,601,061	9,552,031
Total expenditure		<u>10,601,061</u>	<u>9,552,031</u>
Net income and movement in funds		<u>1,115,289</u>	<u>532,745</u>
Reconciliation of funds:			
Fund balances at 1 September 2023		<u>8,380,727</u>	<u>7,847,982</u>
Fund balances at 31 August 2024		<u><u>9,496,016</u></u>	<u><u>8,380,727</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CRANFORD SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	12		14,569,161		14,593,824
Current assets					
Stocks	13	8,420		8,420	
Debtors	14	2,639,086		2,312,635	
Cash at bank and in hand		4,600,296		1,369,930	
			7,247,802		3,690,985
Creditors: amounts falling due within one year	16	(7,233,817)		(4,565,930)	
Net current assets/(liabilities)			13,985		(874,945)
Total assets less current liabilities			14,583,146		13,718,879
Creditors: amounts falling due after more than one year	17		(5,087,130)		(5,338,152)
Net assets			9,496,016		8,380,727
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		7,009,774		5,894,485	
Revaluation reserve		2,486,242		2,486,242	
			9,496,016		8,380,727
			9,496,016		8,380,727

The financial statements were approved by the Governors on 21 May 2025

J. Clarke
Trustee

Company Registration No. 01510524

CRANFORD SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	24		3,924,442		1,121,168
Investing activities					
Purchase of tangible fixed assets		(502,241)		(500,072)	
Investment income received		71,128		47,060	
Net cash used in investing activities			(431,113)		(453,012)
Financing activities					
Repayment of bank loans		(262,963)		(631,980)	
Net cash used in financing activities			(262,963)		(631,980)
Net increase in cash and cash equivalents			3,230,366		36,176
Cash and cash equivalents at beginning of year			1,369,930		1,333,754
Cash and cash equivalents at end of year			4,600,296		1,369,930

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Company information

Cranford School was incorporated on 1 August 1980 in England and Wales as a private charitable company limited by guarantee with company registration number 01510524, charity registration number 280883. The registered office and business address is Moulsoford, Wallingford, Oxfordshire, OX10 9HT.

The principal activity of the Company is the operation of an independent nursery school, junior school, senior school and sixth form

1.1 Accounting convention

The accounts have been prepared in accordance with the trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The trust is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Governors have a reasonable expectation that the trust has adequate resources and appropriate contingency plans in place to continue in operational existence for the foreseeable future. Thus the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income received and billed in advance for school fees and school trips is held as deferred income and is recognised in the appropriate accounting period.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount.

1.5 Resources expended

Resources expended comprise expenditure, including staff costs, directly attributable to the activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of resources.

Governance costs comprise the costs associated with the governance arrangements of the charity which include the cost of external audit and any legal advice associated with constitutional and statutory requirements. Also included is a proportion of staff costs that represent time spent on considering and implementing any strategic plans of the charity.

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Freehold land and buildings were stated at deemed cost on transition to FRS102 and at cost in respect of subsequent expenditure. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	Straight line over 50 years (Land not depreciated)
Improvements to freehold buildings	Straight line over 15 years
Fixtures, fittings & equipment	Straight line over 4 years
Motor vehicles	Straight line over 4 years

Freehold land and assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is the estimated selling price less costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

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

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

1.10 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, cash and cash equivalents, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest rate method. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Pensions

The pension costs charged in the accounts represent the contributions payable by the trust during the year. Contributions are paid to the Aviva Pension Trust for Independent Schools and to the Pension Trust concerning non teaching staff.

2 Critical accounting estimates and judgements

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

The estimates regarding depreciation, potential bad debts and their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

3 Charitable activities

	Unrestricted funds	Unrestricted funds
	2024 £	2023 £
Gross fees	11,642,630	10,036,965

4 Investments

	Unrestricted funds	Unrestricted funds
	2024 £	2023 £
Rental income	26,038	31,003
Interest receivable	45,090	16,057
	<u>71,128</u>	<u>47,060</u>

5 Other income

	Unrestricted funds	Unrestricted funds
	2024 £	2023 £
Other income	<u>2,592</u>	<u>751</u>

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

6 Charitable activities

	Provision of educational services 2024 £	Provision of educational services 2023 £
Staff costs	6,196,636	5,598,163
Depreciation and impairment	526,904	502,712
Scholarship, bursaries and direct expenditure	1,935,795	1,751,850
	<u>8,659,335</u>	<u>7,852,725</u>
Share of support costs (see note 7)	1,941,727	1,699,306
	<u>10,601,061</u>	<u>9,552,031</u>

7 Support costs

	Support costs £	Governance costs £	2024 £	2023 £
Human resources	-	53,250	53,250	50,370
Premises costs	692,512	-	692,512	477,771
General management expenses	631,018	-	631,018	626,393
Information technology	199,023	-	199,023	143,994
Audit fees	-	17,400	17,400	17,400
Audit-related fees	-	2,580	2,580	2,580
Non-audit fees	-	4,020	4,020	4,020
Finance costs	239,059	-	239,059	277,910
Professional fees	102,865	-	102,865	98,868
	<u>1,864,477</u>	<u>77,250</u>	<u>1,941,727</u>	<u>1,699,306</u>
Analysed between				
Charitable activities	<u>1,864,477</u>	<u>77,250</u>	<u>1,941,727</u>	<u>1,699,306</u>

8 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	-	-
Depreciation of owned tangible fixed assets	526,904	502,711
Operating lease charges	85,367	81,508
	<u>-</u>	<u>(1)</u>
Depreciation of tangibles: Total SOFA charge differs from BS notes by:		

9 Governors

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

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

9 Governors

(Continued)

The charge in the accounts for public liability insurance, including Governors' liability, for the year is £10,649(2023: £10,351).

10 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Direct charitable	101	124
Management and administration of the charity	41	20
	<u>142</u>	<u>144</u>

Employment costs

	2024	2023
	£	£
Wages and salaries	5,037,197	4,486,355
Social security costs	500,348	433,464
Other pension costs	712,342	728,714
	<u>6,249,887</u>	<u>5,648,533</u>

The number of employees whose annual remuneration (excluding employer pension costs but including benefits) was £60,000 or more were:

	2024	2023
	Number	Number
£60,000 - £80,000	5	2
£100,000 - £150,000	1	1
	<u>6</u>	<u>3</u>

Of the employees whose emoluments exceed £60,000, six (2023: one) has retirement benefits accruing under defined contribution pension schemes.

Of the employees whose emoluments exceed £60,000, none (2023: two) have retirement benefits accruing under defined benefits pension schemes.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

12 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 September 2023	16,814,037	1,527,728	107,050	18,448,815
Additions	444,332	57,909	-	502,241
At 31 August 2024	17,258,369	1,585,637	107,050	18,951,056
Depreciation and impairment				
At 1 September 2023	2,442,398	1,305,543	107,050	3,854,991
Depreciation charged in the year	413,747	113,157	-	526,904
At 31 August 2024	2,856,145	1,418,700	107,050	4,381,895
Carrying amount				
At 31 August 2024	14,402,224	166,937	-	14,569,161
At 31 August 2023	14,371,640	222,184	-	14,593,824

Freehold land and buildings with a carrying amount of £14,359,146 (2023: £14,371,640) have been pledged to secure borrowings of the trust. The trust is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

13 Stocks

	2024	2023
	£	£
Stock	8,420	8,420

14 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	2,460,391	2,167,667
Other debtors	108,399	71,291
Prepayments and accrued income	70,296	73,677
	2,639,086	2,312,635

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

15 Loans and overdrafts

	2024 £	2023 £
Bank loans	4,951,550	5,214,512
Payable within one year	275,770	262,960
Payable after one year	4,675,780	4,951,552
Amounts included above which fall due after five years:		
Payable by instalments	3,729,442	3,945,227

Lloyds Bank PLC holds first and second legal charges dated 10th February 1995, 6th February 1998, 30th April 2013 and 2nd October 2019 over freehold property. The total bank loans secured against freehold property as at 31st August 2024 were £4,951,552 (2023: £5,214,512). There were six long term loans in existence at 31st August 2024 repayable on a monthly basis and the following annual interest rates applied: (i) fixed at 5.43%, (ii) fixed at 4.05%; (iii) fixed at 4.37%; (iv) fixed at 4.16% (v) fixed at 4.512% and (vi) variable.

16 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Loans and overdrafts	15	275,770	262,960
Other taxation and social security		115,139	107,071
Deferred income		6,422,504	3,874,792
Trade creditors		280,461	155,916
Other creditors		74,406	94,127
Accruals		65,537	71,064
		7,233,817	4,565,930

Deferred income relates to school fees for future periods received before the year end.

17 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	15	4,675,780	4,951,552
Other creditors		411,350	386,600
		5,087,130	5,338,152

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

18 Retirement benefit schemes

Defined contribution schemes

The school joined the Aviva Pension Trust for Independent Schools ("the APTIS") effective from 1st September 2023. The pension charge for the year includes contributions payable to the APTIS of £614,842 and at the year end £62,266 was due in respect of contributions to this scheme.

The school participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff during the prior year. The pension charge for the prior year includes contributions payable to the TPS of £665,322 and at the year end £78,701 was due in respect of contributions to this scheme.

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2023 £	Incoming resources £	Resources expended £	At 31 August 2024 £
General funds	5,894,485	11,716,350	(10,601,061)	7,009,774
Revaluation reserve	2,486,242	-	-	2,486,242
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:				
	At 1 September 2022 £	Incoming resources £	Resources expended £	At 31 August 2023 £
General funds	5,361,740	10,084,776	(9,552,031)	5,894,485
Revaluation reserve	2,486,242	-	-	2,486,242
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

20 Analysis of net assets between funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fund balances at are represented by:		
Tangible assets	14,569,161	14,593,824
Current assets/(liabilities)	13,985	(836,629)
Long term liabilities	(5,087,130)	(5,338,152)
	<u> </u>	<u> </u>
	9,496,016	8,419,043

21 Operating lease commitments

At the reporting end date the trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

21	Operating lease commitments	(Continued)	
		2024	2023
		£	£
	Within one year	102,679	98,519
	Between two and five years	55,246	117,529
		<u>157,925</u>	<u>216,048</u>
22	Control		
	As the Charitable Company is limited by guarantee, the board of Governors are deemed to have control for the purposes of Company Law.		
23	Related party transactions		
	There were no disclosable related party transactions during the year (2023 - none).		
24	Cash generated from operations	2024	2023
		£	£
	Surplus for the year	1,115,289	532,745
	Adjustments for:		
	Investment income recognised in statement of financial activities	(71,128)	(47,060)
	Depreciation and impairment of tangible fixed assets	526,903	502,711
	Movements in working capital:		
	(Increase) in stocks	-	(5,944)
	(Increase) in debtors	(326,451)	(638,910)
	Increase in creditors	132,117	173,972
	Increase in deferred income	2,547,712	603,654
	Cash generated from operations	<u>3,924,442</u>	<u>1,121,168</u>
25	Analysis of changes in net (debt)/funds		
		At 1 September 2023	Cash flows
		£	£
	Cash at bank and in hand	1,369,930	3,230,366
	Loans falling due within one year	(262,961)	(12,809)
	Loans falling due after more than one year	(4,951,553)	275,773
		<u>(3,844,584)</u>	<u>3,493,330</u>
		<u><u>(3,844,584)</u></u>	<u><u>3,493,330</u></u>
			<u><u>(351,254)</u></u>

Cranford School

England & Wales - Charity number 280883

Accounts

Charity Registration No. 280883

Company Registration No. 01510524 (England and Wales)

CRANFORD SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

CRANFORD SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	R. Fisher J. Clarke A. Page S. Wallis (Chairman) C. Temple S. Fuge C. Ellis	(Appointed 10 November 2022) (Appointed 15 June 2023)
Charity number	280883	
Company number	01510524	
Principal address	Moulsford Wallingford Oxfordshire OX10 9HT	
Registered office	Moulsford Wallingford Oxfordshire OX10 9HT	
Auditor	Kench & Co Ltd Chartered Accountants 10 Station Road Henley on Thames Oxfordshire RG9 1AY	
Bankers	Lloyds Bank PLC 4 Market Place Wallingford Oxfordshire OX10 0EH	
Solicitors	Field Seymour Parkes 11 London Street PO Box 174 Reading Berkshire RG1 4QW	

CRANFORD SCHOOL

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CRANFORD SCHOOL

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

The Governors of the School, who are also Directors of the Company and Charity Trustees, present their annual report, together with the audited financial statements for the year ended 31 August 2023.

The format and content of this report and financial statements comply with the requirements of the Companies Act 2006, the Company's Memorandum and Articles of Association, the Charities Act 2011 and the Statement of Recommended Practice; "Accounting and Reporting by Charities (FRS102)".

Cranford School, was incorporated on 1 August 1980 as a charitable company in England and Wales, limited by guarantee with company registration number 01510524, and charity registration number 280883.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The principal charitable objects, as set out in the Memorandum of Association, are to promote and to provide for the advancement of education of children in the UK and elsewhere, such education to be designed to give a sound Christian and moral basis to all pupils. The principal activity of the Company is the operation of an independent nursery school, junior school, senior school and sixth form.

Cranford School continues to enjoy a growing national reputation for excellence as one of the UK's leading small independent day schools. Situated on the Oxfordshire-Berkshire border, the school offers a vibrant education to boys and girls aged 3-18. Rated 'Excellent' in all categories by the Independent Schools Inspectorate in its most recent inspection (November 22), Cranford School specialises in academic achievement, outstanding pastoral care and extra-curricular opportunities for all. Firmly based on traditional values, within a warmly nurturing environment, the school's key aim is to ensure academic success for all pupils, whilst also fully embracing their diversity of ability and talent.

Key areas of focus this year are:

- To further enhance the academic performance of all pupils
- To continue to provide excellent pastoral support
- To further support outreach initiatives to local schools and the wider community
- To firmly embed the new Sixth Form and the natural transition from Senior School
- A continued commitment to ensure that the school is governed and lead so as to ensure that it continues to be a place of educational excellence for many future generations.
- Continue to support families and the broadening access to the school through bursaries.

The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

Strategic report

The description under the headings 'Achievements and Performance' and 'Financial Review' meet the company law requirements for the Governors to present a strategic report.

CRANFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

Achievements and performance

The school continues to go from strength to strength under the continued leadership of Headmaster, Dr James Raymond at Cranford School, with over 580 pupils currently on roll. 2023 also marked another year of sustained academic success with a value add of +1.3 achieved at GCSE, meaning pupils achieved over a grade above what their baseline data indicated they should achieve at a similar centre. Headline results of 62% 9-7 at GCSE and 56% A*-B at A-level reflect outstanding academic results, firmly consolidating Cranford School's reputation for excellence. Registrations at our key entry points of Reception, Year 7 and Sixth Form are strong, with a healthy trend of oversubscribed places into Senior School. The move to a co-educational through-school model has been validated by the school community with current Years 7-9 cohorts having an equal gender balance. A wide programme of community outreach events and open events have already attracted excellent interest and with the current trajectory this will only improve throughout the academic year. The Junior School Day of Discovery themed "World of Sport" attracted over 1200 members of the local community including families and primary school children to attend the free open community event held at the school. The event was also an opportunity to help raise vital funds for Mary's Meals, as part of a wider school charity focus this year.

Our popular Stretch and Challenge series of Saturday morning masterclasses continues and is well attended during both the Autumn and Spring Term. Children from local primary schools in Years 5 and 6 enjoy free specialist teacher lead classes across multiple subjects across the 10 week programme. The school's swimming pool and facilities along with our dedicated swimming coach are helping local primary schools with their swimming provision during the Summer Term. South Moreton Primary pupils in both Years 5 and 6 enjoyed swimming lessons at Cranford in 2023. Cranford continues to support grass roots sport with local sporting clubs Wallingford Netball and Hockey and Goring Cricket all consistently using Cranford's sporting facilities outside of school hours.

Throughout 2023 the school has supported numerous charities together with the support of the school's families and the wider community. The annual Junior School Mini-Marathon is a festive occasion for the entire Junior School with this year's chosen charity being PSPA.

Sport remains a key part of life at Cranford. Many pupils enjoy individual sporting success outside school, with several playing at county, regional or national level in a host of sports which include, but are not limited to, netball, equestrian, cricket, swimming, hockey, dance and athletics. In school, all pupils from Years 3 to 11 are able to, and encouraged to, take part in competitive match play in line with the school's ethos of Sport For All. Team practices are open to everyone and multiple teams within each year group means sporting opportunities are made as widely available as possible. The current under 11 girls hockey team have recently been crowned national champions after an undefeated run through the ISA Tournament. Whilst extensive sporting opportunities are available within the school curriculum, there are also a host of extra-curricular physical activities and clubs on offer, allowing Cranford pupils to experience an incredible variety of sports or physical activities.

The opportunity for children to learn to perform in front of an audience with ease continues to be a focus in school, thanks to the efforts of our excellent Performing Arts department. The school's dedication to both the performing and creative arts was recognised by Arts Council England in 2022 with an Arts Mark Gold Award. With non-auditioned choirs embedded right across the school and a programme of annual plays, musicals and dance productions in place, all pupils are very much encouraged to build their confidence in performing.

An incredibly rich extra-curricular programme presents pupils of all ages with the chance to explore a wealth of interests and new talents. Their experiences are further enhanced by an exciting programme of trips and expeditions which this year included international destinations such as the Netherlands Sports Tour, year group trips to Paris and Barcelona and much more besides. Junior School residential visits to outward-bound activity centres were provided to all year groups in Key Stage 2.

CRANFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

The operating surplus for this academic year amounted to £532,745 (2022: £515,540) as set out in the financial statements.

It is the policy of the School to maintain and establish sufficient funds and facilities to finance capital expenditure in order to equip the School with the necessary facilities needed to continue with the standard and quality of the educational services currently provided. In recent years the school has partly financed major capital developments via debt financing. The Governors use the annual budgeting cycle and review of monthly management accounts to ensure the school can service and repay these debts comfortably and meet banking covenants. Any future developments will continue to be funded by cash reserves or via further debt financing once the Governors are satisfied that borrowing is within an affordable level. It is also the policy of the Governors to build up sufficient reserves to cover the immediate needs for essential operating expenditure for a minimum of a term or to have ready access to additional funds to finance this requirement.

The Governors have adopted a policy of achieving sufficient reserves to ensure the School can meet its ongoing obligations:

- all aspects of the School's work can be conducted in an orderly and efficient manner, including the development and maintenance of the School's buildings;
- to use, where possible, cash assets and minimise borrowing;
- the Governors take a conservative view of the School's loans and have strong preference to fix the interest rate of them over the full term of the loans, thereby minimising exposure to the vagaries of the financial markets;
- to provide cover for unexpected or unavoidable items of expenditure, which cannot be funded from current income.

The Governors take prudent steps to safeguard the assets of the School.

The Governors have assessed the major risks to which the School is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

Looking ahead to the next 5 years, the school is currently continuing the upward trajectory of growth in pupil numbers but potential future challenges may present themselves for the school and the wider independent education sector which the school needs to be aware of. The school has developed a detailed Capital Expenditure programme that will support the further enhancement of our educational offer, including that addition of new classrooms, a STEM centre, Swimming pool, Senior School Common Room and Green Room space for our theatre. Our focus remains on sustaining educational excellence for pupils at the school against the backdrop of strong demand for places.

CRANFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management

The trust is a company limited by guarantee.

The Governors, who are also the directors for the purpose of company law, and who served during the year and subsequently were:

R. Fisher

J. Clarke

A. Page

S. Wallis (Chairman)

F. Barton

(Resigned 20 September 2023)

C. Temple

L. Lawson

(Resigned 21 March 2023)

S. Fuge

(Appointed 10 November 2022)

C. Ellis

(Appointed 15 June 2023)

Governors are elected by the Board to fill a vacancy due to retirement, or to enhance the particular skills of the Board. Potential Governors are identified from a wide range of scholastic, business and professional fields, and are considered against the Trust's specifications concerning eligibility, competence and specialist skills. They are elected at a meeting of the Board after a thorough selection and recruitment process.

The members of the Governing Body are detailed above. The members of the Governing Body are legally responsible for the overall management and control of the School and its objectives. The Governing Body has a Chairperson and several sub-committees that support the Board of Governors, namely the Finance & General Purposes, Scholarships and Bursaries, and Educational sub-committees. In addition, the School has individual Governors responsible for the following areas: Child Protection, Health and Safety, Special Educational Needs and Early Years Foundation Stage.

The day to day running of the School is delegated to the Headmaster and the Senior Leadership Team.

The full board meets at least three times a year. The Finance & General Purposes Committee and the Education Committee also meet at least 3 times a year. The Scholarships and Bursaries Committee meet annually or more frequently when required.

The Company has no share capital and consequently, none of the Governors has any interest in the Company. The liability of the Governors is limited to the extent of £1 each in the event of the Company winding up.

The Governors' investment powers are governed by the Memorandum of Association which permits the charity's funds to be invested as required subject to the law in order to further the objects of the charity.

CRANFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

Principal risks and uncertainties

- The national economic picture is challenging for the independent sector with high inflation and rising energy costs offering a short to medium term threat. It is hard to quantify the precise impact this will have on our parent body at this stage.
- The current political climate and potential threats: The Labour Party manifesto position indicates a significant threat to charitable status/ VAT on fees. The potential combination of VAT on fees, loss of business rates relief and the current impact of energy bills and rising costs has the potential to create significant challenges.

Public benefit

The Governors acknowledge and embrace their duty to offer public access to the education Cranford House provides through a means-tested bursary scheme offered to children from the local communities. Every year financial assistance is awarded to a number of pupils via this scheme and in 2022/23 51 pupils benefited (2021/22: 66) at a combined cost to the school of £443,228 (2021/22: £475,459).

In addition, the school's pupils contribute to the local community providing entertainment and performances through the year and by inviting local schools to participate in events at the School – sporting, musical, dramatic and educational. The School also provides the use of its facilities and equipment (eg. the swimming pool, sports hall, minibuses and staging) to local schools, community groups or organisations at no cost or at a subsidised cost. It supports local and national charities through a wide variety of fundraising activities. The pupils are active participants in the Duke of Edinburgh Award Scheme which encourages community involvement. The School is also committed to serving the best interests of the local community by protecting and actively promoting the improvement of the local environment. The school has lent its minibuses to support local church events and offers its parking facilities free of charge to the community for functions held during weekends or over the school holidays.

The Governors have paid due regard to guidance issued by the Charity Commission with regards to Public Benefit.

CRANFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

Auditor

In accordance with the company's articles, a resolution proposing that Kench & Co Ltd be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Governors' report, including the strategic report, was approved by the Board of Governors.



.....
R. Fisher

21/2/24

.....
Date



.....
J. Clarke

21/2/2024

.....
Date

CRANFORD SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

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

Company Law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the trust 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 trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CRANFORD SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF CRANFORD SCHOOL

Opinion

We have audited the financial statements of Cranford School (the 'trust') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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 trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

CRANFORD SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF CRANFORD SCHOOL

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

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

- adequate accounting records have not been kept, 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 Governors

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also the directors of the trust for the purpose 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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

CRANFORD SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF CRANFORD SCHOOL

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

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to the financial reporting framework, the Companies Act 2006 and employment law. Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above and corroborated our enquiries with management by reference to submissions and correspondence with H. M. Revenue and Customs where appropriate.

Given the size of the entity and the nature of its operations, we assessed the risks of material misstatements in respect of fraud and made appropriate enquiries of management and relevant related parties independently of management. We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries and other adjustments for appropriateness into our audit approach.

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.

Other matters

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Thomas ACA (Senior Statutory Auditor)
for and on behalf of Kench & Co Ltd

21/2/2024
.....

Chartered Accountants
Statutory Auditor

10 Station Road
Henley on Thames
Oxfordshire
RG9 1AY

CRANFORD SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<u>Income and endowments from:</u>					
Donations and legacies	3	-	-	5,000	5,000
Charitable activities	4	10,036,965	9,192,776	-	9,192,776
Investments	5	47,060	15,218	-	15,218
Other income	6	751	20,314	-	20,314
Total income		10,084,776	9,228,308	5,000	9,233,308
<u>Expenditure on:</u>					
Charitable activities	7	9,552,031	8,712,768	5,000	8,717,768
Net income for the year/ Net movement in funds		532,745	515,540	-	515,540
Fund balances at 1 September 2022		7,847,982	7,332,442	-	7,332,442
Fund balances at 31 August 2023		8,380,727	7,847,982	-	7,847,982

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CRANFORD SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	12		14,593,824		14,596,463
Current assets					
Stocks	13	8,420		2,476	
Debtors	14	2,312,635		1,673,725	
Cash at bank and in hand		1,369,930		1,333,754	
		<u>3,690,985</u>		<u>3,009,955</u>	
Creditors: amounts falling due within one year	16	<u>(4,565,930)</u>		<u>(3,846,584)</u>	
Net current liabilities			(874,945)		(836,629)
Total assets less current liabilities			13,718,879		13,759,834
Creditors: amounts falling due after more than one year	17		<u>(5,338,152)</u>		<u>(5,911,852)</u>
Net assets			<u>8,380,727</u>		<u>7,847,982</u>
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		5,894,485		5,361,740	
Revaluation reserve		2,486,242		2,486,242	
			<u>8,380,727</u>		<u>7,847,982</u>
			<u>8,380,727</u>		<u>7,847,982</u>

The financial statements were approved by the Governors on 21 FEBRUARY 2024


.....

R. Fisher
Trustee


.....

J. Clarke
Trustee

Company Registration No. 01510524

CRANFORD SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	24		1,121,168		1,083,759
Investing activities					
Purchase of tangible fixed assets		(500,072)		(763,369)	
Investment income received		47,060		15,218	
Net cash used in investing activities			(453,012)		(748,151)
Financing activities					
Repayment of bank loans		(631,980)		(230,777)	
Net cash used in financing activities			(631,980)		(230,777)
Net increase in cash and cash equivalents			36,176		104,831
Cash and cash equivalents at beginning of year			1,333,754		1,228,923
Cash and cash equivalents at end of year			<u>1,369,930</u>		<u>1,333,754</u>

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Company information

Cranford School was incorporated on 1 August 1980 in England and Wales as a private charitable company limited by guarantee with company registration number 01510524, charity registration number 280883. The registered office and business address is Moulsoford, Wallingford, Oxfordshire, OX10 9HT.

The principal activity of the Company is the operation of an independent nursery school, junior school, senior school and sixth form

1.1 Accounting convention

The accounts have been prepared in accordance with the trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The trust is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Governors have a reasonable expectation that the trust has adequate resources and appropriate contingency plans in place to continue in operational existence for the foreseeable future. Thus the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

The trust has restricted funds relating to donations received from The Gatehampton Hardship Fund. These funds are to be used for school fees for parents in unique circumstances with the approval of the Governors.

1.4 Incoming resources

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income received and billed in advance for school fees and school trips is held as deferred income and is recognised in the appropriate accounting period.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount.

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.5 Resources expended

Resources expended comprise expenditure, including staff costs, directly attributable to the activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of resources.

Governance costs comprise the costs associated with the governance arrangements of the charity which include the cost of external audit and any legal advice associated with constitutional and statutory requirements. Also included is a proportion of staff costs that represent time spent on considering and implementing any strategic plans of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Freehold land and buildings were stated at deemed cost on transition to FRS102 and at cost in respect of subsequent expenditure. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	Straight line over 50 years (Land not depreciated)
Improvements to freehold buildings	Straight line over 15 years
Fixtures, fittings & equipment	Straight line over 4 years
Motor vehicles	Straight line over 4 years

Freehold land and assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is the estimated selling price less costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, cash and cash equivalents, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest rate method. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Pensions

The pension costs charged in the accounts represent the contributions payable by the trust during the year. Contributions are paid to the Teachers' Pension Agency and to the Pension Trust concerning non teaching staff.

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and judgements

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

The estimates regarding depreciation, potential bad debts and their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Restricted funds	Restricted funds
	2023 £	2022 £
Donations and gifts	-	5,000

4 Charitable activities

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Gross fees	10,036,965	9,192,776

5 Investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Rental income	31,003	14,902
Interest receivable	16,057	316
	<u>47,060</u>	<u>15,218</u>

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

6 Other income

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Other income	751	20,314

7 Charitable activities

	Provision of educational services	Provision of educational services
	2023	2022
	£	£
Staff costs	5,598,163	5,202,305
Depreciation and impairment	502,712	477,804
Scholarship, bursaries and direct expenditure	1,751,850	1,703,445
	<u>7,852,725</u>	<u>7,383,554</u>
Share of support costs (see note 8)	1,699,306	1,334,214
	<u>9,552,031</u>	<u>8,717,768</u>
Analysis by fund		
Unrestricted funds	9,552,031	8,712,768
Restricted funds	-	5,000

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

8	Support costs	Support costs	Governance costs	2023	2022
		£	£	£	£
	Human resources	-	50,370	50,370	38,422
	Premises costs	477,771	-	477,771	439,126
	General management expenses	626,393	-	626,393	391,736
	Information technology	143,994	-	143,994	95,863
	Audit fees	-	17,400	17,400	15,894
	Audit-related fees	-	2,580	2,580	2,550
	Non-audit fees	-	4,020	4,020	4,818
	Finance costs	277,910	-	277,910	272,050
	Professional fees	98,868	-	98,868	73,755
		<u>1,624,936</u>	<u>74,370</u>	<u>1,699,306</u>	<u>1,334,214</u>
	Analysed between				
	Charitable activities	<u>1,624,936</u>	<u>74,370</u>	<u>1,699,306</u>	<u>1,334,214</u>
9	Governors				

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

The charge in the accounts for public liability insurance, including Governors' liability, for the year is £10,351(2022: £9,681).

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

10 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Direct charitable	124	117
Management and administration of the charity	20	26
	<u>144</u>	<u>143</u>

Employment costs

	2023	2022
	£	£
Wages and salaries	4,486,355	4,166,558
Social security costs	433,464	412,588
Other pension costs	728,714	661,581
	<u>5,648,533</u>	<u>5,240,727</u>

The number of employees whose annual remuneration (excluding employer pension costs but including benefits) was £60,000 or more were:

	2023	2022
	Number	Number
£60,000 - £80,000	2	2
£90,000 - £120,000	1	2
	<u>3</u>	<u>4</u>

Of the employees whose emoluments exceed £60,000, one (2022: one) has retirement benefits accruing under defined contribution pension schemes.

Of the employees whose emoluments exceed £60,000, two (2022: three) have retirement benefits accruing under defined benefits pension schemes.

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

12 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 September 2022	16,428,143	1,413,550	168,064	18,009,757
Additions	385,894	114,178	-	500,072
Disposals	-	-	(61,014)	(61,014)
At 31 August 2023	16,814,037	1,527,728	107,050	18,448,815
Depreciation and impairment				
At 1 September 2022	2,067,935	1,177,295	168,064	3,413,294
Depreciation charged in the year	374,462	128,249	-	502,711
Eliminated in respect of disposals	-	-	(61,014)	(61,014)
At 31 August 2023	2,442,397	1,305,544	107,050	3,854,991
Carrying amount				
At 31 August 2023	14,371,640	222,184	-	14,593,824
At 31 August 2022	14,360,208	236,255	-	14,596,463

Freehold land and buildings with a carrying amount of £14,371,640 (2022: £14,360,208) have been pledged to secure borrowings of the trust. The trust is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

13 Stocks

	2023	2022
	£	£
Stock	8,420	2,476

14 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	2,167,667	1,550,985
Other debtors	71,291	21,029
Prepayments and accrued income	73,677	101,711
	2,312,635	1,673,725

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

15 Loans and overdrafts

	2023 £	2022 £
Bank loans	5,214,512	5,846,490
Payable within one year	262,960	303,488
Payable after one year	4,951,552	5,543,002
Amounts included above which fall due after five years:		
Payable by instalments	3,945,227	4,445,120

Lloyds Bank PLC holds first and second legal charges dated 10th February 1995, 6th February 1998, 30th April 2013 and 2nd October 2019 over freehold property. The total bank loans secured against freehold property as at 31st August 2023 were £5,214,512 (2022: £5,846,490). There were six long term loans in existence at 31st August 2023 repayable on a monthly basis and the following annual interest rates applied: (i) fixed at 5.43%, (ii) fixed at 4.05%; (iii) fixed at 4.37%; (iv) fixed at 4.16% (v) fixed at 4.512% and (vi) variable.

16 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Loans and overdrafts	15	262,960	303,488
Other taxation and social security		107,071	104,160
Deferred income		3,874,792	3,271,138
Trade creditors		155,916	91,788
Other creditors		94,127	19,549
Accruals		71,064	56,461
		4,565,930	3,846,584

Deferred income relates to school fees for future periods received before the year end.

17 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	15	4,951,552	5,543,002
Other creditors		386,600	368,850
		5,338,152	5,911,852

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

18 Retirement benefit schemes

The school participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff during the year. The pension charge for the year includes contributions payable to the TPS of £665,322 (2022: £598,158) and at the year end £78,701 (2022: £nil) was due in respect of contributions to this scheme. The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. From 1 September 2019, the employer contribution rate was 23.68%. The School left the TPS on 31st August 2023 and has joined Aviva Pension Trust for Independent Schools ("the APTIS") effective from 1st September 2023. The APTIS is a defined contribution pension scheme.

The TPS was 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 contributed 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 the Parliament.

19 Analysis of net assets between funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £	Total 2022 £
Fund balances at are represented by:			
Tangible assets	14,593,824	14,596,463	14,596,463
Current assets/(liabilities)	(874,945)	(836,629)	(836,629)
Long term liabilities	(5,338,152)	(5,911,852)	(5,911,852)
	<u>8,380,727</u>	<u>7,847,982</u>	<u>7,847,982</u>

20 Operating lease commitments

At the reporting end date the trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	98,519	34,359
Between two and five years	117,529	58,818
	<u>216,048</u>	<u>93,177</u>

21 Control

As the Charitable Company is limited by guarantee, the board of Governors are deemed to have control for the purposes of Company Law.

CRANFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

22 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

23 Subsequent events

The Company's name was changed from Cranford House School Trust Limited to Cranford School on 24 October 2023.

The Company left the Teachers' Pension Scheme (defined benefit scheme) and joined Aviva Pension Trust for Independent Schools (defined contribution scheme) effective from 1 September 2023 as shown on note 18.

24 Cash generated from operations

	2023 £	2022 £
Surplus for the year	532,745	515,540
Adjustments for:		
Investment income recognised in statement of financial activities	(47,060)	(15,218)
Depreciation and impairment of tangible fixed assets	502,711	477,804
Movements in working capital:		
(Increase) in stocks	(5,944)	(126)
(Increase)/decrease in debtors	(638,910)	283,898
Increase/(decrease) in creditors	173,972	(90,870)
Increase/(decrease) in deferred income	603,654	(87,269)
Cash generated from operations	1,121,168	1,083,759

25 Analysis of changes in net (debt)/funds

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,333,754	36,176	1,369,930
Loans falling due within one year	(303,489)	40,529	(262,960)
Loans falling due after more than one year	(5,543,003)	591,451	(4,951,552)
	<u>(4,512,738)</u>	<u>668,156</u>	<u>(3,844,582)</u>

Cranford School

England & Wales - Charity number 280883

Accounts

Charity Registration No. 280883

Company Registration No. 01510524 (England and Wales)

CRANFORD HOUSE SCHOOL TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

CRANFORD HOUSE SCHOOL TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	R. Fisher J. Clarke A. Page S. Wallis (Chairman) F. Barton C. Temple L. Lawson S. Fuge	(Appointed 1 December 2021) (Appointed 10 November 2022)
Charity number	280883	
Company number	01510524	
Principal address	Moulsford Wallingford Oxfordshire OX10 9HT	
Registered office	Moulsford Wallingford Oxfordshire OX10 9HT	
Auditor	Kench & Co Ltd Chartered Accountants 10 Station Road Henley on Thames Oxfordshire RG9 1AY	
Bankers	Lloyds Bank PLC 4 Market Place Wallingford Oxfordshire OX10 0EH	
Solicitors	Field Seymour Parkes 11 London Street PO Box 174 Reading Berkshire RG1 4QW	

CRANFORD HOUSE SCHOOL TRUST LIMITED

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CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The Governors of the School, who are also Directors of the Company and Charity Trustees, present their annual report, together with the audited financial statements for the year ended 31 August 2022.

The format and content of this report and financial statements comply with the requirements of the Companies Act 2006, the Company's Memorandum and Articles of Association, the Charities Act 2011 and the Statement of Recommended Practice; "Accounting and Reporting by Charities (FRS102)".

Cranford House School Trust Limited, was incorporated on 1 August 1980 as a charitable company in England and Wales, limited by guarantee with company registration number 01510524, and charity registration number 280883.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The principal charitable objects, as set out in the Memorandum of Association, are to promote and to provide for the advancement of education of children in the UK and elsewhere, such education to be designed to give a sound Christian and moral basis to all pupils. The principal activity of the Company is the operation of an independent nursery school, junior school, senior school and sixth form.

Cranford House continues to enjoy a growing national reputation for excellence as one of the UK's leading small independent day schools. Situated on the Oxfordshire-Berkshire border, the school offers a vibrant education to boys and girls aged 3-18. Rated 'Excellent' in all categories by the Independent Schools Inspectorate, Cranford House specialises in academic achievement, outstanding pastoral care and extra-curricular opportunities for all. Firmly based on traditional values, within a warmly nurturing environment, the school's key aim is to ensure academic success for all pupils, whilst also fully embracing their diversity of ability and talent.

Key areas of focus this year are:

- To further enhance the academic performance of all pupils
- To continue to provide excellent pastoral support
- To further support outreach initiatives to local schools and the wider community
- To firmly embed the new Sixth Form and the natural transition from Senior School
- A continued commitment to ensure that the school is governed and lead so as to ensure that it continues to be a place of educational excellence for many future generations.
- Continue to support families and the broadening access to the school through bursaries.

The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

Strategic report

The description under the headings 'Achievements and Performance' and 'Financial Review' meet the company law requirements for the Governors to present a strategic report.

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

Achievements and performance

The school continues to go from strength to strength under the continued leadership of Headmaster, Dr James Raymond at Cranford House, with over 540 pupils currently on roll. 2022 also marked the celebration of the school's inaugural A-level results with 70% of all grades awarded at A*-B and 42% A*/A, alongside a 100% Pass rate. Registrations at our key entry points of Reception, Year 7 and Sixth Form are strong, with a healthy trend of oversubscribed places into Senior School. The move to a co-educational through-school model has been validated by the school community with current Years 7-9 cohorts having an equal gender balance. A wide programme of community outreach events and open events have already attracted excellent interest and with the current trajectory this will only improve throughout the academic year. The Junior School Day of Discovery themed "Wings and Wheels" attracted over 1,200 members of the local community, including families and primary school children, to attend the free open community event held at the school. The event was also an opportunity to help raise vital funds for the children's hospice Helen & Douglas House as well as The Wallingford Emergency Food Bank.

Our popular Stretch and Challenge series of Saturday morning masterclasses continues and is well attended during both the Autumn and Spring Term. Children from local primary schools in Years 5 and 6 enjoy free specialist teacher lead classes across multiple subjects across the 10 week programme. The school's swimming pool and facilities along with our dedicated swimming coach are helping local primary schools with their swimming provision during the Summer Term. South Moreton Primary pupils in both Years 5 and 6 enjoyed swimming lessons at Cranford in 2022. Cranford continues to support grass roots sport with local sporting clubs, Wallingford Netball and Hockey and Goring Cricket all consistently using Cranford's sporting facilities outside of school hours.

Throughout 2022 the school has supported numerous charities together with the support of the school's families and the wider community. The annual Junior School Mini-Marathon is a festive occasion for the entire Junior School with this year's chosen charity being PSPA.

Sport remains a key part of life at Cranford House. Many pupils enjoy individual sporting success outside school, with several playing at county, regional or national level in a host of sports which include, but are not limited to, netball, equestrian, cricket, swimming, hockey, dance and athletics. In school, all pupils from Years 3 to 11 are able to, and encouraged to, take part in competitive match play in line with the school's ethos of Sport For All. Team practices are open to everyone and multiple teams within each year group means sporting opportunities are made as widely available as possible. The current under 11 girls hockey team have recently been crowned national champions after an undefeated run through the ISA Tournament. Whilst extensive sporting opportunities are available within the school curriculum, there are also a host of extra-curricular physical activities and clubs on offer, allowing Cranford House pupils to experience an incredible variety of sports or physical activities.

The opportunity for children to learn to perform in front of an audience with ease continues to be a focus in school, thanks to the efforts of our excellent Performing Arts department. The school's dedication to both the performing and creative arts was recognised by Arts Council England in 2022 with an Arts Mark Gold Award. With non-auditioned choirs embedded right across the school and a programme of annual plays, musicals and dance productions in place, all pupils are very much encouraged to build their confidence in performing. Our continued success in writing competitions was also sustained thanks to the efforts of our English department, with excellent showings in both the Henley Youth Festival Creative Writing competition, the Dragonfly Tea Short Story competition and the IF Oxford Science poetry competition. Sixth Form students showcased their public speaking talents at Oxford University during the Model United Nations Conference. The team tackled both COP27 and Chernobyl Crisis scenarios during this global event.

An incredibly rich extra-curricular programme presents pupils of all ages with the chance to explore a wealth of interests and new talents. Their experiences are further enhanced by an exciting programme of trips and expeditions which this year included international destinations such as Borneo via World Challenge Expeditions, the Year 9 French trip to Paris, the Choir Tour to Prague and the Year 10 trip to Edinburgh. Visits to The National Theatre and the V&A enhanced the learning of Year 10 and 11 artists, and Junior School residential visits to outward-bound activity centres.

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

Financial review

The operating surplus for this academic year amounted to £515,540 (2021: £319,725) as set out in the financial statements.

It is the policy of the School to maintain and establish sufficient funds and facilities to finance capital expenditure in order to equip the School with the necessary facilities needed to continue with the standard and quality of the educational services currently provided. In recent years the school has partly financed major capital developments via debt financing. The Governors use the annual budgeting cycle and review of monthly management accounts to ensure the school can service and repay these debts comfortably and meet banking covenants. Any future developments will continue to be funded by cash reserves or via further debt financing once the Governors are satisfied that borrowing is within an affordable level. It is also the policy of the Governors to build up sufficient reserves to cover the immediate needs for essential operating expenditure for a minimum of a term or to have ready access to additional funds to finance this requirement.

The Governors have adopted a policy of achieving sufficient reserves to ensure the School can meet its ongoing obligations:

- all aspects of the School's work can be conducted in an orderly and efficient manner, including the development and maintenance of the School's buildings;
- to use, where possible, cash assets and minimise borrowing;
- the Governors take a conservative view of the School's loans and have strong preference to fix the interest rate of them over the full term of the loans, thereby minimising exposure to the vagaries of the financial markets;
- to provide cover for unexpected or unavoidable items of expenditure, which cannot be funded from current income.

The Governors take prudent steps to safeguard the assets of the School.

The Governors have assessed the major risks to which the School is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

Looking ahead to the next 5 years, the school is currently continuing the upward trajectory of growth in pupil numbers but potential future macroeconomic and political challenges may present themselves for the school and the wider independent education sector, which the school needs to be aware of.

Cranford's current 5 year strategy will take on-board these challenges, whilst continuing to embed the core aims of providing a high quality academic experience for our pupils alongside a rich and diverse range of extracurricular experiences. This enables our pupils to be motivated and challenged, to build their confidence in a happy and supportive environment where our key value of generosity of spirit remains at the core of everything we do.

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management

The trust is a company limited by guarantee.

The Governors, who are also the directors for the purpose of company law, and who served during the year and subsequently were:

R. Fisher

P. Tollet

(Resigned 31 December 2021)

J. Clarke

A. Page

S. Wallis (Chairman)

F. Barton

C. Temple

L. Lawson

(Appointed 1 December 2021)

S. Fuge

(Appointed 10 November 2022)

Governors are elected by the Board to fill a vacancy due to retirement, or to enhance the particular skills of the Board. Potential Governors are identified from a wide range of scholastic, business and professional fields, and are considered against the Trust's specifications concerning eligibility, competence and specialist skills. They are elected at a meeting of the Board after a thorough selection and recruitment process.

The members of the Governing Body are detailed above. The members of the Governing Body are legally responsible for the overall management and control of the School and its objectives. The Governing Body has a Chairperson and several sub-committees that support the Board of Governors, namely the Finance & General Purposes, Scholarships and Bursaries, and Educational sub-committees. In addition, the School has individual Governors responsible for the following areas: Child Protection, Health and Safety, Special Educational Needs and Early Years Foundation Stage.

The day to day running of the School is delegated to the Headmaster and the Senior Leadership Team.

The full board meets at least three times a year. The Finance & General Purposes Committee and the Education Committee also meet at least 3 times a year. The Scholarships and Bursaries Committee meet annually or more frequently when required.

The Company has no share capital and consequently, none of the Governors has any interest in the Company. The liability of the Governors is limited to the extent of £1 each in the event of the Company winding up.

The Governors' investment powers are governed by the Memorandum of Association which permits the charity's funds to be invested as required subject to the law in order to further the objects of the charity.

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

Principal risks and uncertainties

Failure to adapt to the implications of the the war in Ukraine and challenging global economic crisis with regards to maintaining pupil numbers and income alongside carefully managing costs. This is being addressed by regular monitoring of budgets and modelling School finances over the next 5 years to include factors such as rising utility costs and the threat of VAT on school fees, should the Labour Party come into power at the next election.

- The current political climate and potential threats: The Labour Party manifesto position indicates a significant threat to charitable status / VAT on fees. The potential combination of VAT on fees, loss of business rates relief and the current impact of energy bills and rising costs has the potential to create significant challenges.
- Highly competitive local market – since Cranford House's decision to move to co-education we have seen a local domino effect – The Manor and Rupert House announced transition towards co-education in the following two years. The Oratory have moved to co-education at Senior school and St Gabriel's made the same announcement this academic year. Crossfield's in Reading have announced an extension of their provision from ages 3-13 to 3-16. Shiplake College and Reading Blue Coat will both move to co-education from September 2023. This will place significant pressure on our core market in Henley and Caversham.

Public benefit

The Governors acknowledge and embrace their duty to offer public access to the education Cranford House provides through a means-tested bursary scheme offered to children from the local communities. Every year financial assistance is awarded to a number of pupils via this scheme and in 2021/22 66 pupils benefited (2020/21: 75) at a combined cost to the school of £475,459 (2020/21: £545,679).

In addition, the school's pupils contribute to the local community providing entertainment and performances through the year and by inviting local schools to participate in events at the School – sporting, musical, dramatic and educational. The School also provides the use of its facilities and equipment (eg. the swimming pool, sports hall, minibuses and staging) to local schools, community groups or organisations at no cost or at a subsidised cost. It supports local and national charities through a wide variety of fundraising activities. The pupils are active participants in the Duke of Edinburgh Award Scheme which encourages community involvement. The School is also committed to serving the best interests of the local community by protecting and actively promoting the improvement of the local environment. The school has lent its minibuses to support local church events and offers its parking facilities free of charge to the community for functions held during weekends or over the school holidays. Whilst the Covid-19 pandemic has undoubtedly impacted these activities, wherever possible the School has continued with them and remains committed to these activities as restrictions are removed.

The Governors have paid due regard to guidance issued by the Charity Commission with regards to Public Benefit.

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

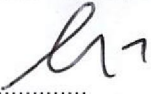
Auditor

In accordance with the company's articles, a resolution proposing that Kench & Co Ltd be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Governors' report, including the strategic report, was approved by the Board of Governors.



.....
R. Fisher

Dated: 22/2/23



.....
J. Clarke

Dated: 22/2/23

CRANFORD HOUSE SCHOOL TRUST LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The Governors, who are also the directors of Cranford House School Trust Limited for the purpose of company law, are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the trust 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 trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CRANFORD HOUSE SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE GOVERNORS OF CRANFORD HOUSE SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Cranford House School Trust Limited (the 'trust') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 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 trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

CRANFORD HOUSE SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF CRANFORD HOUSE SCHOOL TRUST LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

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

- adequate accounting records have not been kept, 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 Governors

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also the directors of the trust for the purpose 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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

CRANFORD HOUSE SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF CRANFORD HOUSE SCHOOL TRUST LIMITED

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

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to the financial reporting framework, the Companies Act 2006 and employment law. Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above and corroborated our enquiries with management by reference to submissions and correspondence with H. M. Revenue and Customs where appropriate.

Given the size of the entity and the nature of its operations, we assessed the risks of material misstatements in respect of fraud and made appropriate enquiries of management and relevant related parties independently of management. We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries and other adjustments for appropriateness into our audit approach.

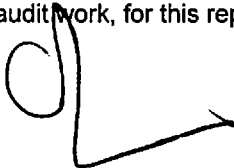
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Thomas ACA (Senior Statutory Auditor)
for and on behalf of Kench & Co Ltd

28 FEB 2023

Chartered Accountants
Statutory Auditor

10 Station Road
Henley on Thames
Oxfordshire
RG9 1AY

CRANFORD HOUSE SCHOOL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Income and endowments from:</u>							
Donations and legacies	3	-	5,000	5,000	-	10,000	10,000
Charitable activities	4	9,192,776	-	9,192,776	8,008,341	-	8,008,341
Investments	5	15,218	-	15,218	25,660	-	25,660
Other income	6	20,314	-	20,314	4,120	-	4,120
Total income		9,228,308	5,000	9,233,308	8,038,121	10,000	8,048,121
<u>Expenditure on:</u>							
Charitable activities	7	8,712,768	5,000	8,717,768	7,694,250	34,146	7,728,396
Net income for the year/ Net movement in funds		515,540	-	515,540	343,871	(24,146)	319,725
Fund balances at 1 September 2021		7,332,442	-	7,332,442	6,988,571	24,146	7,012,717
Fund balances at 31 August 2022		7,847,982	-	7,847,982	7,332,442	-	7,332,442

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

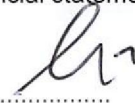
CRANFORD HOUSE SCHOOL TRUST LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	11		14,596,463		14,310,898
Current assets					
Stocks	12	2,476		2,350	
Debtors	13	1,673,725		1,957,623	
Cash at bank and in hand		1,333,754		1,228,923	
			3,009,955		3,188,896
Creditors: amounts falling due within one year	15	(3,846,584)		(3,958,761)	
Net current liabilities			(836,629)		(769,865)
Total assets less current liabilities			13,759,834		13,541,033
Creditors: amounts falling due after more than one year	16		(5,911,852)		(6,208,591)
Net assets			7,847,982		7,332,442
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		5,361,740		4,846,200	
Revaluation reserve		2,486,242		2,486,242	
			7,847,982		7,332,442
			7,847,982		7,332,442

The financial statements were approved by the Governors on 22/2/23



R. Fisher
Trustee



J. Clarke
Trustee

Company Registration No. 01510524

CRANFORD HOUSE SCHOOL TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	24		1,083,759		981,746
Investing activities					
Purchase of tangible fixed assets		(763,369)		(465,412)	
Investment income received		15,218		25,660	
Net cash used in investing activities			(748,151)		(439,752)
Financing activities					
Repayment of bank loans		(230,777)		(194,686)	
Net cash used in financing activities			(230,777)		(194,686)
Net increase in cash and cash equivalents			104,831		347,308
Cash and cash equivalents at beginning of year			1,228,923		881,615
Cash and cash equivalents at end of year			<u>1,333,754</u>		<u>1,228,923</u>

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Company Information

Cranford House School Trust Limited, was incorporated on 1 August 1980 in England and Wales as a private charitable company limited by guarantee with company registration number 01510524, charity registration number 280883. The registered office and business address is Moulsoford, Wallingford, Oxfordshire, OX10 9HT.

1.1 Accounting convention

The accounts have been prepared in accordance with the trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The trust is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Governors have a reasonable expectation that the trust has adequate resources and appropriate contingency plans in place to continue in operational existence for the foreseeable future. Thus the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

The trust has restricted funds relating to donations received from The Gatehampton Hardship Fund. These funds are to be used for school fees for parents in unique circumstances with the approval of the Governors.

1.4 Incoming resources

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income received and billed in advance for school fees and school trips is held as deferred income and is recognised in the appropriate accounting period.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.5 Grants

COVID-19, the various support initiatives for businesses from local, National Government and other Industry or sector organisations have been collectively recognised as Government grants.

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable.

Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

1.6 Resources expended

Resources expended comprise expenditure, including staff costs, directly attributable to the activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of resources.

Governance costs comprise the costs associated with the governance arrangements of the charity which include the cost of external audit and any legal advice associated with constitutional and statutory requirements. Also included is a proportion of staff costs that represent time spent on considering and implementing any strategic plans of the charity.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Freehold land and buildings were stated at deemed cost on transition to FRS102 and at cost in respect of subsequent expenditure. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	Straight line over 50 years (Land not depreciated)
Improvements to freehold buildings	Straight line over 15 years
Fixtures, fittings & equipment	Straight line over 4 years
Motor vehicles	Straight line over 4 years

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Freehold land and assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Impairment of fixed assets

At each reporting end date, the trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is the estimated selling price less costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

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

1.11 Financial Instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, cash and cash equivalents, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest rate method. Financial assets classified as receivable within one year are not amortised.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Pensions

The pension costs charged in the accounts represent the contributions payable by the trust during the year. Contributions are paid to the Teachers' Pension Agency and to the Pension Trust concerning non teaching staff.

2 Critical accounting estimates and judgements

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

The estimates regarding depreciation, potential bad debts and their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Restricted funds	
	2022	2021
	£	£
Donations and gifts	5,000	10,000

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Charitable activities

	Unrestricted funds	
	2022	2021
	£	£
Gross fees	9,192,776	7,979,169
Job retention scheme grant income	-	29,172
	<u>9,192,776</u>	<u>8,008,341</u>

5 Investments

	Unrestricted funds	
	2022	2021
	£	£
Rental income	14,902	25,489
Interest receivable	316	171
	<u>15,218</u>	<u>25,660</u>

6 Other Income

	Unrestricted funds	
	2022	2021
	£	£
Other income	<u>20,314</u>	<u>4,120</u>

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Charitable activities

	Provision of educational services 2022 £	Provision of educational services 2021 £
Staff costs	5,202,305	4,645,398
Depreciation and impairment	477,804	445,814
Scholarship, bursaries and direct expenditure	1,703,445	1,388,384
	<u>7,383,554</u>	<u>6,479,596</u>
Share of support costs (see note 8)	1,334,214	1,248,800
	<u>8,717,768</u>	<u>7,728,396</u>
Analysis by fund		
Unrestricted funds	8,712,768	7,694,250
Restricted funds	5,000	34,146
	<u>8,717,768</u>	<u>7,728,396</u>

8 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Human resources	-	38,422	38,422	37,770
Premises costs	439,126	-	439,126	474,252
General management expenses	391,736	-	391,736	288,997
Information technology	95,863	-	95,863	105,765
Audit fees	-	15,894	15,894	18,650
Audit-related fees	-	2,550	2,550	2,490
Non-audit fees	-	4,818	4,818	-
Finance costs	272,050	-	272,050	279,356
Professional fees	73,755	-	73,755	41,520
	<u>1,272,530</u>	<u>61,684</u>	<u>1,334,214</u>	<u>1,248,800</u>
Analysed between Charitable activities	<u>1,272,530</u>	<u>61,684</u>	<u>1,334,214</u>	<u>1,248,800</u>

9 Governors

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

During the year, transactions were carried out with Governors for normal commercial purposes and at arms length to the total value of £195 (2021: £521).

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Governors

(Continued)

The charge in the accounts for public liability insurance, including Governors' liability, for the year is £9,681 (2021: £8,833).

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Direct charitable	117	126
Management and administration of the charity	26	20
	<u>143</u>	<u>146</u>

Employment costs

	2022 £	2021 £
Wages and salaries	4,166,558	3,730,039
Social security costs	412,588	361,049
Other pension costs	661,581	592,080
	<u>5,240,727</u>	<u>4,683,168</u>

The number of employees whose annual remuneration (excluding employer pension costs but including benefits) was £60,000 or more were:

	2022 Number	2021 Number
£60,000 - £80,000	2	2
£90,000 - £120,000	2	2
	<u>4</u>	<u>4</u>

Of the employees whose emoluments exceed £60,000, one (2021: one) has retirement benefits accruing under defined contribution pension schemes.

Of the employees whose emoluments exceed £60,000, three (2021: three) have retirement benefits accruing under defined benefits pension schemes.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 September 2021	15,798,250	1,280,074	168,064	17,246,388
Additions	629,893	133,476	-	763,369
At 31 August 2022	16,428,143	1,413,550	168,064	18,009,757
Depreciation and impairment				
At 1 September 2021	1,706,667	1,060,759	168,064	2,935,490
Depreciation charged in the year	361,268	116,536	-	477,804
At 31 August 2022	2,067,935	1,177,295	168,064	3,413,294
Carrying amount				
At 31 August 2022	14,360,208	236,255	-	14,596,463
At 31 August 2021	14,091,583	219,315	-	14,310,898

Freehold land and buildings with a carrying amount of £14,360,208 (2021 - £14,091,583) have been pledged to secure borrowings of the trust. The trust is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

12 Stocks	2022	2021
	£	£
Stock	2,476	2,350
13 Debtors	2022	2021
Amounts falling due within one year:	£	£
Trade debtors	1,550,985	1,852,493
Other debtors	21,029	24,546
Prepayments and accrued income	101,711	80,584
	1,673,725	1,957,623

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

14 Loans and overdrafts

	2022 £	2021 £
Bank loans	5,846,490	6,077,269
Payable within one year	303,488	230,778
Payable after one year	5,543,002	5,846,491
Amounts included above which fall due after five years:		
Payable by instalments	4,445,120	4,701,530

Lloyds Bank PLC holds first and second legal charges dated 10th February 1995, 6th February 1998, 30th April 2013 and 2nd October 2019 over freehold property. The total bank loans secured against freehold property as at 31st August 2022 were £5,846,490 (2021: £6,077,269). There were seven long term loans in existence at 31st August 2022 repayable on a monthly basis and the following annual interest rates applied: (i) fixed at 7.18%; (ii) fixed at 5.43%, (iii) fixed at 4.05%; (iv) fixed at 3.37%; (v) fixed at 4.16% (vi) fixed at 4.512% and (vi) variable.

15 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Loans and overdrafts	14	303,488	230,778
Other taxation and social security		104,160	96,544
Deferred income	17	3,271,138	3,358,407
Trade creditors		91,788	207,236
Other creditors		19,549	12,500
Accruals		56,461	53,296
		3,846,584	3,958,761

16 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	14	5,543,002	5,846,491
Other creditors		368,850	362,100
		5,911,852	6,208,591

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

17 Deferred income

	2022 £	2021 £
Other deferred income	3,271,138	3,358,407

Other deferred income relates to school fees for future periods received before the year end.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Retirement benefit schemes

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 £598,158 (2021: £529,943) and at the year-end £nil (2021 - £nil) was due in respect of contributions to this scheme.

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

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

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

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

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to responses on 19 August 2021 and the Government is currently analysing the responses.

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

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

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Restricted funds

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

	Movement in funds			Movement in funds			Balance at 31 August 2022 £
	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	
Restricted funds	24,146	10,000	(34,146)	-	5,000	(5,000)	-

20 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 August 2022 are represented by:						
Tangible assets	14,596,463	-	14,596,463	14,310,898	-	14,310,898
Current assets/(liabilities)	(836,629)	-	(836,629)	(769,865)	-	(769,865)
Long term liabilities	(5,911,852)	-	(5,911,852)	(6,208,591)	-	(6,208,591)
	<u>7,847,982</u>	<u>-</u>	<u>7,847,982</u>	<u>7,332,442</u>	<u>-</u>	<u>7,332,442</u>

21 Operating lease commitments

At the reporting end date the trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	34,359	34,359
Between two and five years	58,818	93,176
	<u>93,177</u>	<u>127,535</u>

22 Control

As the Charitable Company is limited by guarantee, the board of Governors are deemed to have control for the purposes of Company Law.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Related party transactions

There were no disclosable related party transactions during the year (2021 - none) other than those with Governors shown in note 9.

24 Cash generated from operations	2022 £	2021 £
Surplus for the year	515,540	319,725
Adjustments for:		
Investment income recognised in statement of financial activities	(15,218)	(25,660)
Depreciation and impairment of tangible fixed assets	477,804	445,814
Movements in working capital:		
(Increase)/decrease in stocks	(126)	2,452
Decrease/(increase) in debtors	283,898	(28,007)
(Decrease)/increase in creditors	(90,870)	41,517
(Decrease)/increase in deferred income	(87,269)	225,905
Cash generated from operations	1,083,759	981,746

25 Analysis of changes in net (debt)/funds

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,228,923	104,831	1,333,754
Loans falling due within one year	(230,778)	(72,711)	(303,489)
Loans falling due after more than one year	(5,846,491)	303,488	(5,543,003)
	<u>(4,848,346)</u>	<u>335,608</u>	<u>(4,512,738)</u>

Cranford School

England & Wales - Charity number 280883

Accounts

Charity Registration No. 280883

Company Registration No. 01510524 (England and Wales)

CRANFORD HOUSE SCHOOL TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

CRANFORD HOUSE SCHOOL TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	R. Fisher P. Tollet J. Clarke A. Page S. Wallis (Chairman) F. Barton C. Temple L. Lawson	(Appointed 26 January 2021) (Appointed 1 December 2021)
Charity number	280883	
Company number	01510524	
Principal address	Moulsford Wallingford Oxfordshire OX10 9HT	
Registered office	Moulsford Wallingford Oxfordshire OX10 9HT	
Auditor	Kench & Co Ltd Chartered Accountants 10 Station Road Henley on Thames Oxfordshire RG9 1AY	
Bankers	Lloyds Bank PLC 4 Market Place Wallingford Oxfordshire OX10 0EH	
Solicitors	Field Seymour Parkes 11 London Street PO Box 174 Reading Berkshire RG1 4QW	

CRANFORD HOUSE SCHOOL TRUST LIMITED

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CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The Governors of the School, who are also Directors of the Company and Charity Trustees, present their annual report, together with the audited financial statements for the year ended 31 August 2021.

The format and content of this report and financial statements comply with the requirements of the Companies Act 2006, the Company's Memorandum and Articles of Association, the Charities Act 2011 and the Statement of Recommended Practice; "Accounting and Reporting by Charities (FRS102)", 2015.

Cranford House School Trust Limited, was incorporated on 1 August 1980 as a charitable company limited by guarantee with company registration number 01510524, charity registration number 280883.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The principal charitable objects, as set out in the Memorandum of Association, are to promote and to provide for the advancement of education of children in the UK and elsewhere, such education to be designed to give a sound Christian and moral basis to all pupils. The principal activity of the Company is the operation of an independent nursery school, junior school, senior school and sixth form.

Cranford House continues to enjoy a growing national reputation for excellence as one of the UK's leading independent day schools. Situated on the Oxfordshire-Berkshire border, the school offers a vibrant education to girls and boys aged 3-18. Rated 'Excellent' in all categories, Cranford House specialises in academic achievement, outstanding pastoral care and extra-curricular opportunities for all. Firmly based on traditional values, within a warmly nurturing environment, the school's key aim is to ensure academic success for all pupils, whilst also fully embracing their diversity of ability and talent.

Key areas of focus this year are:

- To further enhance the academic performance of all the pupils.
- To continue to provide excellent pastoral support.
- To further support a wide provision of outreach initiatives to local schools and the wider local community.
- A continued commitment to ensure that the school is governed and led to ensure that it continues to be a place of educational excellence for many future generations.
- Continue to support families and the broadening access to the school through bursaries.

The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

Strategic report

The description under the headings 'Achievements and Performance' and 'Financial Review' meet the company law requirements for the Governors to present a strategic report.

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and performance

With the continued leadership of Headmaster, Dr James Raymond at Cranford House, the school continues to go from strength to strength with over 500 pupils on roll for the 2020-21 academic year. Registrations at our key entry points were strong, with a healthy introduction of fully co-educational year groups throughout the school. The move to a fully co-educational school model has been validated by our school community with the first Year 7 cohort having an evenly balanced coeducational mix. This key enrolment sets an important precedent as we bear the fruits for the roll out for the school's 2020 Vision. Another landmark for the school was the opening of the new Sixth Form Centre seeing its first year of Year 12 students begin their A-levels. With the Sixth Form in place the school has now achieved its ambition to become a fully-fledged through school ages 3-18. Despite the uncertainty of the market the school has had excellent retention of existing pupils and seen a growth in total pupil numbers. This academic year was not without its challenges however as the school continued to adapt to remote online learning and the delivery of a full curriculum during the global pandemic. Without having parents on site or traditional open events on site the school produced a wide array of Virtual Events for both external interested families and for the benefit of internal families. All performing arts and musical performances were produced, filmed, edited and distributed online to the delight of families. With community outreach events cancelled for most of the year other online opportunities presented themselves such as the inclusion of local primary schools to our virtual visit by Britain's first cosmonaut Helen Sharman.

Despite the onset of the global pandemic in 2020-21, Cranford House demonstrated great resilience and dedication to maintaining excellence in teaching and learning throughout the school. The Senior Leadership Team and the teaching staff helped train and transition the school to remote teaching and learning adapted for each Key Stage. Maintaining pupil progress and pastoral support was paramount throughout the lockdown periods. Cranford House became an important provision and care for the children of key workers for many months. In the Spring Term the school undertook two charitable projects with incredible results. In efforts to help raise funds for the staff of NHS Oxfordshire Hospitals pupils baked cupcakes from home and donated the proceeds to our collective JustGiving page. The charitable actions of the school's pupils and families helped raise over £2,000. In an equally popular charity event led by a Year 3 pupil, the school rallied behind the cause to help end homelessness by fundraising for CRISIS. This was supported by both Senior and Junior pupils and the teaching staff which resulted in raising over £1,000 towards the charity.

Sport remains a key part of life at Cranford House. With fixtures cancelled for most of the academic year pupils enjoyed the camaraderie and of inter-house competitions online and a wide programme of Physical Education with live online lessons. As Junior School returned to lessons in the classroom all these year groups were able to enjoy the vast array of sporting facilities on offer.

The opportunity for pupils to learn to perform and build their confidence continues to be a focus in school, thanks to the efforts of our excellent Performing Arts department. Even during lockdown the show must go on, and it did. Tea Concerts and Ensembles were still performed at school but instead of having a traditional live audience the performances were filmed. Both pupils and their families could then enjoy performances together at home or share with loved ones. One of the highlights of the year continued to be as popular as ever even in its remote form with the Cranford's Got Talent Show. The love of music and individual Peri lessons continued as well throughout the year with teachers delivering lessons via laptop to pupils here at school.

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

The operating surplus for this academic year amounted to £319,725 (2020: £386,680) as set out in the financial statements.

It is the policy of the School to maintain and establish sufficient funds and facilities to finance capital expenditure in order to equip the School with the necessary facilities needed to continue with the standard and quality of the educational services currently provided. In recent years the school has partly financed major capital developments via debt financing. The Governors use the annual budgeting cycle and review of monthly management accounts to ensure the school can service and repay these debts comfortably and meet banking covenants. Any future developments will continue to be funded by cash reserves or via further debt financing once the Governors are satisfied that borrowing is within an affordable level. It is also the policy of the Governors to build up sufficient reserves to cover the immediate needs for essential operating expenditure for a minimum of a term or to have ready access to additional funds to finance this requirement.

The Governors have adopted a policy of achieving sufficient reserves to ensure the School can meet its ongoing obligations:

- all aspects of the School's work can be conducted in an orderly and efficient manner, including the development and maintenance of the School's buildings;
- to use, where possible, cash assets and minimise borrowing;
- the Governors take a conservative view of the School's loans and have strong preference to fix the interest rate of them over the full term of the loans, thereby minimising exposure to the vagaries of the financial markets;
- to provide cover for unexpected or unavoidable items of expenditure, which cannot be funded from current income.

The Governors take prudent steps to safeguard the assets of the School.

The Governors have assessed the major risks to which the School is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

With the completion of the 2020 vision, the school is now looking to the next 5 years. Like many institutions, the pandemic has made the school take stock and re-evaluate future plans in light of the level of uncertainty the world currently faces. As we emerge from the restrictions, the school will develop its new 5-year strategy and this will continue to embed the core aims of providing a high quality academic experience for our pupils alongside a rich and diverse range of extra-curricular experiences. This enables our pupils to be motivated and challenged, to build their confidence in a happy and supportive environment where our key value of generosity of spirit remains at the core of everything we do.

Structure, governance and management

The trust is a company limited by guarantee.

The Governors, who are also the directors for the purpose of company law, and who served during the year and subsequently were:

N. J. Scott-Ely	(Resigned 22 January 2021)
R. Fisher	
P. Tollet	
A. Gray	(Resigned 8 June 2021)
J. Clarke	
A. Page	
S. Wallis (Chairman)	
F. Barton	
C. Temple	(Appointed 26 January 2021)
L. Lawson	(Appointed 1 December 2021)

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

Governors are elected by the Board to fill a vacancy due to retirement, or to enhance the particular skills of the Board. Potential Governors are identified from a wide range of scholastic, business and professional fields, and are considered against the Trust's specifications concerning eligibility, competence and specialist skills. They are elected at a meeting of the Board after a thorough selection and recruitment process.

The members of the Governing Body are detailed above. The members of the Governing Body are legally responsible for the overall management and control of the School and its objectives. The Governing Body has a Chairperson and several sub-committees that support the Board of Governors, namely the Finance & General Purposes, Scholarships and Bursaries, Remuneration & HR and Educational sub-committees. In addition, the School has individual Governors responsible for the following areas: Child Protection, Health and Safety, Special Educational Needs and Early Years Foundation Stage.

The day to day running of the School is delegated to the Headmaster and the Senior Leadership Team.

The full board meets at least three times a year. The Finance & General Purposes Committee and the Education Committee also meet at least three times a year. The Scholarships and Bursaries Committee and the Remuneration & HR committee meet annually or more frequently when required.

The Company has no share capital and consequently, none of the Governors has any interest in the Company. The liability of the Governors is limited to the extent of £1 each in the event of the Company winding up.

The Governors' investment powers are governed by the Memorandum of Association which permits the charity's funds to be invested as required subject to the law in order to further the objects of the charity.

Principal risks and uncertainties

Failure to adapt to the implications of the Covid-19 pandemic with regards to maintaining pupil numbers and income alongside carefully managing costs. This is being addressed by reallocating budgeted funds to support IT investment, additional staff resources and training to ensure a blended learning approach can be provided for pupils such that remote learning can be seamlessly delivered in the event of further school closures, whether for individual year groups or the whole school.

Public benefit

The Governors acknowledge and embrace their duty to offer public access to the education Cranford House provides through a means-tested bursary scheme offered to children from the local communities. Every year financial assistance is awarded to a number of pupils via this scheme and in 2020/21 75 pupils benefited (2019/20: 54) at a combined cost to the school of £545,679 (2019/20: £347,902).

In addition, the school's pupils contribute to the local community providing entertainment and performances through the year and by inviting local schools to participate in events at the School – sporting, musical, dramatic and educational. The School also provides the use of its facilities and equipment (eg. the swimming pool, sports hall, minibuses and staging) to local schools, community groups or organisations at no cost or at a subsidised cost. It supports local and national charities through a wide variety of fundraising activities. The pupils are active participants in the Duke of Edinburgh Award Scheme which encourages community involvement. The School is also committed to serving the best interests of the local community by protecting and actively promoting the improvement of the local environment. The school has lent its minibuses to support local church events and offers its parking facilities free of charge to the community for functions held during weekends or over the school holidays. Whilst the Covid-19 pandemic has undoubtedly impacted these activities, wherever possible the School has continued with them and remains committed to these activities as restrictions are removed.

The Governors have paid due regard to guidance issued by the Charity Commission with regards to Public Benefit.

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

Auditor

The auditor, Kench & Co Ltd, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Governors' report, including the strategic report, was approved by the Board of Governors.



R. Fisher

Dated: 10 December 2021

CRANFORD HOUSE SCHOOL TRUST LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The Governors, who are also the directors of Cranford House School Trust Limited for the purpose of company law, are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the trust 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 trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CRANFORD HOUSE SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE GOVERNORS OF CRANFORD HOUSE SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Cranford House School Trust Limited (the 'trust') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, 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 trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

CRANFORD HOUSE SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF CRANFORD HOUSE SCHOOL TRUST LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' 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 strategic report and the directors' report included within the Governors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

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

- adequate accounting records have not been kept, 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 Governors

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also the directors of the trust for the purpose 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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

CRANFORD HOUSE SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF CRANFORD HOUSE SCHOOL TRUST LIMITED

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

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to the financial reporting framework, the Companies Act 2006 and employment law. Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above and corroborated our enquiries with management by reference to submissions and correspondence with H. M. Revenue and Customs where appropriate.

Given the size of the entity and the nature of its operations, we assessed the risks of material misstatements in respect of fraud and made appropriate enquiries of management and relevant related parties independently of management. We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries and other adjustments for appropriateness into our audit approach.

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.

Other matters

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



Simon Thomas ACA (Senior Statutory Auditor)
for and on behalf of Kench & Co Ltd

10 DEC 2021
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Chartered Accountants
Statutory Auditor

10 Station Road
Henley on Thames
Oxfordshire
RG9 1AY

CRANFORD HOUSE SCHOOL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	-	10,000	10,000	-	16,000	16,000
Charitable activities	4	8,008,341	-	8,008,341	7,255,006	-	7,255,006
Investments	5	25,660	-	25,660	11,191	-	11,191
Other income	6	4,120	-	4,120	6,113	-	6,113
Total income		8,038,121	10,000	8,048,121	7,272,310	16,000	7,288,310
<u>Expenditure on:</u>							
Charitable activities	7	7,694,250	34,146	7,728,396	6,916,630	-	6,916,630
Net gains/(losses) on investments	11	-	-	-	15,000	-	15,000
Net income/(expenditure) for the year/ Net movement in funds		343,871	(24,146)	319,725	370,680	16,000	386,680
Fund balances at 1 September 2020		6,988,571	24,146	7,012,717	6,617,891	8,146	6,626,037
Fund balances at 31 August 2021		7,332,442	-	7,332,442	6,988,571	24,146	7,012,717

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CRANFORD HOUSE SCHOOL TRUST LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	12		14,310,898		13,906,300
Investment properties	13		-		385,000
			<u>14,310,898</u>		<u>14,291,300</u>
Current assets					
Stocks	14	2,350		4,802	
Debtors	15	1,957,623		1,929,616	
Cash at bank and in hand		1,228,923		881,615	
		<u>3,188,896</u>		<u>2,816,033</u>	
Creditors: amounts falling due within one year	17	<u>(3,958,761)</u>		<u>(6,693,987)</u>	
Net current liabilities			(769,865)		(3,877,954)
Total assets less current liabilities			<u>13,541,033</u>		<u>10,413,346</u>
Creditors: amounts falling due after more than one year	18		<u>(6,208,591)</u>		<u>(3,400,629)</u>
Net assets			<u><u>7,332,442</u></u>		<u><u>7,012,717</u></u>
Income funds					
Restricted funds	21		-		24,146
<u>Unrestricted funds</u>					
General unrestricted funds		4,846,200		4,502,329	
Revaluation reserve		2,486,242		2,486,242	
		<u>7,332,442</u>		<u>6,988,571</u>	
		<u><u>7,332,442</u></u>		<u><u>7,012,717</u></u>	

The financial statements were approved by the Governors on 10 December 2021



R. Fisher
Trustee

Company Registration No. 01510524

CRANFORD HOUSE SCHOOL TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	26		981,746		261,242
Investing activities					
Purchase of tangible fixed assets		(465,412)		(1,734,554)	
Investment income received		25,660		11,191	
Net cash used in investing activities			(439,752)		(1,723,363)
Financing activities					
Proceeds of new bank loans		-		1,699,291	
Repayment of bank loans		(194,686)		(135,748)	
Net cash (used in)/generated from financing activities			(194,686)		1,563,543
Net increase in cash and cash equivalents			347,308		101,422
Cash and cash equivalents at beginning of year			881,615		780,193
Cash and cash equivalents at end of year			<u>1,228,923</u>		<u>881,615</u>

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Company information

Cranford House School Trust Limited, was incorporated on 1 August 1980 in England and Wales as a private charitable company limited by guarantee with company registration number 01510524, charity registration number 280883. The registered office and business address is Moulsoford, Wallingford, Oxfordshire, OX10 9HT.

1.1 Accounting convention

The accounts have been prepared in accordance with the trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The trust is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Governors have a reasonable expectation that the trust has adequate resources and appropriate contingency plans in place to continue in operational existence for the foreseeable future, particularly in light of the ongoing Coronavirus global pandemic. Thus the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

The trust has restricted funds relating to donations received from The Gatehampton Hardship Fund. These funds are to be used for school fees for parents in unique circumstances with the approval of the Governors.

1.4 Incoming resources

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income received and billed in advance for school fees and school trips is held as deferred income and is recognised in the appropriate accounting period.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.5 Grants

COVID-19, the various support initiatives for businesses from local, National Government and other Industry or sector organisations have been collectively recognised as Government grants.

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable.

Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

1.6 Resources expended

Resources expended comprise expenditure, including staff costs, directly attributable to the activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of resources.

Governance costs comprise the costs associated with the governance arrangements of the charity which include the cost of external audit and any legal advice associated with constitutional and statutory requirements. Also included is a proportion of staff costs that represent time spent on considering and implementing any strategic plans of the charity.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Freehold land and buildings were stated at deemed cost on transition to FRS102 and at cost in respect of subsequent expenditure. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	Straight line over 50 years (Land not depreciated)
Improvements to freehold buildings	Straight line over 15 years
Fixtures, fittings & equipment	Straight line over 4 years
Motor vehicles	Straight line over 4 years

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Freehold land and assets in the course of construction are not depreciated.

During the year the investment property held by the Company has been transferred to Property, plant and equipment following a change in its use.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.8 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in SOFA.

During the year the investment property held by the Company has been transferred to Property, plant and equipment following a change in its use.

1.9 Impairment of fixed assets

At each reporting end date, the trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

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

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.12 Financial Instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, cash and cash equivalents, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Pensions

The pension costs charged in the accounts represent the contributions payable by the trust during the year. Contributions are paid to the Teachers' Pension Agency and to the Pension Trust concerning non teaching staff.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Restricted funds	
	2021	2020
	£	£
Donations and gifts	10,000	16,000

4 Charitable activities

	Unrestricted funds	
	2021	2020
	£	£
Gross fees	7,979,169	7,058,291
Job retention scheme grant income	29,172	196,715
	<u>8,008,341</u>	<u>7,255,006</u>

5 Investments

	Unrestricted funds	
	2021	2020
	£	£
Rental income	25,489	8,547
Interest receivable	171	2,644
	<u>25,660</u>	<u>11,191</u>

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Other Income

Unrestricted funds

	2021 £	2020 £
Other income	4,120	6,113

7 Charitable activities

Provision of educational services 2021 Provision of educational services 2020

Staff costs	4,645,398	4,440,987
Depreciation and impairment	445,814	373,716
Scholarship, bursaries and direct expenditure	1,388,384	1,078,406
	<u>6,479,596</u>	<u>5,893,109</u>
Share of support costs (see note 8)	1,248,800	1,023,521
	<u>7,728,396</u>	<u>6,916,630</u>
Analysis by fund		
Unrestricted funds	7,694,250	6,916,630
Restricted funds	34,146	-
	<u>7,728,396</u>	<u>6,916,630</u>

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Human resources	-	37,770	37,770	37,303
Premises costs	474,252	-	474,252	280,399
General management expenses	288,997	-	288,997	352,207
Information technology	105,765	-	105,765	62,753
Audit fees	-	21,140	21,140	21,892
Finance costs	279,356	-	279,356	226,505
Professional fees	41,520	-	41,520	46,462
	<u>1,189,890</u>	<u>58,910</u>	<u>1,248,800</u>	<u>1,023,521</u>
Analysed between				
Charitable activities	<u>1,189,890</u>	<u>58,910</u>	<u>1,248,800</u>	<u>1,023,521</u>

9 Governors

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

During the year, transactions were carried out with Governors for normal commercial purposes and at arms length to the total value of £521 (2020: £343).

The charge in the accounts for public liability insurance, including Governors' liability, for the year is £8,833 (2020: £7,967).

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Direct charitable	126	122
Management and administration of the charity	20	14
	<u>146</u>	<u>136</u>

Employment costs

	2021 £	2020 £
Wages and salaries	3,730,039	3,569,938
Social security costs	361,049	337,616
Other pension costs	592,080	570,736
	<u>4,683,168</u>	<u>4,478,290</u>

The number of employees whose annual remuneration (excluding employer pension costs but including benefits) was £60,000 or more were:

	2021 Number	2020 Number
£60,000 - £80,000	2	1
£90,000 - £120,000	2	2
	<u>4</u>	<u>3</u>

Of the employees whose emoluments exceed £60,000, one (2020: one) has retirement benefits accruing under defined contribution pension schemes.

Of the employees whose emoluments exceed £60,000, three (2020: two) have retirement benefits accruing under defined benefits pension schemes.

11 Net gains/(losses) on investments

	Unrestricted funds	
	2021 £	2020 £
Revaluation of investment properties	-	15,000
	<u>-</u>	<u>15,000</u>

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 September 2020	15,000,887	1,227,025	168,064	16,395,976
Additions	412,363	53,049	-	465,412
Transfer from investment property	385,000	-	-	385,000
At 31 August 2021	15,798,250	1,280,074	168,064	17,246,388
Depreciation and impairment				
At 1 September 2020	1,361,384	963,476	164,816	2,489,676
Depreciation charged in the year	345,283	97,283	3,248	445,814
At 31 August 2021	1,706,667	1,060,759	168,064	2,935,490
Carrying amount				
At 31 August 2021	14,091,583	219,315	-	14,310,898
At 31 August 2020	13,639,503	263,549	3,248	13,906,300

Freehold land and buildings with a carrying amount of £14,091,583 (2020 - £13,639,503) have been pledged to secure borrowings of the trust. The trust is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

13 Investment property

	2021
	£
Fair value	
At 1 September 2020	385,000
Transfers to tangible fixed assets	(385,000)
At 31 August 2021	-

During the year, the Board of Governors agreed a change of use for the investment property, Barn Cottage, and as a result it no longer meets the definition of an investment property. Therefore the fair value of the investment property at the date of the change of use has been transferred to Property Plant & Equipment in accordance with the requirements of FRS102, and this is now the deemed cost of the asset.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

14	Stocks	2021	2020
		£	£
	Stock	2,350	4,802
		<u> </u>	<u> </u>
15	Debtors	2021	2020
		£	£
	Amounts falling due within one year:		
	Trade debtors	1,852,493	1,878,167
	Other debtors	24,546	5,330
	Prepayments and accrued income	80,584	46,119
		<u> </u>	<u> </u>
		<u>1,957,623</u>	<u>1,929,616</u>
16	Loans and overdrafts	2021	2020
		£	£
	Bank loans	6,077,269	6,271,955
		<u> </u>	<u> </u>
	Payable within one year	230,778	3,194,676
	Payable after one year	5,846,491	3,077,279
		<u> </u>	<u> </u>
	Amounts included above which fall due after five years:		
	Payable by instalments	4,701,530	2,336,904
		<u> </u>	<u> </u>

Lloyds Bank PLC hold first and second legal charges dated 10th February 1995, 6th February 1998, 30th April 2013 and 2nd October 2019 over freehold property. The total bank loans secured against freehold property as at 31st August 2021 were £6,077,269 (2020: £6,271,955). There were seven long term loans in existence at 31st August 2021 repayable on a monthly basis and the following annual interest rates applied: (i) fixed 7.18%; (ii) fixed at 5.43%, (iii) fixed at 4.05%; (iv) fixed at 3.37%; (v) fixed at 4.16% (vi) fixed at 4.512% and (vi) variable.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Loans and overdrafts	16	230,778	3,194,676
Other taxation and social security		96,544	86,353
Deferred income	19	3,358,407	3,132,502
Trade creditors		207,236	108,766
Other creditors		12,500	92,671
Accruals		53,296	79,019
		<u>3,958,761</u>	<u>6,693,987</u>

18 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	16	5,846,491	3,077,279
Other creditors		362,100	323,350
		<u>6,208,591</u>	<u>3,400,629</u>

19 Deferred income

	2021 £	2020 £
Other deferred income	<u>3,358,407</u>	<u>3,132,502</u>

Other deferred income relates to school fees for future periods received before the year end.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Retirement benefit schemes

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 £529,943 (2020: £566,875) and at the year-end £nil (2020 - £58,854) was due in respect of contributions to this scheme.

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

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

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

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

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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

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

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Restricted funds

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

	Movement in funds		Movement in funds			
	Balance at 1 September 2019	Incoming resources	Balance at 1 September 2020	Incoming resources	Resources expended	Balance at 31 August 2021
	£	£	£	£	£	£
Restricted funds	8,146	16,000	24,146	10,000	(34,146)	-

22 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 August 2021 are represented by:						
Tangible assets	14,310,898	-	14,310,898	13,906,300	-	13,906,300
Investment properties	-	-	-	385,000	-	385,000
Current assets/ (liabilities)	(769,865)	-	(769,865)	(3,902,100)	24,146	(3,877,954)
Long term liabilities	(6,208,591)	-	(6,208,591)	(3,400,629)	-	(3,400,629)
	<u>7,332,442</u>	<u>-</u>	<u>7,332,442</u>	<u>6,988,571</u>	<u>24,146</u>	<u>7,012,717</u>

23 Operating lease commitments

At the reporting end date the trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	34,359	20,597
Between two and five years	93,176	94,992
In over five years	-	8,966
	<u>127,535</u>	<u>124,555</u>

24 Control

As the Charitable Company is limited by guarantee, the board of Governors are deemed to have control for the purposes of Company Law.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Related party transactions

There were no disclosable related party transactions during the year (2020 - none) other than those with Governors shown in note 9.

26 Cash generated from operations

	2021 £	2020 £
Surplus for the year	319,725	386,680
Adjustments for:		
Investment income recognised in statement of financial activities	(25,660)	(11,191)
Fair value gains and losses on investment properties	-	(15,000)
Depreciation and impairment of tangible fixed assets	445,814	373,716
Movements in working capital:		
Decrease in stocks	2,452	275
(Increase) in debtors	(28,007)	(435,465)
Increase in creditors	41,517	45,788
Increase/(decrease) in deferred income	225,905	(83,561)
Cash generated from operations	<u>981,746</u>	<u>261,242</u>

27 Analysis of changes in net (debt)/funds

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	881,615	347,308	1,228,923
Loans falling due within one year	(3,194,676)	2,963,898	(230,778)
Loans falling due after more than one year	(3,077,279)	(2,769,212)	(5,846,491)
	<u>(5,390,340)</u>	<u>541,994</u>	<u>(4,848,346)</u>

Cranford School

England & Wales - Charity number 280883

Accounts

Charity Registration No. 280883

Company Registration No. 01510524 (England and Wales)

CRANFORD HOUSE SCHOOL TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

CRANFORD HOUSE SCHOOL TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	N. J. Scott-Ely (Chairperson) R. Fisher P. Tollet A. Gray J. Clarke A. Page S. Wallis F. Barton (Appointed 5 December 2019)
Charity number	280883
Company number	01510524
Principal address	Cranford House School Trust Limited Moulsford Wallingford Oxfordshire OX10 9HT
Registered office	Cranford House School Trust Limited Moulsford Wallingford Oxfordshire OX10 9HT
Auditor	Kench & Co Ltd Chartered Accountants 10 Station Road Henley on Thames Oxfordshire RG9 1AY
Bankers	Lloyds Bank PLC 4 Market Place Wallingford Oxfordshire OX10 0EH
Solicitors	Field Seymour Parkes 11 London Street PO Box 174 Reading Berkshire RG1 4QW

CRANFORD HOUSE SCHOOL TRUST LIMITED

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CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The Governors of the School, who are also Directors of the Company and Charity Trustees, present their annual report, together with the audited financial statements for the year ended 31 August 2020.

The format and content of this report and financial statements comply with the requirements of the Companies Act 2006, the Company's Memorandum and Articles of Association, the Charities Act 2011 and the Statement of Recommended Practice; "Accounting and Reporting by Charities (FRS102)", 2015.

Cranford House School Trust Limited, was incorporated on 1 August 1980 as a charitable company limited by guarantee with company registration number 01510524, charity registration number 280883.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The principal charitable objects, as set out in the Memorandum of Association, are to promote and to provide for the advancement of education of children in the UK and elsewhere, such education to be designed to give a sound Christian and moral basis to all pupils. The principal activity of the Company is the operation of an independent nursery school, junior school, senior school and sixth form.

In its 89th year of teaching and learning Cranford House continues to provide a vibrant, opportunity-rich education which supports and draws out the potential of each and every pupil in its care.

Firmly based on traditional values, within a warmly nurturing environment, the school's key aim is to ensure academic success for all pupils, whilst also fully embracing their diversity of ability and talent.

Key areas of focus this year have been:

- To further enhance the academic performance of all the pupils.
- To continue to provide excellent pastoral support.
- To further support a wide provision of outreach initiatives to local schools and the wider local community.
- The fulfilment of our 2020 Vision, with strong pupil numbers to support co-educational introduction to senior school and a new sixth form centre opening in September 2020.
- Adapting to remote teaching and learning during the pandemic.

The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

Strategic report

The description under the headings 'Achievements and Performance' and 'Financial Review' meet the company law requirements for the Governors to present a strategic report.

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance

Under the continued leadership of Headmaster, Dr James Raymond at Cranford House, the school continues to go from strength to strength with over 500 pupils currently on roll. Registrations at our key entry points of nursery, reception and year 7 remain very strong, with a healthy uptake of external boys joining our senior school in September 2020 providing a well-balanced co-educational introduction to the senior school. A varied programme of community outreach events and Open Events all attracted excellent numbers of visitors. In particular, our Explorers themed junior school Day of Discovery, held in the Autumn Term, proved extremely popular with both existing Cranford House families and members of the local community, along with local primary school pupils enjoying a live lecture from Sir Ranulph Fiennes. Our Stretch and Challenge programme of Saturday morning masterclasses for local children in years 5 and 6 continues to be well attended. Our Swimming Pool and the attentions of our dedicated swimming coach were enjoyed by two local primary schools during the Summer Term, while both our Mathematics and Science Departments provided specialist teaching at local primary schools.

Despite the onset of the global pandemic in the Summer Term, Cranford House demonstrated great resilience and dedication to maintaining excellence in teaching and learning throughout the school. The Senior Leadership Team and the teaching staff helped train and transition the school to remote teaching and learning adapted for each Key Stage. Maintaining pupil progress and pastoral support was paramount throughout the lockdown period. Cranford House became an important provision and care for the children of key workers for many months. During this lockdown the school undertook one of its most ambitious charitable projects to date together with the catering firm Thomas Franks. The school's kitchen became a hub to help cook and prepare fresh meals each day for local NHS staff in both Berkshire and Oxfordshire. Parents of pupils and the wider Cranford House community rallied behind the project and raised over £10,000 for the cause.

The culmination of the school's 2020 Vision successfully saw the opening of the new sixth form in September 2020 with high interest already evident for September 2021.

Sport remains a key part of life at Cranford House. Many pupils enjoy individual sporting success outside school, with several playing at county, regional or national level in a host of sports which include, but are not limited to, netball, equestrian, cricket, swimming, hockey, dance and athletics. In school, all pupils from years 3 to 11 are able to, and encouraged to, take part in competitive match play in line with the school's ethos of Sport For All. Team practices are open to everyone and multiple teams within each year group means sporting opportunities are made as widely available as possible. Whilst extensive sporting opportunities are available within the school curriculum, there is also a host of extra-curricular physical activities and clubs on offer, allowing Cranford House pupils to experience an incredible variety of sports or physical activities.

The opportunity for children to learn to perform in front of an audience with ease continues to be a focus in school, thanks to the efforts of our excellent Performing Arts department. With non-auditioned choirs embedded right across the school and a programme of annual plays, musicals and dance productions in place, all pupils are very much encouraged to build their confidence in performing. Visiting authors also helped to bring learning to life for our pupils, who enjoyed visits by authors Marcus Sedgwick and Jenny McLachlan among others during the year. Our continued success in writing competitions was also sustained thanks to the efforts of our English Department, with excellent showings in both the Henley Youth Festival Creative Writing competition, the Dragonfly Tea Short Story competition and the IF Oxford Science poetry competition.

An incredibly rich extra-curricular programme presents pupils of all ages with the chance to explore a wealth of interests and new talents. Their experiences are further enhanced by an exciting programme of trips and expeditions which this year included international destinations such as Morocco and Norway via World Challenge Expeditions, the Spanish Exchange to Madrid, the Choir Tour to Salzburg and the French trip to Normandy. Visits to London's Royal Academy and the V&A enhanced the learning of year 10 and 11 artists, while local opportunities included inspiring trips to Henley Literary Festival, the Living Rainforest, the Earth Trust at Wittenham Clumps and junior school residential visits to outward-bound activity centres.

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

The operating surplus for this academic year amounted to £386,680 (2019: £429,588) as set out in the financial statements.

It is the policy of the School to maintain and establish sufficient funds and facilities to finance capital expenditure in order to equip the School with the necessary facilities needed to continue with the standard and quality of the educational services currently provided. In recent years the school has partly financed major capital developments via debt financing. The Governors use the annual budgeting cycle and review of monthly management accounts to ensure the school can service and repay these debts comfortably and meet banking covenants. Any future developments will continue to be funded by cash reserves or via further debt financing once the Governors are satisfied that borrowing is within an affordable level. It is also the policy of the Governors to build up sufficient reserves to cover the immediate needs for essential operating expenditure for a minimum of a term or to have ready access to additional funds to finance this requirement.

The Governors have adopted a policy of achieving sufficient reserves to ensure the School can meet its ongoing obligations:

- all aspects of the School's work can be conducted in an orderly and efficient manner, including the development and maintenance of the School's buildings;
- to use, where possible, cash assets and minimise borrowing;
- the Governors take a conservative view of the School's loans and have strong preference to fix the interest rate of them over the full term of the loans, thereby minimising exposure to the vagaries of the financial markets;
- to provide cover for unexpected or unavoidable items of expenditure, which cannot be funded from current income.

The Governors take prudent steps to safeguard the assets of the School.

The Governors have assessed the major risks to which the School is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

With the completion of the 2020 vision, the school is now looking to the next 5 years. Like many institutions, the pandemic has made the school take stock and re-evaluate future plans in light of the level of uncertainty the world currently faces. As we emerge from the restrictions of 2020, the school will develop its new 5-year strategy and this will continue to embed the core aims of providing a high quality academic education for our pupils alongside a rich and diverse range of extra-curricular experiences. This enables our pupils to be motivated and challenged, to build their confidence in a happy and supportive environment where our key value of generosity of spirit remains at the core of everything we do.

Structure, governance and management

The trust is a company limited by guarantee.

The Governors, who are also the directors for the purpose of company law, and who served during the year and subsequently were:

N. J. Scott-Ely (Chairperson)

R. Fisher

P. Tollet

A. Gray

J. Clarke

P. Thomas

(Resigned 3 July 2020)

A. Page

S. Wallis

F. Barton

(Appointed 5 December 2019)

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Governors are elected by the Board to fill a vacancy due to retirement, or to enhance the particular skills of the Board. Potential Governors are identified from a wide range of scholastic, business and professional fields, and are considered against the Trust's specifications concerning eligibility, competence and specialist skills. They are elected at a meeting of the Board after a thorough selection and recruitment process.

The members of the Governing Body are detailed above. The members of the Governing Body are legally responsible for the overall management and control of the School and its objectives. The Governing Body has a Chairperson and several sub-committees that support the Board of Governors, namely the Finance & General Purposes, Scholarships and Bursaries, Remuneration & HR and Educational sub-committees. In addition, the School has individual Governors responsible for the following areas: Child Protection, Health and Safety, Special Educational Needs and Early Years Foundation Stage.

The day to day running of the School is delegated to the Headmaster and the Senior Leadership Team.

The full board meets at least three times a year. The Finance & General Purposes Committee and the Education Committee also meet at least three times a year. The Scholarships and Bursaries Committee and the Remuneration & HR committee meet annually or more frequently when required.

The Company has no share capital and consequently, none of the Governors has any interest in the Company. The liability of the Governors is limited to the extent of £1 each in the event of the Company winding up.

The Governors' investment powers are governed by the Memorandum of Association which permits the charity's funds to be invested as required subject to the law in order to further the objects of the charity.

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Principal risks and uncertainties

The Governors continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time, and to monitor the internal control systems that mitigate these risks. The risks are collated in a single documented Risk Map which is reviewed on a termly basis at full board level using a traffic light system to grade risks. The risk map is adjusted in real-time and is used for ongoing identification and management of both risks and opportunities. The Governors, along with the School's Senior Leadership team, take any necessary action to manage risks identified. Examples of some of the key risks identified include:

- Failure to adapt to the implications of the Covid-19 pandemic resulting in school closure due to poor adherence to government H&S guidance. This is being addressed by daily review of evolving government guidance and the school's internal Covid related policies and procedures with risk assessments being updated as necessary. Appropriate training is being given to staff and pupils, with changes regularly communicated to the whole school community.

- Failure to adapt to the implications of the Covid-19 pandemic with regards to maintaining pupil numbers and income alongside carefully managing costs. This is being addressed by reallocating budgeted funds to support IT investment, additional staff resources and training to ensure a blended learning approach can be provided for pupils such that remote learning can be seamlessly delivered in the event of further school closures, whether for individual year groups or the whole school.

- Failure to safeguard the welfare of children, specifically with regard to meeting regulatory site security requirements, given the open nature of the school site. This is being addressed by improved access procedures and by further enhancements to the sites' physical security.

- Failure to adapt to political threats to Independent Schools such as the imposition of VAT on school fees, the increase in employer pension contributions for Independent Schools, the loss of charitable status or the loss of rates relief for an educational establishment. These are being addressed by financially modelling the impact of the various scenarios on the school's finances and making appropriate provisions.

The ISI Inspection of the School in November 2014 and the ISI compliance inspection in October 2018 both indicated that the Governance of the School is considered excellent and this suggests the current approach adopted is considered effective.

Public benefit

The Governors acknowledge and embrace their duty to offer public access to the education Cranford House provides through a means tested bursary scheme offered to children from the local communities. Every year financial assistance is awarded to a number of pupils via this scheme and in 2019/20 54 pupils benefited (2018/19: 34) at a combined cost to the school of £347,902 (2018/19: £240,869).

In addition, the school's pupils contribute to the local community providing entertainment and performances through the year and by inviting local schools to participate in events at the School – sporting, musical, dramatic and educational. The School also provides the use of its facilities and equipment (eg. the swimming pool, sports hall, minibuses and staging) to local schools, community groups or organisations at no cost or at a subsidised cost. It supports local and national charities through a wide variety of fundraising activities. The pupils are active participants in the Duke of Edinburgh Award Scheme which encourages community involvement. The School is also committed to serving the best interests of the local community by protecting and actively promoting the improvement of the local environment, the school has lent its minibuses to support local church events and offers its parking facilities free of charge to the community for functions held during weekends or over the school holidays.

The Governors have paid due regard to guidance issued by the Charity Commission with regards to Public Benefit.

Auditor

The auditor, Kench & Co Ltd, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

CRANFORD HOUSE SCHOOL TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

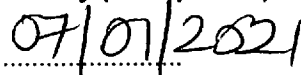
FOR THE YEAR ENDED 31 AUGUST 2020

Disclosure of information to auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor are aware of such information.

The Governors' report, including the strategic report, was approved by the Board of Governors.


.....
N. J. Scott-Ely (Chairperson)

Dated: 

CRANFORD HOUSE SCHOOL TRUST LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The Governors, who are also the directors of Cranford House School Trust Limited for the purpose of company law, are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the trust 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 trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CRANFORD HOUSE SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CRANFORD HOUSE SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Cranford House School Trust Limited (the 'trust') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, 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 trust 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

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

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

Other information

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

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

We have nothing to report in this regard.

CRANFORD HOUSE SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CRANFORD HOUSE SCHOOL TRUST LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' 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 strategic report and the directors' report included within the Governors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

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

- adequate accounting records have not been kept, 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 Governors

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also the directors of the trust for the purpose 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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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.



Eric Kench FCA (Senior Statutory Auditor)
for and on behalf of Kench & Co Ltd

Chartered Accountants
Statutory Auditor

08 JAN 2021

10 Station Road
Henley on Thames
Oxfordshire
RG9 1AY

CRANFORD HOUSE SCHOOL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income and endowments from:							
Donations and legacies	3	-	16,000	16,000	-	15,000	15,000
Charitable activities	4	7,255,006	-	7,255,006	6,839,058	-	6,839,058
Investments	5	11,191	-	11,191	33,168	-	33,168
Other income	6	6,113	-	6,113	19,123	-	19,123
Total income		7,272,310	16,000	7,288,310	6,891,349	15,000	6,906,349
Expenditure on:							
Charitable activities	7	6,916,630	-	6,916,630	6,454,887	21,874	6,476,761
Net gains/(losses) on investments	11	15,000	-	15,000	-	-	-
Net income for the year/ Net movement in funds		370,680	16,000	386,680	436,462	(6,874)	429,588
Fund balances at 1 September 2019		6,617,891	8,146	6,626,037	6,181,429	15,020	6,196,449
Fund balances at 31 August 2020		6,988,571	24,146	7,012,717	6,617,891	8,146	6,626,037

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

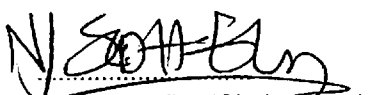
CRANFORD HOUSE SCHOOL TRUST LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	12	13,906,300		12,545,462	
Investment properties	13	385,000		370,000	
		<u>14,291,300</u>		<u>12,915,462</u>	
Current assets					
Stocks	14	4,802		5,077	
Debtors	15	1,929,616		1,494,151	
Cash at bank and in hand		881,615		780,193	
		<u>2,816,033</u>		<u>2,279,421</u>	
Creditors: amounts falling due within one year	17	<u>(6,693,987)</u>		<u>(5,080,686)</u>	
Net current liabilities			<u>(3,877,954)</u>		<u>(2,801,265)</u>
Total assets less current liabilities			<u>10,413,346</u>		<u>10,114,197</u>
Creditors: amounts falling due after more than one year	18		<u>(3,400,629)</u>		<u>(3,488,160)</u>
Net assets			<u><u>7,012,717</u></u>		<u><u>6,626,037</u></u>
Income funds					
Restricted funds	21		24,146		8,146
Unrestricted funds					
General unrestricted funds		4,502,329		4,131,649	
Revaluation reserve		2,486,242		2,486,242	
			<u>6,988,571</u>		<u>6,617,891</u>
			<u><u>7,012,717</u></u>		<u><u>6,626,037</u></u>

The financial statements were approved by the Governors on **07 JAN 2021**


N. J. Scott-Ely (Chairperson)
Trustee


R. Fisher
Trustee

Company Registration No. 01510524

CRANFORD HOUSE SCHOOL TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	28		261,242		1,139,519
Investing activities					
Purchase of tangible fixed assets		(1,734,554)		(1,890,604)	
Interest received & rental income		11,191		33,168	
Net cash used in investing activities			(1,723,363)		(1,857,436)
Financing activities					
Proceeds of new bank loans		1,699,291		1,300,709	
Repayment of bank loans		(135,748)		(202,759)	
Net cash generated from financing activities			1,563,543		1,097,950
Net increase in cash and cash equivalents			101,422		380,033
Cash and cash equivalents at beginning of year			780,193		400,160
Cash and cash equivalents at end of year			<u>881,615</u>		<u>780,193</u>

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Company information

Cranford House School Trust Limited, was incorporated on 1 August 1980 in England and Wales as a private charitable company limited by guarantee with company registration number 01510524, charity registration number 280883. The registered office and business address is Moulsoford, Wallingford, Oxfordshire, OX10 9HT.

1.1 Accounting convention

The accounts have been prepared in accordance with the trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The trust is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Governors have a reasonable expectation that the trust has adequate resources and appropriate contingency plans in place to continue in operational existence for the foreseeable future, particularly in light of the Coronavirus global pandemic. Thus the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

The trust has restricted funds relating to donations received from The Gatehampton Hardship Fund. These funds are to be used for school fees for parents in unique circumstances with the approval of the Governors.

1.4 Incoming resources

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income received and billed in advance for school fees and school trips is held as deferred income and is recognised in the appropriate accounting period.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.5 Grants

COVID -19, the various support initiatives for businesses from local, National Government and other Industry or sector organisations have been collectively recognised as Government grants.

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable.

Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

1.6 Resources expended

Resources expended comprise expenditure, including staff costs, directly attributable to the activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of resources.

Governance costs comprise the costs associated with the governance arrangements of the charity which include the cost of external audit and any legal advice associated with constitutional and statutory requirements. Also included is a proportion of staff costs that represent time spent on considering and implementing any strategic plans of the charity.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Freehold land and buildings were stated at deemed cost on transition to FRS102 and at cost in respect of subsequent expenditure. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	Straight line over 50 years (Land not depreciated)
Improvements to freehold buildings	Straight line over 15 years
Fixtures, fittings & equipment	Straight line over 4 years
Motor vehicles	Straight line over 4 years

Freehold land and assets in the course of construction are not depreciated.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.8 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in SOFA.

1.9 Impairment of fixed assets

At each reporting end date, the trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

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

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.12 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, cash and cash equivalents, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Pensions

The pension costs charged in the accounts represent the contributions payable by the trust during the year. Contributions are paid to the Teachers' Pension Agency and to the Pension Trust concerning non teaching staff.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Restricted funds	
	2020	2019
	£	£
Donations and gifts	16,000	15,000

4 Charitable activities

	Unrestricted funds	
	2020	2019
	£	£
Gross fees	7,058,291	6,839,058
Job retention scheme grant income	196,715	-
	<u>7,255,006</u>	<u>6,839,058</u>

5 Investments

	Unrestricted funds	
	2020	2019
	£	£
Rental income	8,547	31,293
Interest receivable	2,644	1,875
	<u>11,191</u>	<u>33,168</u>

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

6 Other income

	Unrestricted funds	
	2020	2019
	£	£
Other income	6,113	19,123

7 Charitable activities

	Provision of educational services	Provision of educational services
	2020	2019
	£	£
Staff costs	4,440,987	3,992,404
Depreciation and impairment	373,716	347,409
Scholarship, bursaries and direct expenditure	1,078,406	1,114,837
	<u>5,893,109</u>	<u>5,454,650</u>
Grant funding of activities	-	21,874
Share of support costs (see note 8)	1,023,521	1,000,237
	<u>6,916,630</u>	<u>6,476,761</u>
Analysis by fund		
Unrestricted funds	6,916,630	6,454,887
Restricted funds	-	21,874

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Support costs	Support costs	Governance costs	2020	2019
	£	£	£	£
Human resources	-	37,303	37,303	36,393
Premises costs	280,399	-	280,399	329,238
General management expenses	352,207	-	352,207	332,663
Information technology	62,753	-	62,753	73,918
Audit fees	-	21,892	21,892	15,000
Finance costs	222,505	-	226,505	178,597
Professional fees	46,462	-	46,462	34,428
	<u>964,326</u>	<u>59,195</u>	<u>1,023,521</u>	<u>1,000,237</u>
Analysed between Charitable activities	<u>964,326</u>	<u>59,195</u>	<u>1,023,521</u>	<u>1,000,237</u>

9 Governors

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

During the year, transactions were carried out with Governors for normal commercial purposes and at arms length to the total value of £343 (2019: £571).

The charge in the accounts for public liability insurance, including Governors' liability, for the year is £7,967 (2019: £9,703).

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Direct charitable	122	108
Management and administration of the charity	14	14
	<u>136</u>	<u>122</u>

Employment costs

	2020 £	2019 £
Wages and salaries	3,569,938	3,325,049
Social security costs	337,616	313,987
Other pension costs	570,736	389,761
	<u>4,478,290</u>	<u>4,028,797</u>

The number of employees whose annual remuneration (excluding employer pension costs but including benefits) was £60,000 or more were:

	2020 Number	2019 Number
£60,000 - £80,000	1	1
£90,000 - £120,000	2	2
	<u>3</u>	<u>3</u>

Of the employees whose emoluments exceed £60,000, one (2019: one) has retirement benefits accruing under defined contribution pension schemes.

Of the employees whose emoluments exceed £60,000, two (2019: two) has retirement benefits accruing under defined benefits pension schemes.

11 Net gains/(losses) on investments

	Unrestricted funds	
	2020 £	2019 £
Revaluation of investment properties	<u>15,000</u>	<u>-</u>

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

12 Tangible fixed assets

	Land and buildings	Fixtures, Motor vehicles fittings & equipment		Total
	£	£	£	£
Cost or valuation				
At 1 September 2019	13,420,044	1,073,314	168,064	14,661,422
Additions	1,580,843	153,711	-	1,734,554
At 31 August 2020	15,000,887	1,227,025	168,064	16,395,976
Depreciation and impairment				
At 1 September 2019	1,073,447	889,793	152,720	2,115,960
Depreciation charged in the year	287,937	73,683	12,096	373,716
At 31 August 2020	1,361,384	963,476	164,816	2,489,676
Carrying amount				
At 31 August 2020	13,639,503	263,549	3,248	13,906,300
At 31 August 2019	12,346,597	183,521	15,344	12,545,462

Freehold land and buildings with a carrying amount of £13,639,503 (2019 - £12,346,597) have been pledged to secure borrowings of the trust. The trust is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

13 Investment property

	2020
	£
Fair value	
At 1 September 2019 and 31 August 2020	385,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 10 September 2020 by Warmingham Estate Agents, who are deemed independent of the trust. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

	2020	2019
	£	£
14 Stocks		
Stock	4,802	5,077

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Debtors

	2020	2019
Amounts falling due within one year:	£	£
Trade debtors	1,878,167	1,387,134
Other debtors	5,330	29,024
Prepayments and accrued income	46,119	77,993
	<u>1,929,616</u>	<u>1,494,151</u>

16 Loans and overdrafts

	2020	2019
	£	£
Bank loans	<u>6,271,955</u>	<u>4,708,412</u>
Payable within one year	3,194,676	1,516,752
Payable after one year	<u>3,077,279</u>	<u>3,191,660</u>
Amounts included above which fall due after five years:		
Payable by instalments	<u>2,233,051</u>	<u>2,336,904</u>

Lloyds Bank PLC hold first and second legal charges dated 10th February 1995, 6th February 1998, 30th April 2013 and 2nd October 2019 over freehold property. The total bank loans secured against freehold property as at 31st August 2020 were £6,271,955 (2019: £4,708,412). There were five long term loans in existence at 31st August 2020 repayable on a monthly basis and the following annual interest rates applied: (i) fixed 7.18%; (ii) fixed at 5.43%, (iii) fixed at 4.05%; (iv) fixed at 3.37% and (v) fixed at 4.16%.

On 3rd December 2018, the Trust agreed a 'development loan' with Lloyds Bank PLC to fund the development of the Sixth Form. This agreement provides for a drawn down facility of up to £3,000,000 with interest charged at a variable rate of 3.3% being 2.55% above the official bank rate of the Bank of England, which is currently at 0.75%. At the year end funds amounting to £3,000,000 had been advanced. This facility is repayable on demand and shown as payable within one year. The Trust also entered into future loan agreements with Lloyds Bank PLC that will convert £2,500,000 of this facility into a long term fixed rate loan, with the balance of £500,000 converting to a variable rate loan (see note 25 for further details). These conversions happened on 30 September 2020.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Loans and overdrafts	16	3,194,676	1,516,752
Other taxation and social security		86,353	82,973
Deferred income	19	3,132,502	3,216,063
Trade creditors		108,766	130,310
Other creditors		92,671	76,628
Accruals		79,019	57,960
		<u>6,693,987</u>	<u>5,080,686</u>

18 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans	16	3,077,279	3,191,660
Other creditors		323,350	296,500
		<u>3,400,629</u>	<u>3,488,160</u>

19 Deferred income

	2020 £	2019 £
Other deferred income	<u>3,132,502</u>	<u>3,216,063</u>

Other deferred income relates to school fees for future periods received before the year end.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Retirement benefit schemes

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 £566,875 (2019: £336,172) and at the year-end £58,854(2019 - £44,644) was due in respect of contributions to this scheme.

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

From 1 September 2019, the employer contribution rate has changed. The Government determined that the employer rate increased to 23.68% of contributory pay (which includes the administration levy of 0.08%). This replaces the previous employer contribution rate for the TPS of 16.48% (which also included the administration levy of 0.08%).

The Department for Education has published a consultation on the Teachers' Pension Scheme; specifically looking at the opportunities to change the rules for independent schools to allow for more flexibility in their participation in the Scheme.

The Government has stated its intention that from Spring 2021, an Independent school be allowed to leave the scheme in a different way, whereby current participants remain as active members until they leave employment with that particular school (or join another fully participating school) but new employees at the school will be offered an alternative pension scheme not connected to the Teachers' Pension Scheme.

This will support Independent schools in meeting the increase in employer contribution costs from 1 September 2019, in turn allowing more teachers to remain as active members of the Scheme.

21 Restricted funds

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

	Movement in funds			Movement in funds		
	Balance at 1 September 2018	Incoming resources	Resources expended	Balance at 1 September 2019	Incoming resources	Balance at 31 August 2020
	£	£	£	£	£	£
Restricted funds	15,020	15,000	(21,874)	8,146	16,000	24,146

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

22 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 August 2020 are represented by:						
Tangible assets	13,906,300	-	13,906,300	12,545,462	-	12,545,462
Investment properties	385,000	-	385,000	370,000	-	370,000
Current assets/ (liabilities)	(3,902,100)	24,146	(3,877,954)	(2,809,411)	8,146	(2,801,265)
Long term liabilities	(3,400,629)	-	(3,400,629)	(3,488,160)	-	(3,488,160)
	<u>6,988,571</u>	<u>24,146</u>	<u>7,012,717</u>	<u>6,617,891</u>	<u>8,146</u>	<u>6,626,037</u>

23 Contingent liabilities

At the balance sheet date, construction work in respect of the new Sixth Form had been completed, A retention of 5% of the amount certified as due to the contractor had not been invoiced by the contractor but the retention will be due to the contractor once a valid invoice has been issued. The amount of the retention at 31st August 2020 was £68,676.

24 Operating lease commitments

At the reporting end date the trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	20,597	22,703
Between two and five years	94,992	48,733
In over five years	8,966	-
	<u>124,555</u>	<u>71,436</u>

25 Capital commitments

On 23rd September 2020, the Trust entered into agreements with Lloyds Bank PLC to borrow £3,000,000, by way of a £2,500,000 fixed rate loan and a £500,000 variable rate loan. These loans commenced on 30 September 2020 for a period of 264 months and in essence convert the 'Development Loan' as disclosed in note 16 into long term loans.

26 Control

As the Charitable Company is limited by guarantee, the board of Governors are deemed to have control for the purposes of Company Law.

CRANFORD HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

27 Related party transactions

There were no disclosable related party transactions during the year (2019 - none) other than those with Governors shown in note 9.

28 Cash generated from operations	2020 £	2019 £
Surplus for the year	386,680	429,588
Adjustments for:		
Investment income recognised in statement of financial activities	(11,191)	(33,168)
Fair value gains and losses on investment properties	(15,000)	-
Depreciation and impairment of tangible fixed assets	373,716	347,409
Movements in working capital:		
Decrease/(increase) in stocks	275	(1,460)
(Increase) in debtors	(435,465)	(20,845)
Increase in creditors	45,788	31,733
(Decrease)/increase in deferred income	(83,561)	386,262
Cash generated from operations	261,242	1,139,519

29 Analysis of changes in net (debt)/funds

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	780,193	101,422	881,615
Loans falling due within one year	(1,516,752)	(1,677,924)	(3,194,676)
Loans falling due after more than one year	(3,191,660)	114,381	(3,077,279)
	<u>(3,928,219)</u>	<u>(1,462,121)</u>	<u>(5,390,340)</u>