

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

CONTENTS

	Page
Governors' report	1 - 5
Statement of Governors' responsibilities	6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 26

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

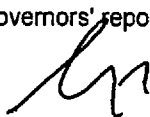
Auditor

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
.....

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						
Income and endowments from:							
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
Expenditure on:							
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		(6,208,591)		(3,400,629)
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		<u>2,486,242</u>		<u>2,486,242</u>	
			<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 Moultsford, 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	Provision of educational services
	2021	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
	6,479,596	5,893,109
Share of support costs (see note 8)	1,248,800	1,023,521
	7,728,396	6,916,630
Analysis by fund		
Unrestricted funds	7,694,250	6,916,630
Restricted funds	34,146	-
	7,728,396	6,916,630

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>
		1,957,623	1,929,616
		<u> </u>	<u> </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 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 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	981,746	261,242

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)
	(5,390,340)	541,994	(4,848,346)