

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		(5,338,152)		(5,911,852)
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		<u>2,486,242</u>		<u>2,486,242</u>	
			<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			1,369,930		1,333,754

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
	47,060	15,218

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
	7,852,725	7,383,554
Share of support costs (see note 8)	1,699,306	1,334,214
	9,552,031	8,717,768
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 Number	2022 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 Number	2022 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>