

CANFORD SCHOOL LIMITED

England & Wales · Charity number 306315

Details

Status Registered

Legal form Charitable company

Company number [00190956](#)

Registered 1964-07-27

Register [View on the Charity Commission register](#)

Contact

Address Canford School
Canford Magna
Wimborne
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Activities

Objects: TO ADVANCE THE EDUCATION OF BOYS AND GIRLS INCLUDING BUT NOT LIMITED TO THE PROVISION OF A SENIOR SCHOOL IN OR NEAR CANFORD, DORSET AND/OR IF THOUGHT DESIRABLE, IN OTHER PARTS OF ENGLAND OR WALES, IN ACCORDANCE WITH THE PRINCIPLES OF THE CHURCH OF ENGLAND.

Activities: To advance the education of boys and girls including but not limited to the provision of a senior school in or near Canford, Dorset and/or if thought desirable, in other parts of England or Wales, in accordance with the principles of the Church of England.

Classification

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

Geography

- Area of benefit: DORSET
- Dorset
- Poole

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£27,323,290	£25,471,573	£61,356,421	479
2024-07-31	£27,446,963	£25,281,532	£58,861,974	488
2023-07-31	£24,909,981	£22,899,793	£56,036,841	449
2022-07-31	£23,323,151	£21,194,514	£54,403,317	465
2021-07-31	£26,585,258	£19,715,206	£52,641,137	468
2020-07-31	£19,844,776	£19,805,013	£44,082,886	486

Trustees

Name	Role	Appointed
SIR GARY ROBERT COWARD	Chair	2019-07-17
Alex Van Wensveen		2026-02-12
Annabel Laura Rose Thomas BA		2012-01-09
EMMA JANE FRANCES HATTERSLEY		2025-01-31
Michael Makepeace Eugene Jeffries		2014-03-19
Neil Richard Brooks		2026-01-05
Nicholas Henniker Holloway		2017-09-08
Nicholas Paul Chetwood		2024-02-23
Philippa Evie Craggs Howarth		2024-06-04
Prof Jane Caroline Portlock		2022-02-09
Professor Mark Christopher French		2019-08-05
Rev JOHN HAROLD SIMMONS		2017-09-08
Sharon Rosemary Staddon		2026-02-03
William Edward Patrick McSheehy		2024-02-12
William McLaren-Clark		2022-05-09

Linked charities

- THE MARRIOTT TRUST (306315-1)
- THE FRIENDS OF CANFORD SCHOOL (306315-2)
- CANNING MEMORIAL FUND (306315-3)
- CANFORD SCHOOL FORTIETH ANNIVERSARY DEVELOPMENT FUND (306315-4)
- CANFORD SCHOOL DEVELOPMENT FUND (306315-5)
- CANFORD SCHOOL SCHOLARSHIP, BURSARY AND PRIZE FUND (306315-6)

CANFORD SCHOOL LIMITED

England & Wales - Charity number 306315

Accounts

CANFORD SCHOOL LIMITED
(Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

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DIRECTORS AND OFFICERS**DIRECTORS**

Chair	Lieutenant General Sir Gary Coward KBE CB	
	Akinbode M O Akinfala MBBS, PGCert, BSc (Hons), MSc, MRCS.	Resigned 30 July 2025
	Teresa Colaiani	Resigned 20 June 2025
	Nicholas P Chetwood BSc (Hons) Chartered MCSI	
	Dr Philippa J N Dickins MA MBBS DCH DRCOG MRCPGP	Resigned 20 June 2025
	Professor Mark C French (MA (Oxon) PhD)	
	Emma J F Hattersley BA (Hons) Dunelm	Appointed 31 January 2025
	Nicholas H Holloway BA (Hons) PGCE	
	Philippa E C Howarth BSc (Hons) MSc	
	Michael M Jeffries Dip Arch RIBA FICE FRSA	
	William McLaren-Clark BSc (Hons)	
	William E McSheehy BA (UCL)	
	Professor Jane C Portlock PhD, FRPharmS	
	Rev John H Simmons	
	Annabel L R Thomas BA (Oxon)	

OFFICERS

Headmaster	Benjamin A M Vessey MA MBA	Resigned 31 August 2025
	Christopher J Wheeler MBA, PGCE, BA, FRSA, FTIOB	Appointed 1 September 2025
Bursar	David J Brook OBE BSc MA CEng MRAeS	
Company Secretary	Michael Porter	Resigned 27 September 2024
	Andrew J Butterworth	Appointed 27 September 2024
Registered Office	The Bursary Canford School Wimborne BH21 3AD	
Solicitors	Harrison Clark Rickerbys Limited Ellenborough House, Wellington Street Cheltenham GL50 1YD	Steele Raymond LLP Richmond Point, 43 Richmond Hill Bournemouth BH2 6LR
	Veale Wasbrough Vizards LLP Narrow Quay House, Narrow Quay Bristol BS1 4QA	Redwood Collections Airport House, Purley Way Croydon CR0 0XZ
Auditors	HaysMac LLP 10 Queen Street Place London EC4R 1AG	
Bankers	Barclays Bank Plc PO Box 612 Ocean Village Southampton SO14 2ZP	
Insurance Brokers	Marsh Limited Capital House 15 Perrymount Road Haywards Heath RH16 3SY	
Investment Advisors	Rathbone Brothers Plc 8 Finsbury Circus London EC2M 7AZ	

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the company will be held at 12 noon on Wednesday 18 March 2026 at Stowe School, Stowe, Buckingham MK18 5EH.

In accordance with the Articles of Association Lieutenant General Sir Gary Coward, Professor Mark French, Mrs Emma Hattersley, Mr William McLaren-Clark and Professor Jane Portlock retire by rotation and, being eligible, offer themselves for re-election.

DIRECTORS AND TRUSTEES' REPORT

FINANCIAL STATEMENTS

The Governors, who are Directors for the purposes of Company Law and Trustees for the purposes of Charity Law, present their annual report and audited financial statements for the year ended 31 July 2025. The Governors have adopted the provisions of the Charities Statement of Recommended Practice (SORP) (Second Edition, effective 1 January 2019) based on Financial Reporting Standard (FRS) 102, in preparing the annual report and financial statements of the charity.

OBJECTS AND AIMS

Charitable Objects

The Charity's Object is to advance the education of boys and girls including but not limited to the provision of a senior school in or near Canford, Dorset and/or if thought desirable, in other parts of England or Wales, in accordance with the principles of the Church of England.

Public Benefit Aims and Intended Impact

In furtherance of this Object, Canford School's public benefit aim is to provide a first-class independent education, through strong academic tuition and through developing wider sporting, artistic, cultural and social skills in all its pupils. This is intended to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

Canford has restricted and unrestricted funds for the development of the School's facilities as well as for scholarships, prizes and other educational purposes. The School provides bursaries for those without the means to support their child through school.

The Charity also has to maintain its heritage endowment, with its Grade I and II listed buildings and historic park and tree collection, which are all considered of national importance.

Canford views the social responsibilities it carries as an educational institution as being a central feature of our ethos, aims and actions. The '*Importance of Community*' is one of our core aims whereby we recognise '*The importance of community and the engendering of a deep rooted sense of social responsibility in the context of Canford's Christian origins and heritage*' alongside '*respecting the abilities, views and dignity of others throughout the school community and in the wider world*'.

This is not just a form of words but articulates an attitude and approach which guides and informs much of what we do within and beyond the school. Aside from activities within the school based educational programme which seek to raise awareness and understanding of issues and problems confronting the wider world, hundreds of our pupils and many of our staff are engaged in active charitable and community partnership work locally, regionally, nationally and internationally. It is beyond the scope of this report to outline all of the detail of this extensive activity, although some more information can be found below. This social engagement and interaction in a meaningful and sustained sense is very much part of the fabric of Canford's culture.

In the furtherance of these aims the Governors, as the charity trustees, have complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act. In addition, the Governors act to promote the success of the school by: considering the likely consequences of any decision in the long term; looking at the interests of the company's employees; fostering relationships with pupils, parents, staff, suppliers and others; considering the impact of the Charity's operations on the community and the environment; by maintaining a reputation for high standards of business conduct; and acting fairly as between members of the company.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The School is a company limited by guarantee and each of its members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities. The School is a registered charity and is governed by its Articles of Association as most recently amended on 26th September 2013 by Special Resolution. Canford School is a member of the Allied Schools group of independent schools, all of

which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On September 26th 2013 the Allied Schools signed a management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT.

The School has a subsidiary company, Cheneford Limited, which undertakes a range of trading activities including the letting of the School's sports facilities to the public. We also co-operate with many local charities in our on-going endeavours to widen public access to the schooling we provide, to optimise the educational use of our cultural and sporting facilities and to awaken in our pupils, in the public interest, an awareness of the social context of the all-round education they receive at Canford.

Governing Body

The Governors are responsible for the overall management and control of Canford School and meet at least three times a year. The work of detailed formulation and implementation of most of their policies is carried out by members of the Environment, Social and Governance (ESG) Committee, who usually meet a few weeks in advance of the full Governing Board. The Education Committee and the Resources Committee, responsible for financial performance and the school fabric, perform detailed reviews in their specialist areas.

Governors are elected by the Governing Body, except that two Governors are nominated by the Martyrs Memorial and Church of England Trust if the total does not exceed 12, three if the number exceeds 12 but does not exceed 18, and four if the number exceeds 18. New governors are appointed by existing governors with input from the Headmaster and Bursar and care is taken to ensure that the relevant skills and experience are represented. Each new governor is provided with an information pack (handbook) and meets with key staff as part of an induction process. They are all encouraged to spend time at the School to experience lessons as the pupils do. All governors receive information on governor training update courses.

All governors have access to the meeting papers and minutes for all committee meetings, whether or not they are members of that committee. Meetings may be held in person or virtually. This ensures that they are informed about the issues being addressed by those committees but can also raise queries and monitor progress in a wide range of areas. The chairmen of the sub committees meet regularly with the School's lead for each committee area, thereby ensuring that they are fully briefed on issues and can provide advice, challenge and support as required.

Organisational Management

The day to day running of the School is delegated to the Headmaster, the Bursar and the Senior Leadership Team (SLT), which comprises the Deputy Head Academic, Deputy Head Pastoral, Deputy Head Co-Curricular and three Assistant Heads (Academic, College and Safeguarding & Personal Development). Strategic matters are discussed with the Senior Management Group (SMG), which comprises the SLT plus the directors of Marketing, Admissions, Development, Human Resources, Finance and Estates, as well as the School Services Manager and Commercial Services Manager. Various educational management groups also operate to progress educational and pastoral matters.

Changes to the remuneration levels of key management personnel are made with reference to industry standards, such as the Baines Cutler benchmark reports. Remuneration changes for specific roles are made with reference to internal performance criteria and external role benchmarks, including salary surveys and use of a benchmarking agency as required, and are reviewed by the Chair of Governors and Chair of the ESG Committee.

The Headmaster and Bursar attend meetings of all the governors' committees.

STRATEGIC REPORT AND FUTURE PLANS

Canford's Governors recognise that the School must remain competitive, relevant and sustainable in a rapidly changing and increasingly uncertain environment in which there is no shortage of local and regional competitor schools. In looking to the future, Canford intends to maintain its profile as a premium independent school. The Governing Body is already implementing strategies that will enable the School to defend and grow its share of the prestige school boarding and day markets and is committed to investing in the people, systems and infrastructure that will be vital in delivering the School's vision. The key to this will be attracting and retaining suitably able pupils by meeting or exceeding their and their parents' expectations for high academic results, a wide range of high-quality co-curricular facilities and for highest-quality, modern and comfortable pupil accommodation. Work on a new strategic plan has begun with the arrival of a new head in September 2025 as we complete the final phase of the current plan.

The next phase of the School's strategic plan, 'Canford 2023 and Beyond', saw the opening of the College Hub as provision for Day pupils' study spaces in the Sixth Form. The lodges will be filled by Upper Sixth pupils next academic year, when work is also expected to complete on the two single sex residential wings for Upper Sixth boarding pupils. Our aim is for a Sixth Form providing opportunities and structures for pupils to lead their own learning and development in ways which are transformational in the transition from school to life beyond. As part of this development we have been reviewing our Beyond the Gates provision for Sixth Formers. Following pupil voice feedback we have added in talks on mental health, financial budgeting and investments. Whilst our destinations data remains very strong, we want to diversify pupil aspirations, particularly by further supporting applications to International Universities, and are reviewing our Careers provision to ensure pupils receive broad and impartial advice.

Plans are also well developed to create the Canford School's Group of strong independent schools in the South of England with the announcement that Dumpton School will merge with Canford at the beginning of 2026. Further schools are likely to join the Group in the coming months and years. The key characteristic of the Group will be a shared educational ethos and a commitment to ensuring that each member school can enjoy high levels of autonomy to provide their own brand of premium independent education whilst collectively benefitting from the many opportunities for greater efficiency and effectiveness that the wider group can offer.

Vision and Mission Statements

Our Vision: Canford: a school community where all are inspired to explore, empowered to express and challenged to excel.

Our Mission: To build a community of open-minded people who are motivated to embrace learning in all its forms, and committed to making a difference to their own lives, and to the lives of others. Our exceptional education grants freedom to grow and creates opportunities for all to explore, to express and to excel.

Our Values:

- Develop Purposeful engagement – Building a confident mindset develops positive life-long learning. We inspire members of our community to be curious and determined in pursuit of knowledge and opportunity.
- Instil a Courageous Attitude – Being principled and strong, yet reflective and tolerant takes courage. We support members of our community to be bold and sensitive in expressing thoughts, words and deeds.
- Promote Humble Ambition – Pursuing goals without arrogance or complacency brings meaningful success. We challenge members of our community to be energetic and resilient in pursuit of their goals but honest and grateful for fulfilment of them.
- Encourage Gracious Leadership – Fulfilling a duty to guide and support others makes a difference. We urge members of our community to lead graciously and serve willingly for the greater good.

Achievements and Performance

Our vision and values have played out each and every day over the past year. Canford's commitment to a high-quality education and to ensuring that all members of its community can flourish is borne out in many ways and is evidenced by the support received from current members of the community and the strong interest in those wishing to join the school from many quarters.

Academic

The summer of 2025 brought fresh cause for celebration at Canford, with pupils at both A level and GCSE reaffirming the school's reputation for academic excellence and intellectual ambition. Their achievements speak not only of individual talent but also of a shared

culture of perseverance, curiosity, and mutual support that lies at the very heart of our learning community. At A level, the Upper Sixth once again distinguished themselves. Over half of all grades awarded were A*/A, with nearly a quarter at the highest A* level, significantly above both national and independent school averages. These results have opened doors to some of the very best Higher Educational establishments: over 90% of the cohort are progressing to Russell Group and Sunday Times Top 12 universities with four bound for Cambridge, two for Oxford, and others embarking on pathways to Medicine, Veterinary Science and prestigious US universities. The success of the U6th reflects not only their academic skill but also the breadth of their engagement in music, sport, drama and community service throughout all their time here - hallmarks of a truly holistic Canford education.

The GCSE results were equally uplifting. Nearly a third of all grades were awarded at grade 9 (the most in the school's history), with more than half at 9 or 8. Again, placing Canford pupils far ahead of national averages and the independent sector at large. These top grades were secured across the board in subjects as diverse as History, Latin, Physics, Drama, English, Maths and Philosophy and Theology (RS). Excellence shone through. This underlines the intellectual range of this cohort and was testament to their grit, determination and sheer hard work. Five pupils achieved a flawless sweep of grade 9s, while more than a third of the year group averaged grade 8 or higher across their subjects. Yet the triumph lies not only in such headline statistics: the pupil who raised a predicted grade 4 to a secure a grade 6 embodies the same spirit of determination and growth that is cherished at Canford and deserves equal levels of praise and recognition.

We will never be an overly examination focussed 'hot house'. Pupils support one another, inspired by dedicated staff who blend high expectations with care and guidance. This dynamic has fostered a culture where every success, whether apparently modest or spectacular, is recognised and celebrated. Academic life extends far beyond the exam hall. For many, the true rewards lie in the intellectual journey itself – the thrill of grappling with a challenging idea, or the satisfaction of expressing a thought with clarity and precision. This year, we have been especially impressed by the Shells, whose determination and energy have helped them settle in with confidence and purpose.

While we rightly celebrate the excellent examination results achieved at A-level and GCSE across the school, it is even more important that pupils continue to nurture the resilience, curiosity, and love of learning that will serve them throughout their lives. As we look ahead, these results serve as a reminder that Canford's strength lies in its ability to unite academic distinction with the wider character of a vibrant, outward-looking community. The stunning public examination results of the 2025 A-level and GCSE cohorts reflect not only past effort but also future promise. At Canford, we have a consistent, flourishing culture of scholarship, ambition, and joy in learning.

Academic Enrichment

This programme is deliberately broad and ambitious, designed to foster intellectual curiosity, critical inquiry and creative independent thought. A particular highlight continues to be the pupil leadership dimension, which is truly a jewel in the crown. Pupil and Staff academic leaders to shaped and expanded the supra-curricular programme, delivering scholar talks, leading enrichment sessions, and supporting pupils through university material sessions. They have contributed keynote addresses at our Festival of Ideas, organised lively 'University Challenge' house competitions, and inspired younger years with breakfast lectures and scholarly presentations. Alongside this, pupils regularly enter internal and external academic essay competitions, a wealth of external academic challenges and university essay prizes, as well as representing Canford in the Chemistry, Maths and Physics Olympiads (amongst others). We also run an enormous number of academic and cultural enrichment trips to widen exposure of learning beyond the classroom. Through these opportunities, pupils and staff together cultivate a vibrant intellectual culture which encourages every member of the community to be inquisitive, academically ambitious, and deeply engaged with ideas both within and beyond the classroom. Our aim is to be a community of life-long learners.

Higher Education

Our pupils' successes have translated into strong onward destinations, with 83% of our Upper Sixth securing places at Russell Group universities and 90% at Russell Group and *Sunday Times* Top 12 universities. Additionally, seven students have been accepted onto medicine and veterinary science courses, and six will be attending Oxford or Cambridge. The vast majority of our pupils secured their preferred university placement, with 4 securing offers from US Universities. This cohort are going on to read a wide range of academic degrees across the spectrum of creative arts, humanities, sciences and languages.

Sport

This was another thrilling chapter for Canford sport, with nearly 1,000 fixtures played across 16 different sports. Our goal is always to provide the pupils with continued opportunities to explore, express, and excel in their athletic pursuits, helping them strive to be the best they can be. Selecting highlights from such a vibrant year is a challenge, as participation is the true heart of our programme. Our pupils appreciate the many benefits of physical activity, especially evident on Thursday and Saturday afternoons when they compete with other schools in a spirit of friendly rivalry. Last year, an impressive 94% of our pupils represented the school in at least one fixture, with 83% playing in five or more fixtures, a 9% increase from the previous year. We are always looking to create even more opportunities.

The year was filled with unforgettable moments, such as the hockey tour to Spain and the real tennis trip to France. Our teams consistently competed at the highest level. Our U18 Girls' cricket team reached the quarter-finals of the National Cup, and our U14 Girls' tennis team achieved similar success during the summer months. Our rowers brought home gold from the Head of the River Races, while our U15 Boys' rugby team made it to the Last 16 of the National Cup and placed 3rd at the National Schools Festival in Ipswich.

Our girls' rugby 7s team impressed by making it to day two of the National Schools 7s on their debut and our boys football 1st XI clinched the Wessex Independent Schools League title for the second consecutive year. Both hockey and netball teams advanced to the final stages of their national competitions, including finals days at Loughborough University for the U15 Girls Netballers.

Individually, we saw remarkable achievements, with one pupil's selection to the GB Rowing U19 Girls' VIII, which won gold at the World Championships. Another pupil again represented the Welsh Junior National Squad, while a 4th former took silver in the 400m hurdles at the National Schools Athletics Championships and later competed for England at the Home Internationals. Many of our pupils are also on performance pathways alongside their studies at Canford, demonstrating a perfect balance between sport and academics.

Wellbeing remained a key theme of the programme. It was inspiring to see pupils embrace our second annual wellbeing concert, and we continued to expand our athletic development programme alongside physiotherapy services. We introduced new initiatives to reduce injuries, including educational sessions on sports bras and pelvic floor health, as well as the "Just Ask a Question" mental health programme.

It has also been fantastic to have so many OCs return to the school for hockey, football, and cricket fixtures throughout the year. With new staff and fresh initiatives in place, Canford sport is on a continuous upward trajectory, and we are excited for the year ahead.

Drama

The Drama department had a full and varied programme with several large-scale productions involving numerous pupils on stage and behind the scenes. As ever we strove for originality, innovation and inclusivity. The year featured five A-Level and GCSE devising pieces, one L6 production (Metamorphosis) and two 4th form productions. The Easter term saw a production of "Just So", which was beautifully staged and costumed contemporarily as well as intimate production. At the end of the summer term, following on from practical exams for our GCSE and A-Level, we staged "Arabian Nights" which involved over 50 pupils from each year group, on stage, off stage and in the orchestra pit. The involvement of pupils in the backstage and technical aspects of productions should not be overlooked. This was an uplifting end to a busy year, and much fun was had by all who took part.

Many pupils (over 140 different ones across year groups) were involved in productions last year, as well as Friday Foyers and a number of talks. The Layard was a hub for creativity and a place where everyone was welcome either to contribute or to watch theatre.

Music

Music ensembles and choirs enjoyed a full and enjoyable schedule of concerts and events. In the Christmas Term, the House Music competition showcased some impressive ensemble performances and enthusiastic participation from the whole school. After half-term, we had the big Autumn Concert, which featured amongst many other ensembles the rebranded Big Band. The term ended with the annual Carol Service, where the Chapel, Cantabile and Chamber choirs performed seasonal repertoire at a full Wimborne Minster.

The Spring Term included the much-loved 'Jazz Concert' entitled 'Big Band and the Big Screen' giving the evening a filmic theme. After half-term we had our biggest occasion of the year - the full performance of Handel's Messiah for massed choir, soloists and professional Orchestra in the beautiful setting of Christchurch Priory. This was an exceptional event that will long live in the memories of all who were present. The term finished with 3 performances of 'Just So' and the school's first Open Mic Night gig. The Summer Term featured a new initiative, a Chamber Music concert in the parish church, the wonderful Summer Concert and the celebratory Leavers' Concert.

Concerts were streamed online for a growing audience, while the informal 'Sounds of Canford' series provided opportunities for all musicians to perform in house groups. Many pupils earned ABRSM diplomas or Grade 8 with merit or distinction, with strong results also at lower levels. One 6th form student continued his International playing career, performing concerti with professional orchestras in Lichtenstein, Sweden and here in the UK.

CCF

Canford CCF continues to attract great interest from the student body at Canford, due in no small part to the trips on offer throughout the school calendar. Two 24-hour field exercises were held at various locations along the south coast, involving both 4th form cadets and 6th form NCOs. Over 50 Sixth Form pupils choose it as their enterprise option, allowing them to enhance and demonstrate effective leadership on a weekly basis, taught through the highly popular NCO Cadre course in 5th form.

Several trips ran during year, including the highly regarded Norway Cross Country Skiing Expedition. A fantastic week during February half term allowed many of the cadets a once in a lifetime experience to explore the Norwegian mountains. Ten Tors continues to be a popular competition amongst the cadets with three or four teams completing the challenging event each year. The CCF's reputation continues to extend beyond our region with strong showings in both the Pringle Trophy and Rifles Cup Competition, winning the latter twice in four years. We finished 2nd of 19 in the Pringle Trophy in 2024, the competition for CCF Royal Marines. Two more of our L6th NCOs were awarded Army Scholarships. Only 30 to 35 of these awards are handed out annually and to have 9 Canfordians over the last four years receive them is a testament to both their hard work and the support provided to them by the teaching staff and school.

Duke of Edinburgh's Award

With sustained interest in DofE, 41 of this year's Lower Sixth completed their Expeditions over the summer. There is a new cohort of 54 Lower Sixth pupils and an increased number of Fifth Form doing Bronze DofE. We have a steady stream of U6 leavers who have completed their Gold Award and are eagerly awaiting their invitations to receive their awards at Buckingham Palace.

5th Form Enterprises

The Fifth Form choose activities from a diverse range of options, including Global Connections, Sub Aqua Diving, Survival and Mountain Biking, with Flying Club a new addition this year. October Whole Day Enterprises gives a longer window for activities, including an overnight survival exercise for the survivalists, and overall, some 115 pupils enjoyed 10 different activities, 5 involving an overnight camp.

Activities

The activities programme for the Shell and 4th form pupils requires students to opt for at least one of 20 activity choices, including various musical ensembles, that take place in the late afternoons. The most popular choices tend to be sporting (e.g. hockey, netball, futsal, rowing and squash) but there are also many students participating in drama rehearsals and debating.

Community Service and Public Benefit

The community service programme is as packed as ever with over 40 activities on offer. A significant number of pupils (95+) volunteer offsite each week. The pupils improve each year, often backed up with very complimentary letters and emails. Whole Day Enterprises continues to be very successful, with schools now contacting us to ask if we can help them out (instead of us going to them).

The Shine programme continues to grow and is now run as a two-term enrichment programme to six schools, with the programme in its 15th year. The City Reach project continues with visits to Northam by our pupils as well as hosting Northam pupils at Canford and a weekend away to the Isle of Wight. The annual sponsored walk for Northam took place with over 25 pupils and 6 members of staff raising £1,500 which will help City Reach to buy an external spotlight, enabling children to play sports outdoors in the winter. The group is also being sponsored by the Friends of Canford, with our thanks for their generosity.

The Bourne Academy have expanded their 'Bourne Scholar Programme', supported by Canford. The programme provides a highly academic and rigorous curriculum that will improve social mobility through increased confidence, high career aspirations and support for entry to top universities. Canford is supporting this programme by delivering regular sessions including presentation skills, Model United Nations, team building (using the assault course and climbing tower) and the history of Canford. Other support includes University application guidance, attendance at our careers convention and our 6th form volunteering to assist their younger pupils. There is a twinning programme for year 10 pupils. Supported students from the academy regularly join Canford's Sixth form each year.

Stakeholder Relationships

Canford exists as a community; our links with current and former pupils, parents and staff, as well as our community partners, are strong. We employ over 470 people in the local community who and have used more than 500 suppliers, all of whom are crucial to our success. This supports our local, regional and national economy. We are grateful to our suppliers for their continued support for Canford.

Employee Engagement and Employment Policy

Governors communicate with employees through a variety of channels. Both governors and employees sit on the Joint Consultative Committee where matters relating to pay, benefits and working conditions are discussed. Governors and employees also sit on the Health and Safety Committee. Governors write to employees to explain the impact of significant decisions, such as pay reviews and the

strategic direction of the School. Any significant decisions taken during governors' meetings are assessed for the impact they will have on staff, with the governors aware that the School cannot be successful without an engaged, motivated staff body. For information on the relationship between governors and management, see section 'Structure, Governance and Management'.

Canford School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

Fundraising Performance

Canford undertakes fundraising activity to its supporters via fundraising events, sponsored events, direct mail and email, is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice. There were no complaints about fundraising activity during the year. Our fundraising promise, available on our website alongside our privacy notice, is:

"When you support you can be sure of the following:

- We will never sell your contact details to anyone
- If you ask us to change how we communicate with you, or stop, we will respect that
- We try hard to ensure no one ever feels pressurised to support our work
- All our activities are open, fair, honest and legal."

Total fundraising costs during the year including operating budget and salaries were £213K (2024: £242K), to cover programmes including fundraising and a significant amount of engagement work. Where events took place, income (tickets purchased) partially offset some of the costs. Income from fundraising activities totalled £250K (2024: £503K). The Development Programme continues to seek to engage alumni, parents and friends of Canford as School benefactors. This can be through giving of time and expertise through volunteering; the giving of financial donations including one-off gifts, regular giving, or gifts of stocks, shares or art; and securing longer-term legacies.

There are three main areas of activity within the current Development Programme: (1) engaging the Canford Community, (2) encouraging and promoting volunteering, and (3) fundraising to increase access to a Canford education through the provision of pupil bursaries. Secondary fundraising priorities include funding capital and equipment projects.

Engaging the Canford Community involves supporting the many different volunteer-driven groups which themselves aim to benefit Canford, Canfordians and associated partner charities and organisations within the local community and beyond. The Development team provide support to the Old Canfordian Society (OCS), the Friends of Canford School, the Friends of Canford Music and the Friends of Canford Rowing. Events and monies raised by these groups are returned directly to benefit the education and enrichment of pupils at Canford and the local community. Modernisation of the OCS is ongoing and in November the OCS will vote to change the OCS constitution to enable the transfer of funds to the Martin Marriott Foundation. Development aims to transform connections between OCS and facilitate better communication, knowledge and support of our alumni.

Volunteers to Canford give in a variety of ways. All school governors are volunteers and provide strategic oversight. Many others serve as alumni, sports or committee representatives. Alumni and parents provide careers advice to pupils providing mentoring, work experience or speaking to pupils about their experiences. Other volunteer duties include supporting music at Canford, supporting sport at home and away fixtures and speaking at Canford events. During the year over 171 individuals provided their time and expertise free of charge to Canford. The Governing Body is very appreciative of this invaluable support.

Donations include cash gifts, regular gifts, bequests received and gifts-in-kind. The Development Office also supports the work of the Friends of Canford School (FCS), a parent and friends' group. The group have again this year focused their support on local external charities through grants for specific projects. This included a grant to a longstanding partnership, the City Reach project in Southampton.

The seventh annual fundraising auction to support the Martin Marriott Foundation raised a significant amount for the Foundation in November 2024. In 2024 Canford Global Connect was updated and a new CRM system adopted. This is now the main Canford Community platform. The Case for Support is updated annually to include new testimonies from bursary pupils, state fundraising aims and provide an accessible method for making online donations. The Lady Charlotte's Walk campaign launched in 2020 inviting alumni and parents to sponsor a stone on the walkway leading to the new library has continued to be well received with over 292 stones now sponsored. The strategic plan is revised annually with an action plan updated to reflect current trends.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Current pupil numbers, and considerable future interest in the School, give us confidence that we will be at planned capacity for the foreseeable future, despite the application of VAT to school fees from 1 January 2025. This is a result of our continued resolve to deliver a top-quality education, supported by talented staff in an inspiring environment.

The School's financial policy is to maintain total fee income at a level sufficient to generate a surplus over time to meet the objectives of the School's strategic plan, allowing for investment in the school. This will be achieved through both operating cash flow and fundraising. As a charity the parents of our pupils have the assurance that all the income of the school must be applied for educational purposes.

In preparing its budget for this year the School recognised the need to continue to invest in both high quality staff and the School's fabric, to ensure that both continue to support the educational mission, whilst also investing to reduce longer term costs.

Financial review summary	2025	2024
School fees receivable	£23,236K	£24,193K
Fundraising income	£250K	£503K
All other income	£3,837K	£2,751K
Provision of education	£(23,907)K	£(23,830)K
Other costs	£(1,564)K	£(1,451)K
Net income (before transfers and investment gains / losses)	£1,852K	£2,165K

Operational financial performance was below budget expectations this year, primarily due to the application of VAT to school fees. Pupil numbers remained healthy. Total gross fee income for the year was 4% lower than last year (2024: 9.2% higher) as a result of not passing on the full additional cost of VAT to parents. Fundraising income for bursaries remained robust, particularly due to the generosity of a number of parents and Old Canfordians. Other income was higher from investment returns and strong trading activity.

Careful cost control was exercised to ensure a focus on pupil outcomes, despite increases seen particularly in the National Living Wage and employers' National Insurance contributions. Other costs were driven by the higher levels of trading though partially offset by VAT recoveries. Cash was invested in short term investments, a liquidity fund, to maximise returns. A gain on investments of £0.6M led to the Statement of Financial Activities showing the School's Net Income to be £2.5M (2024: £3.0M).

The overall cost of the School's capital expenditure in this financial year amounted to £9.0M (2024: £3.2M), which included the strategic capital works programme (Sixth Form buildings £7.9M and solar installations £0.3M). Other capital expenditure included reinvestment into the fabric of the school and replacement vehicles. Investing in additional flexible capacity and improved core facilities will ensure Canford's future and there is a clear imperative to complete the strategic building plans which are essential to support future sustainability and success. All projects will remain subject to the usual governance and approval processes. With a significant proportion of cash balances moved to investments and the capital building programme, the cash balance reduced by £24.5M (2024: increase of £21.2M).

Overall the Governors were satisfied with this financial result. Future plans will require sufficient levels of surplus to provide income for the School's strategic plan objectives – a top-quality education, supported by talented staff in an inspiring environment.

Reserves Policy

The beneficiaries of Canford School are its pupils; any reserves held must ultimately be for their benefit. Governors have determined that Canford should not hold excessive reserves, money that could otherwise be used for the benefit of pupils. Equally, insufficient reserves, in the event of a crisis, may mean that pupils experience undue disruption to their education.

Governors have reaffirmed their commitment for pupils to be able to complete the current academic year as a minimum. This strikes a balance between unduly tying up funds and minimising disruption in a crisis such as unplanned closure. To ensure this, the level of general reserves held will be equivalent to the sum of cash liabilities in the longest period in the academic year with no fee income, approximately £6M. This has been tested against several scenarios to confirm this level of reserves.

Whilst restricted funds fall outside the definition of free reserves, some restricted funds are maintained principally for the award of

bursaries and the advance payment of school fees. Designated funds are also held, in addition to the reserves above, for the purposes of matching the investment made in the fabric of the school, to fund the school's partnership activities and to provide bursaries.

At the year end the school held total funds of £61.4M, of which £3.2M was held in restricted funds principally for the award of bursaries. The Governors have designated a further £48.4M for the following purposes:

- a) to match the investment it has made over the years in the fabric of the school estate and is not therefore freely available £39.1M; and
- b) to set aside funds that are invested for the provision of bursary support and to support the school's partnership activities £8.0M.

After these designations, and the value of fixed assets not represented by the property fund, free reserves are £11.0M (2024: £13.7M) which the Governors consider exceed the reserves policy objective. This excess will be used for capital projects for the charity's beneficiaries, with around £6M committed at the balance sheet date. Most of these projects have commenced. Governors monitor reserve levels on a regular basis, considering the working capital management of the school and the desire to continually improve facilities.

Investment Policy and Objectives

Canford School holds investments in three portfolios with the prime objective to preserve and grow the capital value of funds, whilst generating sufficient income to meet current commitments. The third fund was opened during the year, a Liquidity Fund, to maximise short term returns on cash balances. Also during the year, the Canford Partnership Fund was merged into the Assyrian Fund.

The overall investment approach is achieved through a balanced approach to income and asset growth and appropriate risk diversification. The policy recognises that there will be differing investment styles required for some of the restricted funds. The company's Articles of Association empower it to invest the monies of the company not immediately required, as it thinks fit.

The school uses external professional discretionary fund managers to achieve the investment objectives, which may be a single firm or several firms. The performance of these managers is reviewed regularly by the Investment Sub-committee of the Resources Committee as is the overall allocation of assets by type and manager. During the year, Rathbone Brothers PLC managed the investment portfolio and have discretionary management powers. In 2025 a gain of 5.8% (2024: 10.7% gain) was seen across the funds. Governors were satisfied with this result.

The largest portfolio comprises the Liquidity Fund. The investment policy for this fund is to achieve short term returns ahead of those available through cash investments. All holdings are liquid and are available to meet current liabilities. The second portfolio is the Assyrian Fund with an investment policy to maximise long-term total return in such a way as to permit the regular award of scholarships and bursaries while maintaining or increasing the value of the fund in real terms. The third portfolio comprises various funds restricted by donors for the provision of scholarships, bursaries, prizes and activities.

Grant Making Policy

This year, the value of scholarships, grants, prizes and other awards made to the School's pupils was £633K (2024: £685K). The Governors' policy is to make these awards based on the individual's educational potential, subject to the particular conditions imposed by the original donor where an award is made from restricted funds. In addition, means-tested bursary awards totalling £2,201K (2024: £2,270K) were provided. Funding from investments contributed £435K (2024: £400K) to this, with the remainder funded from fees income. The policy for awarding bursaries is to broaden access to the school for prospective pupils and to relieve hardship where a current pupil's education and future prospects would otherwise be at risk. Awards representing 90% or more of the fees went to 27 pupils (2024: 31). The availability of all such awards for fee assistance, together with the terms and conditions for each kind of award, is advertised on our website. In the year the Governors reaffirmed their plan to increase means tested fee assistance through fundraising.

Energy and Carbon Performance

Energy and carbon performance is an area which receives an ever-increasing focus in the School. The Environmental, Social and Governance Committee are responsible for the strategy to reduce the School's environmental impact and to monitor the implementation of the strategy. During the year, a new Environmental Policy and Action Plan was approved for implementation.

While this was developed, several steps were taken to improve environmental performance, focussing on reducing usage, generating renewable electricity and switching to electricity where possible. To reduce usage, the roll out of LED lighting neared completion and temperature monitoring ensured efficient use of gas. Three significant solar projects were completed, reducing purchased power. To

reduce CO₂ emissions, three diesel vans were replaced with electric vans, two heat pumps replaced commercial boilers and some catering equipment was switched from gas to electricity. Consequently, the level of CO₂e per pupil reduced by 5% (2024: 2.7% increase).

	Energy type	CO ₂ kg	CO ₂ kg	Notes
Scope 1 emissions	Transport - diesel	58,896	56,303	Fuel for minibuses, vans and cars
	Transport - unleaded	3,578	4,104	
Scope 2 emissions	Electricity *	296,081	382,275	All School buildings
	Gas	850,542	850,628	
Total		1,209,098	1,293,309	
			-7%	
kg CO ₂ e per pupil		1,869	1,960	
			-5%	

* Note that electricity emissions have been determined using the UK Government's standard conversion factors. However, the School's electricity is sourced through a renewable energy contract so this element of our emissions is essentially carbon neutral.

For all capital projects, consideration is given to the full range of heat generation options. Each will now be evaluated against the new Environmental Policy. Ground source boreholes will provide heat for the new Sixth Form buildings, which will also be equipped with solar panels. Significant further work is planned for four additional solar panel installations which will be onstream by autumn 2025. Other options to reduce carbon emissions are being investigated.

To determine the School's CO₂ emissions, we have followed the 2019 HM Government Environmental Reporting Guidelines, used the GHG Reporting Protocol – Corporate Standard and the 2024 UK Government's Conversion Factors for Company Reporting.

Risk Management

The Board of Governors is responsible for the management of risks faced by the School. Risks are identified and reviewed by the School's leadership team and split into functional risk areas. The Governors' functional sub-committees review their risk areas on a termly basis, implementing appropriate mitigation measures. The most significant risks are reviewed by the Governing Body each term. Through this process, the Governors are satisfied that the major risks to the School have been identified and reasonably mitigated with key controls.

The Governors consider the major risks to the School to be:

- The political opposition to independent schools threatening the viability of the business model and legality of the sector, including the imposition of VAT on school fees and the withdrawal of charitable business rate relief for independent schools.
- A change in, or loss of, key staff members that could affect confidence in the school's future direction.
- Competition from other schools could adversely affect pupil numbers.
- Penalties or restrictions following regulatory inspections.
- Significant disruption to school activities from power outages, fire or the failure of key computer hardware or software.
- Pupils significantly underachieve their potential.
- A challenging economic or political outlook and / or a rising cost base could affect the affordability of Canford's fees, exacerbated by the imposition of VAT on school fees.
- Staff costs rise at unsustainable levels, given the increasing level of employer pension contributions, National Living Wage and inflationary challenges.
- A lack of readily available financial reserves might limit the School's ability to respond to unexpected catastrophic events.
- A health and safety issue, including a road traffic accident or similar incident, leads to injury or death, on or off school premises.

The key controls include:

- Strategic risk assessments and risk assessments for individual activities and departments.
- Planning, budgeting and management accounting, focussing funds on critical areas with clear communication to parents.
- Clear Terms of Reference for all Committees and appropriate membership, ensuring oversight of high educational standards, relations with feeder schools, all aspects of health and safety, the financial position of the school and IT systems.
- Formal written policies.
- Vetting procedures as required by law for the protection of vulnerable people.
- Clear organisational structure, lines of reporting and authority limits.
- Formal agenda and minutes to support decisions of all Committee and Governing Body activities.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Governors, who are Directors for the purposes of Company Law, are responsible for preparing the Directors and Trustees' Report, incorporating the strategic report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Directors are required to:

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

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

So far as each of the Directors is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company and group's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

HaysMac LLP have expressed their willingness to continue as auditors to Canford School Limited.

This report was approved by the Board on 5 December 2025 and signed on its behalf by:



Sir Gary Coward
Director/Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANFORD SCHOOL LIMITED

Opinion

We have audited the financial statements of Canford School Limited for the year ended 31 July 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Cash flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2025 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

We have audited the financial statements of Canford School Limited for the year ended 31 July 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Cash flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial*

Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2025 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Matters on which we are required to report by exception

We have audited the financial statements of Canford School Limited for the year ended 31 July 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Cash flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2025 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement **set out on page 15**, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charities Commission and the Independent Schools Inspectorate, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and other factors such as payroll tax and sales tax.

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

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Review of Governor's meeting minutes during the year;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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

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

Use of our report

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



Richard Weaver (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 10/12/2025

CONSOLIDATED AND CHARITY BALANCE SHEETS

CANFORD SCHOOL LIMITED AS AT 31 JULY 2025

COMPANY REGISTERED NO: 190956

	Notes	Group		Charity	
		July 2025 £	July 2024 £	July 2025 £	July 2024 £
FIXED ASSETS					
Cost		71,099,978	63,851,304	70,911,242	63,662,568
Depreciation		(22,830,850)	(20,257,871)	(22,672,501)	(20,107,045)
Tangible Fixed Assets	8	<u>48,269,128</u>	<u>43,593,433</u>	<u>48,238,741</u>	<u>43,555,523</u>
INVESTMENTS					
Investment in subsidiary undertaking	9	-	-	100	100
Restricted investments	11	2,953,839	3,152,118	2,953,839	3,152,118
Other investments	11	22,055,281	7,661,075	22,055,281	7,661,075
		<u>25,009,120</u>	<u>10,813,193</u>	<u>25,009,220</u>	<u>10,813,293</u>
CURRENT ASSETS					
Stocks	12	129,033	165,047	21,345	19,773
Debtors	13	3,104,276	1,261,443	3,620,000	1,795,298
Cash at bank and in hand		2,538,469	27,027,250	2,248,951	26,670,767
		<u>5,771,778</u>	<u>28,453,740</u>	<u>5,890,296</u>	<u>28,485,838</u>
CREDITORS: amounts falling due within one year	14	(11,713,999)	(14,101,121)	(11,854,602)	(14,152,953)
NET CURRENT ASSETS		<u>(5,942,221)</u>	<u>14,352,619</u>	<u>(5,964,306)</u>	<u>14,332,885</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>67,336,027</u>	<u>68,759,245</u>	<u>67,283,655</u>	<u>68,701,701</u>
CREDITORS: amounts falling due after more than one year	15	(5,979,606)	(9,897,271)	(5,979,606)	(9,897,271)
NET ASSETS		<u>61,356,421</u>	<u>58,861,974</u>	<u>61,304,049</u>	<u>58,804,430</u>
UNRESTRICTED FUNDS					
General fund		11,019,056	13,682,029	10,966,683	13,624,485
Designated funds:					
Property fund		39,125,031	34,320,939	39,125,032	34,320,939
Assyrian Fund		8,029,912	7,356,156	8,029,912	7,356,156
Canford Partnership fund		-	296,169	-	296,169
RESTRICTED FUNDS		3,182,422	3,206,681	3,182,422	3,206,681
TOTAL FUNDS	17	<u>61,356,421</u>	<u>58,861,974</u>	<u>61,304,049</u>	<u>58,804,430</u>

The surplus of the parent charitable company before consolidation was £1,949,877 (2024: £1,869,330). The financial statements were approved and authorised for issue by the Board of Directors on 5 December 2025 were signed on its behalf by:



Sir Gary Coward
Chair

Rev John Simmons
Chair of Resources Committee

The notes on pages 21 to 35 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2025

	2025 £	2024 £
Net movement in funds	2,494,447	2,825,133
Investment income receivable	(1,101,915)	(481,216)
(Gains)\losses on investments	<u>(358,344)</u>	<u>(789,909)</u>
Operating surplus for the year	1,034,188	1,554,008
Depreciation	2,610,797	2,689,949
(Profit)\loss on disposal of fixed assets	(12,917)	(3,827)
Amortisation of lease granted over land	(7,666)	(7,666)
Discount given on Composition fees	-	(57,455)
Decrease \ (increase) in stocks	36,014	(26,823)
(Increase)\decrease in debtors	(1,842,833)	5,726,158
(Decrease)\increase in creditors	<u>(5,884,082)</u>	<u>17,164,296</u>
Net cash inflow/(outflow) from operating activities	(4,066,499)	27,038,640
Investing		
Investment income received	1,101,915	481,216
Purchase of tangible fixed assets	(7,704,108)	(3,192,576)
Proceeds from sale of tangible fixed assets	12,917	(2,902,143)
Net Sale\ (Purchase) of investments	<u>(13,837,583)</u>	<u>(196,951)</u>
Net movement in composition fee investments	-	-
Net cashflow from capital expenditure and financial investments	(20,426,859)	(5,810,454)
Net cash inflow/(outflow) before financing	(24,493,358)	21,228,186
Financing		
Composition fees received	-	-
Composition fee payments and transfers	-	(37,038)
Lessee's payments for the reduction of the outstanding liability relating to a finance lease	<u>4,577</u>	<u>(19,869)</u>
Net cashflow from financing	4,577	(56,907)
Increase\ (Decrease) in cash in the year	(24,488,781)	21,171,279
	Note 22	
Cash and cash equivalents at the start of the year	27,027,250	5,855,971
Cash and cash equivalents at the end of the year	2,538,469	27,027,250

The notes on pages 21 to 35 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

I. ACCOUNTING POLICIES

a) *General information*

The Charity is a private company limited by guarantee, incorporated in England and Wales (company number 190956) and a charity registered in England and Wales (charity number 306315). The Charity's registered office address is The Bursary, Canford School, Wimborne, Dorset BH21 3AD.

b) *Basis of accounting*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Canford School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). Financial statements are prepared in pounds sterling rounded to the nearest pound.

These financial statements consolidate the results of the charity and its wholly owned subsidiary Cheneford Limited. In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Canford School Limited.

The Trustees have reviewed the appropriateness of adopting the going concern basis of accounting in preparing the annual financial statements to assess whether the charity was viable in accordance with the new requirement of the UK Corporate Governance Code. The assessment included a review of the budget and principal risks facing the charity, their potential impact, how they were being managed and a review as to the appropriate period for the assessment. The Governors are confident that there is a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due over the one-year period of the assessment and there are no material uncertainties in making this assessment.

c) *Significant judgements and sources estimation uncertainty*

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Charity's accounting policies. The key judgements that have been applied by management relate to:

- Items covered above in Basis of accounting, such as determining the charity is a going concern;
- The treatment of VAT in relation to school fee prepayments and the Capital Goods Scheme; and
- Estimates regarding pensions liabilities have been made and are covered in Note 21.

d) *Income and expenditure*

School fees and operating expenses are included in the financial statements on the accruals basis. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school. Entrance and registration fees are credited to income in the year in which they are received. All income and expenditure included in the financial statements is from continuing operations.

Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to the management estimates of time spent or space occupied, as appropriate. VAT is included with the item of expenditure to which it relates. Governance costs comprise the cost of running the company, including strategic planning for its future development, external audit, and all the costs of complying with constitutional and statutory requirements, such as the cost of governor and committee meetings and preparing financial statements.

e) *Termination payments*

Termination payments are accounted for in the year in which the commitment is made. This applies to pay in lieu of notice, redundancy payments and payments under compromise agreements.

f) Donations

Donations of tangible fixed assets are capitalised, and a matching gift in kind is accounted for as a donation within the Statement of Financial Activities. Other donations are accounted for within the Statement of Financial Activities and are recognised when the school is entitled to the receipt.

g) Repairs and maintenance

Repairs and maintenance expenditure is charged as an operating expense in the year in which it is incurred net of any grants receivable.

h) Investments

The investments are stated at market value, less any provision for permanent diminution in value. It is the company's policy to keep valuation up to date such that when investments are sold there is no gain or loss arising. As a result, the Statement of Financial Activities only includes those unrealised gains or losses arising from the revaluation of the investment portfolio throughout the year. The school also holds an investment at cost in its subsidiary, Cheneford Limited, shown in Note 9.

i) Tangible fixed assets and depreciation*Freehold land and buildings*

Expenditure relating to the acquisition of and extensions to freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less depreciation and any provision for impairment. No depreciation is charged on freehold land. Leases granted over land are amortised over the term of the lease. Land and buildings are reviewed annually for impairment in accordance with FRS 102.

Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Donations of tangible fixed assets are capitalised at their cash value or at estimated cash value if received in kind. Depreciation is provided on tangible fixed assets so as to write off their cost, less estimated residual value, by equal instalments over the expected useful lives of the assets concerned. Assets with a cost of more than £5,000 are capitalised. The estimated useful lives are considered to be as follows:

Freehold buildings	-	Up to 50 years
Property improvements	-	5 – 25 years
Plant and equipment	-	3 – 20 years
Computer equipment	-	4 – 7 years
Furniture, fixtures and fittings	-	10 – 20 years
Motor vehicles	-	4 – 7 Years

j) Composition fees

Composition fees represent payments in advance in a restricted fund in respect of school fees for current and future pupils. During 2022 the Composition Fund investment account was closed, with the funds held as cash to match future liabilities and the investment gain returned to the General Fund.

k) Stocks

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

l) Assets acquired under finance leases

Assets acquired under finance leases, which confer rights and obligations similar to those attached to owned assets are capitalised and included under tangible fixed assets in the balance sheet and are depreciated over the shorter of the lease term and their useful lives. The capital elements of finance lease obligations are recorded as liabilities while the interest elements are charged to the Statement of Finance Activities over the primary lease period, to produce a constant rate of charge on the balance of capital repayments outstanding.

m) Operating leases

Assets used by the school under operating leases are not capitalised. The costs associated with their rental are charged on a straight-line basis over the lease term, even if the payments are not made on such basis.

n) Pensions

The School's professional teaching staff are members of a Superannuation Scheme operated by the Department for Education and Skills. This is a multi-employer defined benefit scheme and individual schools are not able to identify their share of the underlying assets and liabilities of the scheme. The results for the year are stated after charging the relevant employer's contributions to this scheme. On 1 December 2024, the School commenced a phased withdrawal from the Teachers' Pension Scheme. This decision followed a strategic review of pension provision and long-term financial sustainability. Under the phased withdrawal arrangement, eligible teaching staff will transition out of the TPS over a defined period, with alternative pension arrangements being introduced. This change is considered a non-adjusting post balance sheet event under Section 32 of FRS 102 and does not affect the financial position as at 31 July 2025. Other staff are members of a defined contribution scheme. Further information and the basis of accounting is given in Note 21.

o) Taxation

The School is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

p) Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

2. FEES

	2025	2024
	£	£
Gross School Fees	26,257,724	27,304,809
Less: scholarships, bursaries, grants and allowances	(3,456,754)	(3,511,419)
	<u>22,800,970</u>	<u>23,793,390</u>
Add: scholarships funded from Assyrian Fund and from Scholarship Bursary and Prize Fund	435,024	399,892
	<u><u>23,235,994</u></u>	<u><u>24,193,282</u></u>

3. INCOME FROM SUBSIDIARY'S TRADING ACTIVITIES

The company owns 100% of the issued share capital of Cheneford Limited, a company registered in England, after one share was transferred back to the company during the year (company number: 2694274). The company leases the Sports Centre and lets the facilities of the school, including a golf course, for use by the public and various organisations. The subsidiary's net profit is paid to Canford under a Deed of Covenant.

The subsidiary's trading results for the year, as extracted from the audited financial statements, are summarised below:

	2025	2024
	£	£
Turnover	1,959,528	1,781,687
Cost of Sales	(1,422,021)	(1,374,932)
Gross Profit	<u>537,507</u>	<u>406,755</u>
Administration expenses	(202,060)	(185,571)
Operating profit	<u>335,447</u>	<u>221,184</u>
Interest receivable	5,353	7,386
Interest payable	-	(66)
Net profit	<u><u>340,800</u></u>	<u><u>228,504</u></u>

Turnover includes £788,013 (2024: £674,684) supplied to the School. Costs include contributions to the overheads of the School totalling £216,139 (2024: £207,706). These intercompany transactions are excluded from the consolidated figures shown on the SOFA and in note 6.

At 31 July 2025 there was a balance of £576,483 (2024: £566,374) owed by Cheneford to Canford School Limited and £356,746 (2024: £251,469) owed by Canford School Limited to Cheneford Limited.

The subsidiary's balance sheet as at 31 July 2025 as extracted from the audited financial statements is summarised below:

	2025	2024
	£	£
Fixed assets	30,387	37,910
Current assets	814,969	785,744
Less current liabilities	(792,883)	(766,011)
Net Assets	<u>52,473</u>	<u>57,643</u>
Called up share capital	100	100
Profit and loss account	52,373	57,543
	<u>52,473</u>	<u>57,643</u>

4. OTHER INCOME

	2025	2024
	£	£
Other educational charitable activities		
Fee income for extra subjects	343,825	368,846
Entrance and registration fees	446,869	116,970
Courses and sub lettings	53,419	34,032
	<u>844,113</u>	<u>519,848</u>
Other ancillary trading income		
Ancillary income	184,775	167,864
	<u>184,775</u>	<u>167,864</u>

Other income

Gain / (Loss) on Sales of Fixed Assets	12,917	3,827
Other operational income	7,488	3,027
Amortisation of lease granted over land	7,666	7,666
	<u>28,071</u>	<u>14,520</u>

5. INVESTMENT INCOME

	General Funds	Restricted Funds	2025 Total	General Funds	Restricted Funds	2024 Total
	£	£	£	£	£	£
Investment income	497,421	63,024	560,445	187,827	75,277	263,104
Interest received	541,470	-	541,470	218,112	-	218,112
	<u>1,038,891</u>	<u>63,024</u>	<u>1,101,915</u>	<u>405,939</u>	<u>75,277</u>	<u>481,216</u>

6. ANALYSIS OF TOTAL EXPENDITURE AND SUPPORT COSTS

	Staff costs	Other costs	Depreciation	2025 Total	Staff costs	Other costs	Depreciation	2024 Total
	£	£	£	£	£	£	£	£
Costs of generating funds:								
Fundraising	134,647	77,965	-	212,612	139,185	102,425	-	241,610
Trading costs of subsidiary	714,532	471,357	7,523	1,193,412	685,166	438,294	7,523	1,130,983
Finance costs	-	158,470	-	158,470	-	78,751	-	78,751
	<u>849,179</u>	<u>707,792</u>	<u>7,523</u>	<u>1,564,494</u>	<u>824,351</u>	<u>619,470</u>	<u>7,523</u>	<u>1,451,344</u>
Charitable Activities								
Provision of education								
-Teaching	8,741,117	222,649	-	8,963,766	8,628,090	269,566	-	8,897,656
-Welfare	3,909,591	1,110,661	-	5,020,252	3,708,716	1,154,423	-	4,863,139
-Premises	1,174,943	2,528,234	2,603,274	6,306,451	1,122,724	2,744,603	2,682,426	6,549,753
-Support costs	2,207,064	965,301	-	3,172,365	2,057,176	1,020,291	-	3,077,467
Governance	-	56,234	-	56,234	-	80,253	-	80,253
	<u>16,032,715</u>	<u>4,883,079</u>	<u>2,603,274</u>	<u>23,519,068</u>	<u>15,516,706</u>	<u>5,269,136</u>	<u>2,682,426</u>	<u>23,468,268</u>
Grants, awards and prizes	-	388,011	-	388,011	-	361,920	-	361,920
	<u>16,032,715</u>	<u>5,271,090</u>	<u>2,603,274</u>	<u>23,907,079</u>	<u>15,516,706</u>	<u>5,631,056</u>	<u>2,682,426</u>	<u>23,830,188</u>
Total Expenditure	<u>16,881,894</u>	<u>5,978,882</u>	<u>2,610,797</u>	<u>25,471,573</u>	<u>16,341,057</u>	<u>6,250,526</u>	<u>2,689,949</u>	<u>25,281,532</u>

Support Costs

	2025	2024
Head and Deputy Head's office	476,439	413,726
Operations	492,738	511,907
Finance	416,794	382,591
Human Resources	371,136	356,458
Information Technology	582,552	610,087
Marketing and Admissions	513,364	467,749
Other	319,341	334,949
Total Support Costs	<u>3,172,364</u>	<u>3,077,467</u>

All support costs relate to the provision of education.

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Charitable activities include:				
Depreciation on owned assets	2,610,797	2,689,949	2,603,274	2,682,426
Operating leases	33,409	40,280	33,409	40,280
Finance costs include				
Bad debts expense	99,730	68,743	100,554	84,912
Governance costs include				
Auditors remuneration for				
Audit services	23,545	29,271	18,840	24,594
Other service	4,794	1,560	4,794	1,560

7. STAFF COSTS

	2025	2024
	£	£
Total staff costs were as follows:		
Wages and salaries	13,007,019	12,964,671
Social security costs	1,383,299	1,255,987
Pension contributions	2,491,576	2,120,399
	<u>16,881,894</u>	<u>16,341,057</u>

The governors received no remuneration during the year (2024: £nil). An aggregate amount of £53 was reimbursed to 1 governor during the year, in respect of travel expenses (2024: £514 to 4 governors). One Governor has a child in the school paid at standard rates. One Governor has a child who receive merit-based scholarships. The related Governors were not involved in the decisions to make these awards.

Related party transactions

No related party transactions occurred during the year (2024: £nil).

Staff numbers

	2025	2024
The number of employees in the year were:	479	488

The number of employees whose emoluments exceeded £60,000 were

£60,001 to £70,000	32	41
£70,001 to £80,000	16	13
£80,001 to £90,000	7	2
£90,001 to £100,000	2	4
£120,001 to £130,000	-	1
£130,001 to £140,000	-	1
£140,001 to £150,000	1	-
£250,001 to £260,000	-	1
£270,001 to £280,000	1	-

There are a number of key management personnel in the School including the Senior Management Team and the Support Staff Senior Management Team. The total amount of remuneration, benefits and pensions paid to this group of individuals was £2,105,117 (2024: £1,986,086).

In addition to the above payments and those contained in the bandings above, the School provides fee remission to teaching and some senior staff typical for the independent school sector and accommodation (or reimbursement for own accommodation) to staff who are entitled to accommodation by virtue of their role.

Pension contributions and commitments

Teaching staff were eligible to contribute to the Teachers' Pension Scheme until 30 November 2025. On 1 December 2024, the School commenced a phased withdrawal from the Teachers' Pension Scheme. This decision followed a strategic review of pension provision and long-term financial sustainability. Under the phased withdrawal arrangement, eligible teaching staff will transition out of the TPS over a defined period, with alternative defined contribution pension arrangements in place, administered by Aviva. Support staff are eligible to contribute to a personal pension plan, which is a defined contribution scheme. This was administered by Scottish Widows until 31 December. From 1 January 2025, the scheme was administered by Aviva. All schemes permit staff to make additional voluntary contributions.

Further details relating to these pension schemes are set out in note 21.

	2025	2024
	£	£
Pension contributions		
Total employer contributions incurred during the year were:		
Teaching staff	1,714,299	1,372,010
Support staff	777,277	748,389
	<u>2,491,576</u>	<u>2,120,399</u>
	2025	2024
	£	£
Redundancy & Termination Payments		
made in the year totalled	135,539	52,000

8. TANGIBLE FIXED ASSETS – GROUP

	Freehold property	Plant & equipment	Computer equipment	Furniture, fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£
Historic cost						
Opening - 1st August	46,461,409	8,228,679	2,367,990	6,272,600	520,626	63,851,304
Additions	7,708,214	793,907	41,308	232,053	135,540	8,911,022
Disposals	-	-	-	-	(37,817)	(37,817)
Capital Goods Scheme	(1,624,530)	-	-	-	-	(1,624,530)
Closing - 31st July	<u>52,545,093</u>	<u>9,022,586</u>	<u>2,409,298</u>	<u>6,504,653</u>	<u>618,349</u>	<u>71,099,978</u>
Depreciation						
Opening - 1st August	12,140,470	4,151,625	1,660,795	1,967,478	337,503	20,257,871
Charge in year	1,279,591	629,092	170,240	448,885	82,989	2,610,797
Disposals	-	-	-	-	(37,818)	(37,818)
Closing - 31st July	<u>13,420,061</u>	<u>4,780,717</u>	<u>1,831,035</u>	<u>2,416,363</u>	<u>382,674</u>	<u>22,830,850</u>
Net Book Value						
Opening - 1st August	34,320,939	4,077,054	707,195	4,305,122	183,123	43,593,433
Closing - 31st July	<u>39,125,031</u>	<u>4,241,869</u>	<u>578,263</u>	<u>4,088,290</u>	<u>235,675</u>	<u>48,269,128</u>

8. TANGIBLE FIXED ASSETS – CHARITY

	Freehold property	Plant & equipment	Computer equipment	Furniture, fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£
Historic cost						
Opening - 1st August	46,461,409	8,051,032	2,356,901	6,272,600	520,626	63,662,568
Additions	7,708,214	793,907	41,308	232,053	135,540	8,911,022
Disposals	-	-	-	-	(37,817)	(37,817)
Capital Goods Scheme	(1,624,530)	-	-	-	-	(1,624,530)
Closing - 31st July	<u>52,545,093</u>	<u>8,844,939</u>	<u>2,398,209</u>	<u>6,504,653</u>	<u>618,349</u>	<u>70,911,242</u>
Depreciation						
Opening - 1st August	12,140,470	4,011,888	1,649,706	1,967,478	337,503	20,107,045
Charge in year	1,279,591	621,569	170,240	448,885	82,989	2,603,274
Disposals	-	-	-	-	(37,818)	(37,818)
Closing - 31st July	<u>13,420,061</u>	<u>4,633,457</u>	<u>1,819,946</u>	<u>2,416,363</u>	<u>382,674</u>	<u>22,672,501</u>
Net Book Value						
Opening - 1st August	34,320,939	4,039,144	707,195	4,305,122	183,123	43,555,523
Closing - 31st July	<u>39,125,031</u>	<u>4,211,482</u>	<u>578,263</u>	<u>4,088,290</u>	<u>235,675</u>	<u>48,238,741</u>

9. INVESTMENTS

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Investment in subsidiary undertaking	-	-	100	100

10. COMPOSITION FEES

The investments were managed by Rathbone Brothers PLC in accordance with an investment policy established by the school as a trustee. The surplus of funds invested over liabilities has been recognised and is shown as a restricted reserve. This scheme was closed to new entrants in October 2020 and the investment fund was closed in May 2023.

	2025	2024
	£	£
At 1 August 2024	37,038	-
Composition fees received	-	-
Income arising from investments	-	-
Management fees and similar charges	-	-
Payments	-	-
Cash transferred	-	-
Net Movement in the year	<u>-</u>	<u>-</u>
Total liability as at 31 July 2024	-	37,038
Unrealised gain/(loss) on investments	-	-
At 31 July 2025	<u>-</u>	<u>37,038</u>

Represented by:

Investment with Rathbones	-	-
Cash at bank	-	37,038
Interest Receivable	-	-
	<u>-</u>	<u>37,038</u>

II. OTHER INVESTMENTS

2025	2024
£	£

a) Assyrian Fund

Cost of assets representing School Funds	<u>7,164,550</u>	<u>7,060,809</u>
Market value of assets representing School Funds	<u>8,029,912</u>	<u>7,652,325</u>

The funds are invested by Rathbones.

2025	2024
Total	Total
£	£

UK equities	1,364,865	1,774,619
Overseas equities	2,751,764	2,774,940
Index linked	2,578,589	139,038
Other	1,222,628	2,920,523
Cash and commitments	112,066	43,205
	<u>8,029,912</u>	<u>7,652,325</u>

2025	2024
£	£

Reconciliation of Movement in Fund

B/Fwd	7,652,325	6,947,608
Additions	2,116,870	1,594,626
Disposals	(1,973,090)	(1,369,602)
Profit /(Loss) on Disposals	(35,352)	184,562
Unrealised Gains/(Losses)	273,846	362,671
Cash Movements	(4,687)	(67,540)
C/Fwd	<u>8,029,912</u>	<u>7,652,325</u>

2025	2024
£	£

b) Liquidity Fund

Cost of assets representing School Funds	<u>13,773,270</u>	-
Market value of assets representing School Funds	<u>14,016,619</u>	-

The funds are invested by Rathbones.

	2025 Total £	2024 Total £
Index linked	14,001,487	-
Cash and commitments	15,132	-
	<u>14,016,619</u>	<u>-</u>

	2025 £	2024 £
Reconciliation of Movement in Fund		
B/Fwd	-	-
Additions	27,612,782	-
Disposals	(13,900,195)	-
Profit /(Loss) on Disposals	41,037	-
Unrealised Gains/(Losses)	243,349	-
Cash Movements	19,647	-
C/Fwd	<u>14,016,619</u>	<u>-</u>

c) Other Assets held as Investments

Market value of assets representing School Funds	<u>8,750</u>	<u>8,750</u>
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Total Other Investments

	<u>22,055,281</u>	<u>7,661,075</u>
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d) Restricted Funds - Scholarship, Bursaries and Prize Fund

Investments representing restricted funds at cost	<u>2,549,167</u>	<u>2,886,412</u>
Market value of assets representing restricted funds	<u>2,953,839</u>	<u>3,152,118</u>

The funds are invested by Rathbones.

	2025 Total £	2024 Total £
UK equities	636,453	871,612
Overseas equities	1,479,421	1,451,819
Index linked	552,642	76,927
Other	264,072	739,206
Cash and commitments	21,251	12,554
	<u>2,953,839</u>	<u>3,152,118</u>

	2025	2024
	£	£
Reconciliation of Movement in Fund		
B/Fwd	3,152,118	2,869,974
Additions	520,492	780,042
Disposals	(846,412)	(695,631)
Profit / (Loss) on Disposals	(19,115)	119,066
Unrealised Gains/ (Losses)	138,965	123,610
Cash Movements	7,790	(44,944)
C/Fwd	<u>2,953,839</u>	<u>3,152,118</u>

The investments are managed by Rathbones Investment Management Ltd in accordance with an investment policy established by the School as trustee. Notes 17 and 18 show the funds to which these investments relate.

12. STOCKS

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Goods for resale	<u>129,033</u>	<u>165,047</u>	<u>21,345</u>	<u>19,773</u>

The replacement cost of stocks is not considered to be materially different from their historical costs.

13. DEBTORS

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Debtors in respect of school fee account	604,313	447,088	604,313	447,088
Amounts owed by subsidiary undertaking	-	-	576,483	566,374
Other debtors	1,695,121	44,098	1,644,730	16,348
Prepayments and accrued income	804,842	770,257	794,474	765,488
	<u>3,104,276</u>	<u>1,261,443</u>	<u>3,620,000</u>	<u>1,795,298</u>

14. CREDITORS: amounts falling due within one year

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
School fees paid on account	8,094,609	10,745,884	8,094,609	10,745,884
Composition fees (see note 10)	-	-	-	-
Trade creditors	872,902	742,106	841,705	737,446
Amounts owed to subsidiary undertaking	-	-	356,746	251,469
Other creditors	943,402	647,369	911,370	605,541
Taxation & social security	225,673	321,544	195,380	292,198
Finance lease obligations	(4,972)	(4,775)	(4,775)	(4,775)
Accruals and deferred income	1,582,385	1,648,993	1,459,567	1,525,190
	<u>11,713,999</u>	<u>14,101,121</u>	<u>11,854,602</u>	<u>14,152,953</u>

15. CREDITORS: amounts falling due after more than one year

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Prepaid fees due 2 - 5 years	5,890,268	9,805,042	5,890,268	9,805,042
Prepaid fees due more than 5 years	-	-	-	-
Deferred Income due 2 - 5 years	30,664	30,664	30,664	30,664
Deferred Income more than 5 years	68,993	76,659	68,993	76,659
Finance lease obligations due 2 - 5 years	(10,319)	(15,094)	(10,319)	(15,094)
Finance lease obligations more than 5 years	-	-	-	-
	<u>5,979,606</u>	<u>9,897,271</u>	<u>5,979,606</u>	<u>9,897,271</u>

The Deferred Income relates to a lease granted over land and is amortised over the life of the lease.

16. MOVEMENT IN TOTAL DEFERRED INCOME

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
As at 1st August	232,406	329,242	159,641	264,722
New Deferred Income	161,115	208,638	72,189	135,873
Released to SOFA	(168,372)	(305,474)	(95,607)	(240,954)
As at 31st July	<u>225,149</u>	<u>232,406</u>	<u>136,223</u>	<u>159,641</u>

17. FUNDS

	1 August 2023	Income	Expenditure	Gain\Loss on Investment Assets	Transfer Between Funds	1 August 2024	Income	Expenditure	Gain\Loss on Investment Assets	Transfer Between Funds	31 July 2025
	£	£	£	£	£	£	£	£	£	£	£
Unrestricted Funds											
Assyrian Fund	6,679,501	180,325	(29,127)	534,645	(9,188)	7,356,156	181,536	(42,443)	238,494	296,169	8,029,912
Canford Partnership Fund	268,107	7,502	(1,216)	12,588	9,188	296,169	-	-	-	(296,169)	-
Designated Property Fund	36,756,597	-	-	-	(2,435,658)	34,320,939	-	-	-	4,804,093	39,125,031
	<u>43,704,205</u>	<u>187,827</u>	<u>(30,343)</u>	<u>547,233</u>	<u>(2,435,658)</u>	<u>41,973,264</u>	<u>181,536</u>	<u>(42,443)</u>	<u>238,494</u>	<u>4,804,093</u>	<u>47,154,943</u>
General Fund	9,212,597	26,083,665	(24,107,435)	-	2,435,658	13,624,485	26,287,701	(24,425,539)	284,129	(4,804,093)	10,966,683
Total Unrestricted School Funds	<u>52,916,802</u>	<u>26,271,492</u>	<u>(24,137,778)</u>	<u>547,233</u>	<u>-</u>	<u>55,597,749</u>	<u>26,469,237</u>	<u>(24,467,982)</u>	<u>522,623</u>	<u>-</u>	<u>58,121,626</u>
Restricted Funds											
Composition Fees Fund	105,415	-	-	-	(68,377)	37,038	-	(37,038)	-	-	-
Scholarship Bursary and Prize Fund	3,006,159	406,519	(367,052)	242,676	(118,659)	3,169,643	366,173	(473,244)	119,850	-	3,182,422
Total Restricted School Funds	<u>3,111,574</u>	<u>406,519</u>	<u>(367,052)</u>	<u>242,676</u>	<u>(187,036)</u>	<u>3,206,681</u>	<u>366,173</u>	<u>(510,282)</u>	<u>119,850</u>	<u>-</u>	<u>3,182,422</u>
Total Charity Funds	<u>56,028,376</u>	<u>26,678,011</u>	<u>(24,504,830)</u>	<u>789,909</u>	<u>(187,036)</u>	<u>58,804,430</u>	<u>26,835,410</u>	<u>(24,978,264)</u>	<u>642,473</u>	<u>-</u>	<u>61,304,048</u>
Subsidiary Reserves	57,544	768,952	(768,952)	-	-	57,544	487,881	(493,051)	257	(257)	52,374
	<u>56,085,920</u>	<u>27,446,963</u>	<u>(25,273,782)</u>	<u>789,909</u>	<u>(187,036)</u>	<u>58,861,974</u>	<u>27,323,291</u>	<u>(25,471,315)</u>	<u>642,730</u>	<u>(257)</u>	<u>61,356,421</u>

The total of the Income and Expenditure in each year above matches the Net Income before transfers and investments gains/(losses) on the SOFA.

The cost of scholarships in the year from the Assyrian Fund and the Scholarship, Bursary and Prize Funds are included within the total for "scholarships, bursaries, grants and allowances" in note 2.

Purpose of funds

Unrestricted Funds	
Assyrian Fund	This is designated for annual scholarship and bursary awards to pupils.
Canford Partnership Fund	This is designated for work carried out by pupils on trips to orphanages in countries such as Argentina, Ghana and India. During the year, this was merged into the Assyrian Fund. Grants will continue to be awarded for partnership activities.
Designated Property Fund	This is designated to match the value of the investment made over the years in the fabric of School buildings.
Liquidity Fund	This is used to achieve short term returns ahead of those available through cash investments. All holdings are liquid and are available to meet current liabilities.
General Fund	General reserves are available to the group. Governors monitor this fund on a regular basis, considering the working capital management of the School and the desire to continually improve facilities.

Restricted Funds	
Composition Fees Fund	This is restricted to the advance payment of fees, and represents funds received in respect of school fees for current and future pupils. This scheme was close to new entrants in October 2020.
Scholarship Bursary and Prize Fund	This is restricted to terms set out by donors for the provision of scholarships, bursaries, prizes and activities. This fund includes funds from the following linked charities: 306315-1 The Marriott Trust 306315-3 Canning Memorial Fund 306315-4 Canford School Fortieth Anniversary Development Fund 306315-5 Canford School Development Fund 306315-6 Canford School Scholarship, Bursary And Prize Fund

Transfers between funds

£4,804,092 was transferred to the designated property fund from the general fund to match the movement in net book value of freehold land and buildings.

18. ALLOCATION OF NET ASSETS TO FUNDS

	Fixed assets	Investments	Other net assets/ (liabilities)	Long term liabilities	2025 Total	Fixed assets	Investments	Other net assets/ (liabilities)	Long term liabilities	2024 Total
	£	£	£	£	£					
Unrestricted General Fund	9,144,097	14,025,111	(6,170,546)	(5,979,606)	11,019,056	9,272,494	8,750	14,298,056	(9,897,271)	13,682,029
Unrestricted School Funds										
Assyrian Fund	-	8,029,912	-	-	8,029,912	-	7,356,156	-	-	7,356,156
Canford Partnership Fund	-	-	-	-	-	-	296,169	-	-	296,169
Designated Property Fund	39,125,031	-	-	-	39,125,031	34,320,939	-	-	-	34,320,939
	39,125,031	8,029,912	-	-	47,154,943	34,320,939	7,652,325	-	-	41,973,264
Restricted Funds										
Composition Fees Fund	-	-	-	-	-	-	-	37,038	-	37,038
Scholarship Bursary and Prize Fund	-	2,954,097	228,325	-	3,182,422	-	3,152,118	17,525	-	3,169,643
	-	2,954,097	228,325	-	3,182,422	-	3,152,118	54,563	-	3,206,681
	48,269,128	25,009,120	(5,942,221)	(5,979,606)	61,356,421	43,593,433	10,813,193	14,352,619	(9,897,271)	58,861,974

19. OPERATING LEASE COMMITMENTS

At 31 July 2025 the company's future minimum operating lease payments are as follows:

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Within one year	40,396	45,133	39,210	43,354
Between 1 and 5 years	82,234	39,434	82,086	38,100

At 31 July 2025 the company's future minimum operating lease income is as follows:

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Within one year	7,666	7,666	7,666	7,666
Between 1 and 5 years	30,664	30,664	30,664	30,664
Over 5 years	74,744	90,076	74,744	90,076

20. CAPITAL COMMITMENTS

Capital expenditure authorised and contracted for at the balance sheet date amounted to £5,777,346 (2024: £12,414,064)

21. PENSIONS

The Group operates two pension schemes. Teaching staff were eligible to contribute to the Teachers' Pension Scheme until 30 November 2025. On 1 December 2024, the School commenced a phased withdrawal from the Teachers' Pension Scheme. This decision followed a strategic review of pension provision and long-term financial sustainability. Under the phased withdrawal arrangement, eligible teaching staff will transition out of the TPS over a defined period, with alternative defined contribution pension arrangements in place, administered by Aviva. Support staff are eligible to contribute to a personal pension plan, which is a defined contribution scheme. This was administered by Scottish Widows until 31 December. From 1 January 2025, the scheme was administered by Aviva. All schemes permit staff to make additional voluntary contributions. Staff who do not elect to join a scheme offered are swept up into the Aviva scheme under auto-enrolment rules.

Teachers Pensions

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 £1,379,273 (2023: £1,212,591) and at the year end £173,770 (2023: £140,483) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

22. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2024	Cashflows	31 July 2025
Cash	27,027,250	(24,488,781)	2,538,469
Finance lease obligation	19,869	(4,577)	15,292
	<u>27,047,119</u>	<u>(24,493,358)</u>	<u>2,553,761</u>

23. POST BALANCE SHEET EVENT

On 22 September 2025, subsequent to the balance sheet date, Canford School Limited and Dumpton School, both registered charities and independent schools, entered into a formal agreement to merge their operations. The merger will be effected through the transfer of all assets, liabilities, and charitable activities of Dumpton School to Canford School, with the intention of continuing the educational and charitable objectives under a unified governance structure.

This event is considered a non-adjusting event under Section 32 of FRS 102, as the conditions leading to the merger arose after the reporting date. Accordingly, no adjustments have been made to the financial statements as at 31 July 2025. However, the trustees consider the merger to be a significant development in the charity's future operations and have disclosed this event to provide users of the financial statements with relevant information regarding the charity's strategic direction.

The merger is expected to be completed on 1 January 2026, subject to regulatory approvals.

CANFORD SCHOOL LIMITED

England & Wales - Charity number 306315

Accounts

CANFORD SCHOOL LIMITED
(Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

Registered Company No: 00190956
Registered Charity No: 306315

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DIRECTORS AND OFFICERS**DIRECTORS**

Chair	Lieutenant General Sir Gary Coward KBE CB	
	Akinbode Michael Oluwatosin Akinfala	
	Teresa Colaianni	
	Nicholas Chetwood	Appointed 23 February 2024
	Robert Daubeney BA	Resigned 1 December 2023
	Philippa Dickins MA MBBS DCH DRCOG MRCP	
	Georgina Fozard MA Cantab MBBS MRCPsych	Resigned 29 September 2023
	Professor Mark French MA Oxon PhD	
	Nicholas Holloway BA	
	Philippa Howarth	Appointed 4 June 2024
	Michael Jeffries Dip Arch RIBA FICE FRSA	
	Stephen Le Bas FCA BA Hons	Resigned 1 December 2023
	William McClaren-Clark	
	Richard Nicholl BA PGCE	Resigned 1 December 2023
	Professor Jane Portlock	
	Rev John Simmons	
	Annabel Thomas BA	

OFFICERS

Headmaster	Ben Vessey MA MBA	
Bursar	David J Brook OBE BSc MA CEng MRAeS	
Company Secretary	Andy Butterworth Michael Porter	Appointed 27 September 2024 Resigned 27 September 2024
Registered Office	The Bursary Canford School Wimborne BH21 3AD	
Solicitors	Harrison Clark Rickerbys Limited Ellenborough House, Wellington Street Cheltenham GL50 1YD	Steele Raymond LLP Richmond Point, 43 Richmond Hill Bournemouth BH2 6LR
	Veale Wasbrough Vizards LLP Narrow Quay House, Narrow Quay Bristol BS1 4QA	
Auditors	HaysMac LLP 10 Queen Street Place London EC4R 1AG	

Bankers

Barclays Bank Plc
PO Box 612
Ocean Village
Southampton
SO14 2ZP

Insurance Brokers

Marsh Limited
Capital House 15 Perrymount Road
Haywards Heath RH16 3SY

Investment Advisors

Rathbone Brothers Plc
8 Finsbury Circus
London EC2M 7AZ

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the company will be held at 12 noon on Thursday 27 March 2025 at Stowe School, Stowe, Buckingham MK18 5EH.

In accordance with the Articles of Association Mr Chetwood, Miss Howarth, Mr McSheehy, Dr Dickins and Dr Akinfala retire by rotation and, being eligible, offer themselves for re-election.

DIRECTORS AND TRUSTEES' REPORT

FINANCIAL STATEMENTS

The Governors, who are Directors for the purposes of Company Law and Trustees for the purposes of Charity Law, present their annual report and audited financial statements for the year ended 31 July 2024. The Governors have adopted the provisions of the Charities Statement of Recommended Practice (SORP) (Second Edition, effective 1 January 2019) based on Financial Reporting Standard (FRS) 102, in preparing the annual report and financial statements of the charity.

OBJECTS AND AIMS

Charitable Objects

The Charity's Object is to advance the education of boys and girls including but not limited to the provision of a senior school in or near Canford, Dorset and/or if thought desirable, in other parts of England or Wales, in accordance with the principles of the Church of England.

Public Benefit Aims and Intended Impact

In furtherance of this Object, Canford School's public benefit aim is to provide a first-class independent education, through strong academic tuition and through developing wider sporting, artistic, cultural and social skills in all its pupils. This is intended to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

Canford has restricted and unrestricted funds for the development of the School's facilities as well as for scholarships, prizes and other educational purposes. The School provides bursaries for those without the means to support their child through school.

The Charity also has to maintain its heritage endowment, with its Grade I and II listed buildings and historic park and tree collection, which are all considered of national importance.

Canford views the social responsibilities it carries as an educational institution as being a central feature of our ethos, aims and actions. The '*Importance of Community*' is one of our core aims whereby we recognise '*The importance of community and the engendering of a deep rooted sense of social responsibility in the context of Canford's Christian origins and heritage*' alongside '*respecting the abilities, views and dignity of others throughout the school community and in the wider world*'.

This is not just a form of words but articulates an attitude and approach which guides and informs much of what we do within and beyond the school. Aside from activities within the school based educational programme which seek to raise awareness and understanding of issues and problems confronting the wider world, hundreds of our pupils and many of our staff are engaged in active charitable and community partnership work locally, regionally, nationally and internationally. It is beyond the scope of this report to outline all of the detail of this extensive activity, although some more information can be found below. This social engagement and interaction in a meaningful and sustained sense is very much part of the fabric of Canford's culture.

In the furtherance of these aims the Governors, as the charity trustees, have complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act. In addition, the Governors act to promote the success of the school by: considering the likely consequences of any decision in the long term; looking at the interests of the company's employees; fostering relationships with pupils, parents, staff, suppliers and others; considering the impact of the Charity's operations on the community and the environment; by maintaining a reputation for high standards of business conduct; and acting fairly as between members of the company.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The School is a company limited by guarantee and each of its members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities. The School is a registered charity and is governed by its Articles of Association as most recently amended on 26th September 2013 by Special Resolution. Canford School is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On September 26th 2013 the Allied Schools signed a management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT.

The School has a subsidiary company, Cheneford Limited, which undertakes a range of trading activities including the letting of the School's sports facilities to the public. We also co-operate with many local charities in our on-going endeavours to widen public

access to the schooling we provide, to optimise the educational use of our cultural and sporting facilities and to awaken in our pupils, in the public interest, an awareness of the social context of the all-round education they receive at Canford.

Governing Body

The Governors are responsible for the overall management and control of Canford School and meet at least three times a year. The work of detailed formulation and implementation of most of their policies is carried out by members of the Environment, Social and Governance (ESG) Committee, who usually meet a few weeks in advance of the full Governing Board. The Education Committee and the Resources Committee, responsible for financial performance and the school fabric, perform detailed reviews in their specialist areas.

Governors are elected by the Governing Body, except that two Governors are nominated by the Martyrs Memorial and Church of England Trust if the total does not exceed 12, three if the number exceeds 12 but does not exceed 18, and four if the number exceeds 18. New governors are appointed by existing governors with input from the Headmaster and Bursar and care is taken to ensure that the relevant skills and experience are represented. Each new governor is provided with an information pack (handbook) and meets with key staff as part of an induction process. They are all encouraged to spend time at the School to experience lessons as the pupils do. All governors receive information on governor training update courses.

All governors have access to the meeting papers and minutes for all committee meetings, whether or not they are members of that committee. Meetings may be held in person or virtually. This ensures that they are informed about the issues being addressed by those committees but can also raise queries and monitor progress in a wide range of areas. The chairmen of the sub committees meet regularly with the School's lead for each committee area, thereby ensuring that they are fully briefed on issues and can provide advice, challenge and support as required.

Organisational Management

The day to day running of the School is delegated to the Headmaster, the Bursar and the Senior Leadership Team (SLT), which comprises the Deputy Head Academic, Deputy Head Pastoral, Deputy Head Co-Curricular and three Assistant Heads (Academic, Pupils and Safeguarding). Strategic matters are discussed with the Senior Management Group (SMG), which comprises the SLT plus the directors of Marketing, Admissions, Development, Human Resources, Finance and Estates, as well as the School Services Manager and Commercial Services Manager. Various educational management groups also operate to progress educational and pastoral matters.

Changes to the remuneration levels of key management personnel are made with reference to industry standards, such as the Baines Cutler benchmark reports. Remuneration changes for specific roles are made with reference to internal performance criteria and external role benchmarks, including salary surveys and use of a benchmarking agency as required, and are reviewed by the Chair of Governors and Chair of the ESG Committee.

The Headmaster and Bursar attend meetings of all the governors' committees.

STRATEGIC REPORT AND FUTURE PLANS

Canford's Governors recognise that the School must remain competitive, relevant and sustainable in a rapidly changing and increasingly uncertain environment in which there is no shortage of local and regional competitor schools. In looking to the future, Canford intends to maintain its profile as a premium independent school. The Governing Body is already implementing strategies that will enable the School to defend and grow its share of the prestige school boarding and day markets. The key to this will be attracting and retaining suitably able pupils by meeting or exceeding their and their parents' expectations for high academic results, a wide range of high-quality co-curricular facilities and for high-quality, comfortable pupil accommodation. Our plans include a wide array of educational programmes to enhance the learning experience of our pupils and the provision of flexible, adaptable infrastructure, in particular the new sixth form facilities which will unlock additional capacity across the School and allow greater efficiency and effectiveness aimed at ensuring Canford can continue to thrive into our second century. This strategy is subject to regular and ongoing reviews.

Following agreement by Governors to support the next phase of the school strategic plan 'Canford 2023 and Beyond', work has commenced on the creation of The College which comprises the College Hub in the old Wimborne/Montecacute building and two single sex residential wings for Upper Sixth boarding pupils. Our aim is for a Sixth Form providing opportunities and structures for pupils to lead their own learning and development in ways which are transformational in the transition from school to life beyond. As part of this development we have started to review our Beyond the Gates provision for Sixth Formers. This year we have introduced a new carousel unit on sexual health. Following pupil voice feedback we have added in year group talks on mental health, financial budgeting and financial investments.

Whilst our destinations data remains very strong we are keen to diversify pupil aspirations, particularly by further supporting applications to International Universities, and are reviewing our Careers provision to ensure pupils receive broad and impartial advice to inform decisions.

Our work on Equity, Diversity and Inclusion continues as in previous years. Canford remains committed to ensuring that its pupils and the whole community are fully engaged with the EDI focus and work. Canford has continued to use its EDI charter, a formal document that expresses our understanding and acceptance of difference in all its forms. This charter was signed by the Headmaster and the Heads of School and a copy is on our website and in all classrooms and houses. Canford has marked numerous EDI events over the year: International Men's Day, International Women's Day, Pride, Black History Month, Holocaust Memorial Day, World Map Day and Chinese New Year to name a few.

We have continued to host four pupil-led groups who specialise in an area of EDI: the Rainbow Alliance (considering LGBT+ issues), Open-Minded (working on Neurodiversity and hidden disability) and APMC (African Caribbean Mixed Community) who work to celebrate black and dual heritage pupils and our International Pupil group. These pupil-led groups have met informally throughout the year to give an opportunity to interested pupils to explore common issues and to enable them to raise awareness in the wider Canford community. The focus has always been on supporting individuals and raising awareness with all.

Vision and Mission Statements

Our Vision: 'Canford: a school community where all are inspired to explore, empowered to express and challenged to excel.'

Our Mission: 'To build a community of open minded people who are motivated to embrace learning in all its forms, and committed to making a difference to their own lives, and to the lives of others. Our exceptional education grants freedom to grow and creates opportunities for all to explore, to express and to excel.'

Our Values: 'Develop Purposeful engagement – Building a confident mindset develops positive life-long learning. We inspire members of our community to be curious and determined in pursuit of knowledge and opportunity.
Instil a Courageous Attitude – Being principled and strong, yet reflective and tolerant takes courage. We support members of our community to be bold and sensitive in expressing thoughts, words and deeds.
Promote Humble Ambition – Pursuing goals without arrogance or complacency brings meaningful success. We challenge members of our community to be energetic and resilient in pursuit of their goals but honest and grateful for fulfilment of them.
Encourage Gracious Leadership – Fulfilling a duty to guide and support others makes a difference. We urge members of our community to lead graciously and serve willingly for the greater good.'

Achievements and Performance

Our vision and values have played out each and every day over the past year. Canford's commitment to a high-quality education and to ensuring that all members of its community can flourish is borne out in many ways and is evidenced by the support received from current members of the community and the strong interest in those wishing to join the school from many quarters.

Academic

Once again, Canford pupils have demonstrated remarkable commitment and dedication this year both inside and outside the classroom, culminating in an impressive set of examination results at A Level and GCSE. There were numerous outstanding individual performances across all levels, with exceptional results among our top achievers. The strength of our academic and pastoral systems, the commitment of our teaching staff, and the resilience and hard work of our pupils have all contributed to these successes.

With 24% of grades awarded at A*, 54% at A*-A and 81.8% at A*-B, Canford's A Level results remain well above the national and independent school averages. These results are among the best in our school's recent history, particularly when ignoring the grade inflation years caused by the Covid pandemic.

Our Fifth Form pupils were not to be outdone. They achieved outstanding GCSE results, with this year's outcomes ranking among the very best in the school's history. Notably, 27.3% of grades were awarded at 9 (higher than the old A*), and 53.9% at grades 9-8 (A*). Impressively, 95.8% of grades were between 9 and 5 (A*-B), demonstrating the breadth of excellence across the cohort. This achievement is particularly noteworthy given the challenges faced by this year group, whose foundational years were disrupted by the Covid pandemic. Four pupils achieved straight 9s, and over a fifth of the year group gained at least nine 9-8 (A*) grades. Our pupils' determination to excel, coupled with the collaborative spirit and mutual support within the year group, has been exemplary. This cohort can look forward to a stimulating adventure in the Sixth Form, where they will be joined by 40 new pupils to begin their A Level studies.

As a community, we take pride in fostering an educational environment characterised by high expectations, balanced pressure and significant support, ensuring that our pupils have every opportunity to excel both inside and outside the classroom. So we are proud of what our pupils have accomplished and remain committed to fostering an environment where they can continue to thrive. As we look to the future, we know that maintaining our academic strength is vital for the continued success of Canford. The skills and character virtues developed here – organisation, resilience, planning, determination, critical thinking, and multitasking – are not only pivotal in achieving academic success but will also serve our pupils well in all their future endeavours.

Academic Enrichment

Our extensive academic enrichment programme is designed to help promote intellectual inquiry and stimulate creative independent thinking. In particular, the pupil leadership element of this academic area has been a triumph. Our senior academic pupil leaders have played a major role in helping to shape the academic supra-curricular programme and have given scholarly talks to juniors, breakfast enrichment lectures, keynote speeches in our own Festival of Ideas, as well as running 'University Challenge' house competitions, to name but a few examples. It is our pupils, as well as our staff, who are consistently engaging and encouraging the whole Canford community to be open-minded, inquisitive, intellectually curious, interesting and interested people.

Higher Education

Our pupils' successes have translated into strong onward destinations, with 72% of our Upper Sixth securing places at Russell Group universities and 82% at Russell Group and *Sunday Times* Top 12 universities. Additionally, seven students have been accepted onto medicine and veterinary science courses, and nine will be attending Oxford or Cambridge. The vast majority of our pupils secured their preferred university placement and this cohort are going on to read a wide range of academic degrees across the spectrum of creative arts, humanities, sciences and languages.

Sport

This was another extremely busy year for Canford sport, with just short of 1,000 fixtures being played across 16 different sports ensuring we give the Canford pupils continued opportunities for them to explore, express and excel and strive to be the best they can be. 95% of pupils represented the school in at least one fixture during the year. 75% of all pupils played in more than five fixtures and we continue to look to create more opportunities for all. Memories were made on tours to Spain for Cricket and France was visited for Real Tennis.

Excellence was again on show with pupils regularly competing strongly against the best in the country across many sports. Cricket continued to grow in strength with both Girls and Boys programmes reaching the last 16 of their National Cups. Our Rowers won bronze medals for the third year running at National Schools Regatta and our U14 Boys Rugby team made both the National Cup Quarter Finals and Day 2 at National Schools 7s. Hockey and Netball both made the latter stages of their respective national competitions and our golfers returned to the National Finals stage.

Individual pupil successes are to be congratulated with appearances for Hampshire Cricket, representing England U19s and calls into the England Lions squad, the Welsh National Squad in Rowing and the National Athletics Championships.

Wellbeing continued as a constant theme as part of the sports programme with pupils embracing this year's inaugural wellbeing concert. With a growing athletic development programme and physiotherapy service, we continue to aim to reduce injuries.

With new staff and positions in place and with the ongoing development of programmes, Canford's sport continues to push itself forward for the benefit of all the pupils. Inspiration has been easy to find over the summer break with the Paris Olympics showing everything that sport can bring and we look forward to another exciting year ahead.

Drama

The Drama department had a full and varied programme with several large-scale productions involving numerous pupils on stage and behind the scenes. As ever we strove for originality, innovation and inclusivity.

The year began with five A-Level and GCSE devising pieces, one L6 production and two 4th form productions. In December the first major production of the year was the hit comedy "One Man, Two Guvnor's" and this was followed by the annual Canford pantomime which was staged, written and directed by a 4th former. "Treasure Island" again involved pupils from every year group in the school.

The Easter term saw a powerful production of "Amadeus", which was beautifully staged and costumed contemporarily as well as intimate production "The Chairs" which was performed in the Foyer. Both were enjoyed by excellent audiences. At the end of the summer term, following on from practical exams for our GCSE and A-Level, we staged "Bugsy Malone" which involved over 50 pupils from each year group, on stage, off stage and in the orchestra pit. This was an uplifting end to a busy year and much fun was had by all who took part.

Many pupils (over 140 different ones from every year) were involved in productions last year, as well as Friday Foyers and a number of talks. The Layard was a hub for creativity and a place where everyone was welcome either to contribute or to watch theatre.

Music

Music ensembles and choirs had another packed schedule of concerts and events. In the Christmas Term, the House Music competition showcased some impressive ensemble performances and enthusiastic participation from the whole school. After half-term, the annual Jazz concert took place in the music school, and acted as a sequel to last year's popular theme: 'A Night at the Musicals.' The term ended with the annual Carol Service, where the Chapel, Cantabile and Chamber choirs performed seasonal repertoire at a full Wimborne Minster. A week earlier, the additional 'Christmas Concert' allowed instrumental ensembles a chance to perform some festive music too.

The Spring Term opened with the Chamber choir singing evensong at Winchester Cathedral and closed with our major off-campus concert at St John's Smith Square, a highlight of the year. The Summer Term was equally busy. Alongside the school's annual musical, 'Bugsy Malone,' the Summer Concert and Leavers' Concert featured an exceptionally talented Upper 6th.

Concerts were streamed online for a growing audience, while the informal 'Sounds of Canford' series provided opportunities for all musicians to perform in house groups. Many pupils earned ABRSM diplomas or Grade 8 with merit or distinction, with strong results also at lower levels. One 5th form student represented Sweden in the Eurovision Young Musician of the Year and reached the UK BBC Young Musician of the Year semi-finals, both exceptional achievements.

CCF

Canford CCF continues to attract great interest from the student body at Canford, due in no small part to the trips on offer throughout the school calendar. Two 24-hour field exercises were held at various locations along the south coast, involving both 4th form cadets and 6th form NCOs. Over 50 Sixth Form pupils choose it as their enterprise option, allowing them to enhance and demonstrate effective leadership on a weekly basis. Several trips ran during the school holidays, including the highly regarded Norway Cross Country Skiing Expedition. A fantastic week during the February half term allowed many of the cadets a once in a lifetime experience to explore the Norwegian mountains. Ten Tors continues to be a popular competition amongst the cadets with four more teams completing the challenging event. Canford CCF's reputation continues to extend beyond our region with strong showings in both the Pringle Trophy and Rifles Cup Competition, winning the latter for the second time in three years. The summer also saw four more of our L6th NCOs awarded Army Scholarships. Only 30 to 35 of these awards are handed out annually and to have 7 Canfordians over the last three years receive them is a testament to both their hard work and the support provided to them by the teaching staff and school.

Duke of Edinburgh's Award

With sustained interest in DofE, 36 of this year's Lower Sixth completed their Expeditions over the summer – whether walking in the Brecon Beacons and mid Wales, sailing on the south coast or canoeing across the wilds of the Cairngorms. There is a large new cohort of 59 Lower Sixth pupils and an increased number of Fourth Form doing Bronze DofE. We have a steady stream of U6 leavers who have completed their Gold Award and are eagerly awaiting their invitations to receive their awards at Buckingham Palace.

5th Form Enterprises

The Fifth Form choose their Monday afternoon activities from a diverse range of options, including Global Connections, Sub Aqua Diving, Survival and Mountain Biking. October Whole Day Enterprises gives a longer window for the activity, so for example the survivalists use their skills on an overnight survival exercise, and overall some 115 pupils enjoyed 10 different activities, 5 involving an overnight camp.

Activities

The activities programme for the Shell and 4th form pupils requires students to opt for at least one of 20 activity choices, including various music ensembles, that take place in the late afternoons. The most popular choices tend to be sporting (e.g. boys' hockey, netball, futsal, rowing and squash) but there are also many students participating in drama rehearsals and debating.

Community Service and Public Benefit

The community service programme is as packed as ever with over 40 activities on offer. A significant number (90+) volunteer offsite each week. The pupils have got better and better by the year, often backed up with very complimentary letters and emails. Whole Day Enterprises continues to be very successful, with schools now contacting us to ask if we can help them out (instead of us going to them).

The Shine programme continues to grow and is now run as a two-term enrichment programme to six schools (instead of a one term programme to three schools), with the programme in its 14th year. The City Reach project continues with visits to Northam by our pupils as well as hosting Northam pupils at Canford and a weekend away to the Isle of Wight. The annual sponsored walk for Northam took place with over 25 pupils and 6 members of staff raising £1,500 which will help City Reach to buy an external spotlight, enabling children to play sports outdoors in the winter. The group is also being sponsored by the Friends of Canford, with our thanks for their generosity.

The Bourne Academy have expanded their 'Bourne Scholar Programme', supported by Canford. The programme provides a highly academic and rigorous curriculum that will improve social mobility through increased confidence, high career aspirations and support for entry to top universities. Canford is supporting this programme by delivering sessions including presentation skills, Model United Nations, team building (using the assault course and climbing tower) and the history of Canford. Other support includes University application guidance, attendance at our careers convention and our 6th form volunteering to assist their younger pupils on Monday afternoons. There is a twinning programme for year 10 pupils. Supported students from the academy regularly join Canford's Sixth form each year.

Stakeholder Relationships

Canford exists as a community; our links with current and former pupils, parents and staff, as well as our community partners, are strong. We employ over 470 people in the local community who and have used more than 500 suppliers, all of whom are crucial to our success. This supports our local, regional and national economy. We are grateful to our suppliers for their continued support for Canford.

Employee Engagement and Employment Policy

Governors communicate with employees through a variety of channels. Both governors and employees sit on the Joint Consultative Committee where matters relating to pay, benefits and working conditions are discussed. Governors and employees also sit on the Health and Safety Committee. Governors write to employees to explain the impact of significant decisions, such as pay reviews and the strategic direction of the School. Any significant decisions taken during governors' meetings are assessed for the impact they will have on staff, with the governors aware that the School cannot be successful without an engaged, motivated staff body. For information on the relationship between governors and management, see section 'Structure, Governance and Management'.

Canford School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial performance of the school.

Fundraising Performance

Canford undertakes fundraising activity to its supporters via fundraising events, sponsored events, direct mail and email. Canford is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice. There were no complaints about fundraising activity during the year. Our fundraising promise, which is available on our website alongside our privacy notice to reassure supporters of our approach, is:

"When you support you can be sure of the following:

- We will never sell your contact details to anyone
- If you ask us to change how we communicate with you, or stop, we will respect that
- We try hard to ensure no one ever feels pressurised to support our work
- All our activities are open, fair, honest and legal."

Total fundraising costs during the year including operating budget and salaries were £242K (2023: £191K), to cover programmes including fundraising and a significant amount of engagement work. Where events took place, income (tickets purchased) partially offset some of the costs. Income from fundraising activities totalled £503K (2023: £399K). The Development Programme continues to seek to engage alumni, parents and friends of Canford as School benefactors. This can be through giving of time and expertise through volunteering; the giving of financial donations including one-off gifts, regular giving, or gifts of stocks, shares or art; and securing longer-term legacies.

There are three main areas of activity within the current Development Programme: (1) engaging the Canford Community, (2) encouraging and promoting volunteering, and (3) fundraising to increase access to a Canford education through the provision of pupil bursaries. Secondary fundraising priorities include funding capital and equipment projects.

Engaging the Canford Community involves supporting the many different volunteer-driven groups which themselves aim to benefit Canford, Canfordians and associated partner charities and organisations. The Development team provide support to the Old Canfordian Society (OCS), the Friends of Canford School, the Friends of Canford Music and the Friends of Canford Rowing. Events and monies raised by these groups are returned directly to benefit the education and enrichment of pupils at Canford and the local community. Modernisation of the OCS is ongoing and in November the OCS will vote on the transfer of their funds to the Martin Marriott Foundation. Developments aim to transform connections between OCs and facilitate better communication, knowledge and support of our alumni.

Volunteers to Canford give in a variety of ways. All school governors are volunteers and provide strategic oversight. Many others serve as alumni, sports or committee representatives. Alumni and parents provide careers advice to pupils providing mentoring, work experience or speaking to pupils about their experiences. Other volunteer duties include supporting music at Canford, supporting sport at home and away fixtures and speaking at Canford events. During the year over 170 individuals provided their time and expertise free of charge to Canford. The Governing Body is very appreciative of this invaluable support.

Donations include cash gifts, regular gifts, bequests received and gifts-in-kind. The Development Office also supports the work of the Friends of Canford School (FCS), a parent and friends' group. The group have again this year focused their support on local external charities through grants for specific projects. This included a grant to a longstanding partnership, the City Reach project in Southampton.

The sixth annual fundraising auction to support the Martin Marriott Foundation raised a significant amount for the Foundation in November 2023. The Case for Support on the website is updated annually to include new testimonies from bursary pupils, state fundraising aims and provide an accessible method for making online donations. The Lady Charlotte's Walk campaign launched in 2020 inviting alumni and parents to sponsor a stone on the walkway leading to the new library has continued to be well received with over 280 stones now sponsored. The strategic plan is revised annually with an action plan updated to reflect current trends.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Current pupil numbers, and considerable future interest in the School, give us confidence that we will be at full capacity for the foreseeable future, despite the application of VAT to school fees from 1 January 2025. This is a result of our continued resolve to deliver a top-quality education, supported by talented staff in an inspiring environment.

The School's financial policy is to maintain total fee income at a level sufficient to generate a surplus over time to meet the objectives of the School's strategic plan, allowing for investment in the school. This will be achieved through both operating cash flow and fundraising. As a charity the parents of our pupils have the assurance that all the income of the school must be applied for educational purposes.

In preparing its budget for this year the School recognised the need to continue to invest in both high quality staff and the School's fabric, to ensure that both continue to support the educational mission.

Financial review summary	2024	2023
School fees receivable	£24,193K	£22,148K
Fundraising income	£834K	£399K
All other income	£2,751K	£2,362K
Provision of education	£(23,830)K	£(21,439)K
Other costs	£(1,451)K	£(1,461)K
Net income (before transfers and investment gains / losses)	£2,497K	£2,010K

Operational financial performance was slightly below budget expectations this year, primarily due to depreciation. Pupil numbers remained healthy, with total gross fee income for the year 9.2% higher than last year (2023: 5.5% higher). Fundraising income for bursaries was remained robust, particularly due to the generosity of a number of parents and Old Canfordians. Other income was higher from investment returns and strong trading activity.

Careful cost control was exercised to ensure a focus on pupil outcomes, despite inflationary increases seen particularly in the National Living Wage, salaries and utility prices (especially electricity). Other costs were driven by the higher levels of trading. A gain on investments of £0.8M led to the Statement of Financial Activities showing the School's Net Income to be £3.3M (2023: gain of £1.8M).

The overall cost of the School's capital expenditure in this financial year amounted to £3.2M (2023: £5.3M), which included the strategic capital works programme (the new Sixth Form buildings £1.9M, Health Centre / Watermill refurbishment £0.7M). Other capital expenditure included ongoing reinvestment into the fabric of the school and replacement vehicles. Investing in additional flexible capacity and improved core facilities will ensure Canford's future sustainability and there is a clear imperative to complete the strategic building plans which are essential to support future sustainability and success. All projects will remain subject to the usual governance and approval processes. The second half of the proceeds from the land sale was received during the year. Towards the end of the year a significant number of parents prepaid school fees. In total, this resulted in an increase in cash of £21.2M (2023: increase of £1.3M).

Overall the Governors were satisfied with this financial result. Future plans will require sufficient levels of surplus to provide sufficient income for the School's strategic plan objectives – a top-quality education, supported by talented staff in an inspiring environment – whilst ensuring that fees including VAT are not at a level that dissuades parents from choosing a Canford education for their children.

Reserves Policy

The beneficiaries of Canford School are its pupils; any reserves held must ultimately be for their benefit. Governors have determined that Canford should not hold excessive reserves, money that could otherwise be used for the benefit of pupils. Equally, insufficient reserves, in the event of a crisis, may mean that pupils experience undue disruption to their education.

Governors have reaffirmed their commitment for pupils to be able to complete the current academic year as a minimum. This strikes a balance between unduly tying up funds and minimising disruption in a crisis such as unplanned closure. To ensure this, the level of general reserves held will be equivalent to the sum of cash liabilities in the longest period in the academic year with no fee income, approximately £6M. This has been tested against several scenarios to confirm this level of reserves.

Whilst restricted funds fall outside the definition of free reserves, some restricted funds are maintained principally for the award of

bursaries and the advance payment of school fees. Designated funds are also held, in addition to the reserves above, for the purposes of matching the investment made in the fabric of the school, to fund the school's partnership activities and to provide bursaries.

At the year end the school held total funds of £58.9M, of which £3.2M was held in restricted funds principally for the award of bursaries. The Governors have designated a further £42.0M for the following purposes:

- a) to match the investment it has made over the years in the fabric of the school estate and is not therefore freely available £34.3M
- b) to set aside funds to support the school's partnership activities £0.3M; and
- c) to set aside funds that are invested for the provision of bursary support £7.4M.

After these designations, and the value of fixed assets not represented by the property fund, free reserves are £13.7M (2023: £9.2M) which the Governors consider exceed the reserves policy objective. This excess will be used for capital projects for the charity's beneficiaries, with around £12M committed at the balance sheet date. Most of these projects have commenced. Governors monitor reserve levels on a regular basis, considering the working capital management of the school and the desire to continually improve facilities.

Investment Policy and Objectives

Canford School holds investments in two portfolios with the prime objective to preserve and grow the capital value of funds, whilst generating sufficient income to meet current commitments. This is achieved through a balanced approach to income and asset growth and appropriate risk diversification. The policy recognises that there will be differing investment styles required for some of the restricted funds. The company's Articles of Association empower it to invest the monies of the company not immediately required, as it thinks fit.

The school uses external professional discretionary fund managers to achieve the investment objectives, which may be a single firm or several firms. The performance of these managers is reviewed regularly by the Investment Sub-committee of the Resources Committee as is the overall allocation of assets by type and manager. During the year, Rathbone Brothers PLC managed the investment portfolio and have discretionary management powers. In 2024 a gain of 11.7% (2023: 0.9% gain) was seen across the funds. Governors were satisfied with this result given the context of the external environment.

The largest portfolio comprises the Assyrian Fund and Canford Partnership Fund. The investment policy is to maximise long-term total return in such a way as to permit the regular award of scholarships and bursaries while maintaining or increasing the value of the fund in real terms. The second portfolio comprises various funds restricted by the donors for the provision of scholarships, bursaries, prizes and activities.

Grant Making Policy

This year, the value of scholarships, grants, prizes and other awards made to the School's pupils was £685K (2023: £758K). The Governors' policy is to make these awards based on the individual's educational potential, subject to the particular conditions imposed by the original donor where an award is made from restricted funds. In addition, means-tested bursary awards totalling £2,270K (2023: £2,006K) were provided. Funding from investments contributed £400K (2023: £360K) to this, with the remainder funded from fees income. The policy for awarding bursaries is to broaden access to the school for prospective pupils and to relieve hardship where a current pupil's education and future prospects would otherwise be at risk. Awards representing 90% or more of the fees went to 31 pupils (2023: 23). The availability of all such awards for fee assistance, together with the terms and conditions for each kind of award, is advertised on our website. In the year the Governors reaffirmed their plan to increase means tested fee assistance through fundraising.

Energy and Carbon Performance

Energy and carbon performance is an area which receives an ever-increasing focus in the School. The Governors Environmental, Social and Governance Committee are responsible for the strategy to reduce the School's environmental impact and to monitor the implementation of the strategy. During the year, several steps were taken to improve environmental performance including an ongoing focus on monitoring and adjusting heating and hot water provision. Whilst gas usage rose, adjusting for the temperature difference over the two years shows that gas is being used increasingly efficiently. The roll out of LED lighting continued. These measures resulted in the level of CO₂e per pupil increasing by 2.7% in 2024 (2023: 17% reduction).

	Energy type	2024 CO2 kg	2023 CO2 kg	Notes
Scope 1 emissions	Transport - diesel	56,303	56,424	Fuel for minibuses, vans and cars
	Transport - unleaded	4,104	4,237	
Scope 2 emissions	Electricity*	382,275	385,093	All School buildings
	Gas	850,628	794,209	
Total		1,293,310	1,239,963	

kg CO2e per pupil	1,960	1,908
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* Note that electricity emissions have been determined using the UK Government's standard conversion factors. However, the School's electricity is sourced through a renewable energy contract so this element of our emissions is essentially carbon neutral.

For all capital projects, consideration is given to the full range of heat generation options. Each is evaluated on its likely reduction of carbon emissions, along with the practicalities of the location, likely impact on the setting and surrounding grounds, along with technical and cost considerations. New buildings have building management systems to optimise hot water heating efficiencies and ventilation is either natural or makes use of high efficiency plate heat exchangers, where required. All lighting is based on low energy LED technology, with daylight and motion sensors. Almost all the school's electricity is from renewable sources and some equipment in the kitchens has been switched to electricity from gas to take advantage of this. Ground source boreholes will provide heat for the new Sixth Form buildings, which will also be equipped with solar panels. Significant further work is planned for three solar panel installations which will be onstream by autumn 2025. Other options to reduce carbon emissions are being investigated.

To determine the School's CO2 emissions, we have followed the 2019 HM Government Environmental Reporting Guidelines, used the GHG Reporting Protocol – Corporate Standard and the 2024 UK Government's Conversion Factors for Company Reporting.

Risk Management

The Board of Governors is responsible for the management of risks faced by the School. Risks are identified and reviewed by the School's leadership team and split into functional risk areas. The Governors' functional sub-committees review their risk areas on a termly basis, implementing appropriate mitigation measures. The most significant risks are reviewed by the Governing Body each term. Through this process, the Governors are satisfied that the major risks to the School have been identified and reasonably mitigated with key controls.

The Governors consider the major risks to the School to be:

- The political opposition to independent schools threatening the viability of the business model and legality of the sector, including the imposition of VAT on school fees and the withdrawal of charitable business rate relief for independent schools.
- Competition from other schools could adversely affect pupil numbers.
- Penalties or restrictions following regulatory inspections.
- Significant disruption to school activities from power outages, fire or the failure of key computer hardware or software.
- Pupils significantly underachieve their potential.
- A challenging economic or political outlook and / or a rising cost base could affect the affordability of Canford's fees, exacerbated by the imposition of VAT on school fees.
- A lack of readily available financial reserves might limit the School's ability to respond to unexpected catastrophic events.
- Staff costs rise at unsustainable levels, given the increasing level of employer pension contributions, National Living Wage and inflationary challenges.
- A road traffic accident or similar incident leads to injury or death, on or off school premises.

The key controls include:

- Strategic risk assessments and risk assessments for individual activities and departments.
- Planning, budgeting and management accounting, focussing funds on critical areas of infrastructure with clear communication to parents on effects of VAT on school fees.
- Clear Terms of Reference for all Committees and appropriate membership, ensuring oversight of high educational standards, relations with feeder schools, all aspects of health and safety, the financial position of the school and IT systems.
- Formal written policies.
- Vetting procedures as required by law for the protection of vulnerable people.
- Clear organisational structure, lines of reporting and authority limits.
- Formal agenda and minutes to support decisions of all Committee and Governing Body activities.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Governors, who are Directors for the purposes of Company Law, are responsible for preparing the Directors and Trustees' Report, incorporating the strategic report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Directors are required to:

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

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

So far as each of the Directors is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company and group's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

HaysMac LLP have expressed their willingness to continue as auditors to Canford School Limited.

This report was approved by the Board on 29 November 2024 and signed on its behalf by:



Sir Gary Coward
Director/Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANFORD SCHOOL LIMITED

Opinion

We have audited the financial statements of Canford School Limited for the year ended 31 July 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Cash flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2024 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors and Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Directors and Trustees' 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors and Trustees' Report (which incorporates the strategic report and the directors' report).

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission and the Independent Schools Inspectorate, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as payroll tax and sales tax.

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

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Review of Governor's meeting minutes during the year;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates

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

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

Use of our report

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

or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

On 18th November 2024, haysmacintyre LLP changed its name to HaysMac LLP.



Richard Weaver (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 6 December 2024

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure account)

Note	2024				2023				
	General Funds	Designated Funds	Restricted Funds	Total 2024	General Funds	Designated Funds	Restricted Funds	Total 2023	
	£	£	£	£	£	£	£	£	
INCOME FROM									
Income from charitable activities									
School fees receivable	2	24,193,282	0	0	24,193,282	22,148,298	0	0	22,148,298
Other educational income	4	519,848	0	0	519,848	467,365	0	0	467,365
Other ancillary trading income	4	167,864	0	0	167,864	161,692	0	0	161,692
		24,880,994	0	0	24,880,994	22,777,355	0	0	22,777,355
Other trading activities									
Fundraising		130,058	0	372,936	502,994	47,376	0	351,829	399,205
Trading company	3	1,107,003	0	0	1,107,003	1,001,869	0	0	1,001,869
Rents and school lets		460,236	0	0	460,236	402,087	0	0	402,087
Income from Investments	5	218,112	187,827	75,277	481,216	111,960	162,154	80,425	354,539
Other income	4	14,520	0	0	14,520	(25,074)	0	0	(25,074)
Total Income		26,810,923	187,827	448,213	27,446,963	24,315,573	162,154	432,254	24,909,981
EXPENDITURE ON									
Expenditure on raising funds	6	1,465,638	30,343	(44,637)	1,451,344	1,254,504	28,333	178,258	1,461,095
Expenditure on Charitable activities	6	23,475,954	0	354,234	23,830,188	21,274,899	5,000	158,799	21,438,698
Total Expenditure	6	24,941,592	30,343	309,597	25,281,532	22,529,403	33,333	337,057	22,899,793
NET INCOME before transfers and investments gains/(losses)		1,869,331	157,484	138,616	2,165,431	1,786,170	128,821	95,197	2,010,188
OPERATING SURPLUS before investment gains/(losses)									
		1,739,273	157,484	(234,320)	1,662,437	1,738,794	128,821	(256,632)	1,610,983
Net gains/(losses) on Investments		0	547,233	242,676	789,909	0	(112,510)	(53,677)	(166,187)
FUNDRAISING INCOME		130,058	0	372,936	502,994	47,376	0	351,829	399,205
Net Income		1,869,331	704,717	381,292	2,955,340	1,786,170	16,311	41,520	1,844,001
Additions to reserves									0
Transfers between funds		2,591,636	(2,435,658)	(286,185)	(130,207)	(3,780,502)	3,780,502	(210,477)	(210,477)
Transfers between funds		2,591,636	(2,435,658)	(286,185)	(130,207)	(3,780,502)	3,780,502	(210,477)	(210,477)
NET MOVEMENT IN FUNDS		4,460,967	(1,730,941)	95,107	2,825,133	(1,994,332)	3,796,813	(168,957)	1,633,524
Fund balance brought forward at 1 August		9,221,062	43,704,205	3,111,574	56,036,841	11,215,394	39,907,392	3,280,531	54,403,317
Balance carried forward at 31 July	17	13,682,029	41,973,264	3,206,681	58,861,974	9,221,062	43,704,205	3,111,574	56,036,841

All operations of the group continued throughout both years and no operations were acquired or discontinued in either year. The group had no recognised gains or losses in the year other than those above. The statement of financial activities includes the income and expenditure account.

The notes on pages 22 to 35 form an integral part of these financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEETS

CANFORD SCHOOL LIMITED AS AT 31 JULY 2024

COMPANY REGISTERED NO: 190956

	Notes	Group		Charity	
		July 2024 £	July 2023 £	July 2024 £	July 2023 £
FIXED ASSETS					
Cost		63,851,304	60,717,678	63,662,568	60,528,942
Depreciation		(20,257,871)	(17,593,309)	(20,107,045)	(17,450,006)
Tangible Fixed Assets	8	<u>43,593,433</u>	<u>43,124,369</u>	<u>43,555,523</u>	<u>43,078,936</u>
INVESTMENTS					
Investment in subsidiary undertaking	9	0	0	100	100
Investment for composition fees	10	0	0	0	0
Restricted investments	11	3,152,118	2,869,975	3,152,118	2,869,975
Other investments	11	7,661,075	6,956,358	7,661,075	6,956,358
		<u>10,813,193</u>	<u>9,826,333</u>	<u>10,813,293</u>	<u>9,826,433</u>
CURRENT ASSETS					
Stocks	12	165,047	138,224	19,773	23,551
Debtors	13	1,261,443	4,081,631	1,795,298	4,406,753
Cash at bank and in hand		27,027,250	5,855,971	26,670,767	5,636,612
		<u>28,453,740</u>	<u>10,075,826</u>	<u>28,485,838</u>	<u>10,066,916</u>
CREDITORS amounts falling due within one year	14	(14,101,121)	(6,873,953)	(14,152,953)	(6,828,174)
NET CURRENT ASSETS		<u>14,352,619</u>	<u>3,201,873</u>	<u>14,332,885</u>	<u>3,238,742</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>68,759,245</u>	<u>56,152,575</u>	<u>68,701,701</u>	<u>56,144,111</u>
CREDITORS amounts falling due after more than one year	15	(9,897,271)	(115,734)	(9,897,271)	(115,735)
NET ASSETS		<u>58,861,974</u>	<u>56,036,841</u>	<u>58,804,430</u>	<u>56,028,376</u>
UNRESTRICTED FUNDS					
General fund		13,682,029	9,221,062	13,624,485	9,212,597
Designated funds:					
Property fund		34,320,939	36,756,597	34,320,939	36,756,597
Assyrian Fund		7,356,156	6,679,501	7,356,156	6,679,501
Canford Partnership fund		296,169	268,107	296,169	268,107
RESTRICTED FUNDS		<u>3,206,681</u>	<u>3,111,574</u>	<u>3,206,681</u>	<u>3,111,574</u>
TOTAL FUNDS	17	<u>58,861,974</u>	<u>56,036,841</u>	<u>58,804,430</u>	<u>56,028,376</u>

The surplus of the parent charitable company before consolidation was £1,869,331 (2023: £1,786,170).

The financial statements were approved and authorised for issue by the Board of Directors on 29 November 2024 were signed on its behalf by:



Sir Gary Coward
Chair

Chair of Resources Committee

Rev John Simmons

The notes on pages 22 to 35 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT**FOR THE YEAR ENDED 31 JULY 2024**

	2024	2023
	£	£
Net movement in funds	2,825,133	1,633,524
Investment income receivable	(481,216)	(354,539)
(Gains)\losses on investments	<u>(789,909)</u>	<u>166,188</u>
Operating surplus for the year	1,554,008	1,445,173
Depreciation	2,689,949	1,793,115
(Profit)\loss on disposal of fixed assets	(3,827)	37,400
Amortisation of lease granted over land	(7,666)	(7,666)
Discount given on Composition fees	(57,455)	3,246
Decrease \ (increase) in stocks	(26,823)	(21,412)
(Increase)\decrease in debtors	5,726,158	(150,017)
(Decrease)\increase in creditors	17,164,296	(473,105)
Net cash inflow from operating activities	<u>27,038,640</u>	<u>2,626,734</u>
Investing		
Investment income received	481,216	354,539
Purchase of tangible fixed assets	(3,192,576)	(4,642,929)
Proceeds from sale of tangible fixed assets	(2,902,143)	2,853,564
Net Sale\ (Purchase) of investments	(196,951)	(85,342)
Net movement in composition fee investments	<u>0</u>	<u>499,340</u>
Net cashflow from capital expenditure and financial investments	<u>(5,810,454)</u>	<u>(1,020,828)</u>
Net cash inflow/(outflow) before financing	<u>21,228,186</u>	<u>1,605,906</u>
Financing		
Composition fees received	0	0
Composition fee payments and transfers	(37,038)	(286,585)
Lessee's payments for the reduction of the outstanding liability relating to a finance lease	<u>(19,869)</u>	<u>0</u>
Net cashflow from financing	(56,907)	(286,585)
Increase in cash in the year	<u>21,171,279</u>	<u>1,319,321</u>
	Note 22	
Cash and cash equivalents at the start of the year	5,855,971	4,536,650
Cash and cash equivalents at the end of the year	27,027,250	5,855,971

The notes on pages 22 to 35 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES

a) *General information*

The Charity is a private company limited by guarantee, incorporated in England and Wales (company number 190956) and a charity registered in England and Wales (charity number 306315). The Charity's registered office address is The Bursary, Canford School, Wimborne, Dorset BH21 3AD.

b) *Basis of accounting*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Canford School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). Financial statements are prepared in pounds sterling rounded to the nearest pound.

These financial statements consolidate the results of the charity and its wholly owned subsidiary Cheneford Limited. In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Canford School Limited.

The Trustees have reviewed the appropriateness of adopting the going concern basis of accounting in preparing the annual financial statements to assess whether the charity was viable in accordance with the new requirement of the UK Corporate Governance Code. The assessment included a review of the budget and principal risks facing the charity, their potential impact, how they were being managed and a review as to the appropriate period for the assessment. The Governors are confident that there is a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due over the one-year period of the assessment and there are no material uncertainties in making this assessment.

c) *Significant judgements and sources estimation uncertainty*

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Charity's accounting policies. The key judgements that have been applied by management relate to:

- Items covered above in Basis of accounting, such as determining the charity is a going concern, and
- Estimates regarding pensions liabilities have been made and are covered in Note 21.

d) *Income and expenditure*

School fees and operating expenses are included in the financial statements on the accruals basis. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school. Entrance and registration fees are credited to income in the year in which they are received. All income and expenditure included in the financial statements is from continuing operations.

Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to the management estimates of time spent or space occupied, as appropriate. VAT is included with the item of expenditure to which it relates. Governance costs comprise the cost of running the company, including strategic planning for its future development, external audit, and all the costs of complying with constitutional and statutory requirements, such as the cost of governor and committee meetings and preparing financial statements.

e) *Termination payments*

Termination payments are accounted for in the year in which the commitment is made. This applies to pay in lieu of notice, redundancy payments and payments under compromise agreements.

f) *Donations*

Donations of tangible fixed assets are capitalised, and a matching gift in kind is accounted for as a donation within the Statement of Financial Activities. Other donations are accounted for within the Statement of Financial Activities and are recognised when the school is entitled to the receipt.

g) *Repairs and maintenance*

Repairs and maintenance expenditure is charged as an operating expense in the year in which it is incurred net of any grants

receivable.

h) Investments

The investments are stated at market value, less any provision for permanent diminution in value. It is the company's policy to keep valuation up to date such that when investments are sold there is no gain or loss arising. As a result, the Statement of Financial Activities only includes those unrealised gains or losses arising from the revaluation of the investment portfolio throughout the year. The school also holds an investment at cost in its subsidiary, Cheneford Limited, shown in Note 9.

i) Tangible fixed assets and depreciation

Freehold land and buildings

Expenditure relating to the acquisition of and extensions to freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less depreciation and any provision for impairment. No depreciation is charged on freehold land. Leases granted over land are amortised over the term of the lease. Land and buildings are reviewed annually for impairment in accordance with FRS 102.

Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Donations of tangible fixed assets are capitalised at their cash value or at estimated cash value if received in kind. Depreciation is provided on tangible fixed assets so as to write off their cost, less estimated residual value, by equal instalments over the expected useful lives of the assets concerned. Assets with a cost of more than £5,000 are capitalised. The estimated useful lives are considered to be as follows:

Freehold buildings	-	Up to 50 years
Property improvements	-	5 – 25 years
Plant and equipment	-	3 – 20 years
Computer equipment	-	4 – 7 years
Furniture, fixtures and fittings	-	10 – 20 years
Motor vehicles	-	4 Years

j) Composition fees

Composition fees represent payments in advance in a restricted fund in respect of school fees for current and future pupils. During 2022 the Composition Fund investment account was closed, with the funds held as cash to match future liabilities and the investment gain returned to the General Fund.

k) Stocks

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

l) Assets acquired under finance leases

Assets acquired under finance leases, which confer rights and obligations similar to those attached to owned assets are capitalised and included under tangible fixed assets in the balance sheet and are depreciated over the shorter of the lease term and their useful lives.

The capital elements of finance lease obligations are recorded as liabilities while the interest elements are charged to the Statement of Finance Activities over the primary lease period, to produce a constant rate of charge on the balance of capital repayments outstanding.

m) Operating leases

Assets used by the school under operating leases are not capitalised. The costs associated with their rental are charged on a straight-line basis over the lease term, even if the payments are not made on such basis.

n) Pensions

The School's professional teaching staff are members of a Superannuation Scheme operated by the Department for Education and Skills. This is a multi-employer defined benefits scheme and individual schools are not able to identify their share of the underlying assets and liabilities of the scheme. The results for the year are stated after charging the relevant employer's contributions to this scheme. Other staff are members of a defined contribution scheme. Further information and the basis of accounting is given in Note 21.

o) Taxation

The School is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

p) Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

2. FEES

	2024	2023
	£	£
Gross School Fees	27,304,809	24,997,510
Less: scholarships, bursaries, grants and allowances	(3,511,419)	(3,209,212)
	<hr/>	<hr/>
	23,793,390	21,788,298
Add: scholarships funded from Assyrian Fund and from Scholarship Bursary and Prize Fund	399,892	360,000
	<hr/>	<hr/>
	<u>24,193,282</u>	<u>22,148,298</u>

3. INCOME FROM SUBSIDIARY'S TRADING ACTIVITIES

The company owns 100% of the issued share capital of Cheneford Limited, a company registered in England, after one share was transferred back to the company during the year (company number: 2694274). The company leases the Sports Centre and lets the facilities of the school, including a golf course, for use by the public and various organisations. The subsidiary's net profit is paid to Canford under a Deed of Covenant.

The subsidiary's trading results for the year, as extracted from the audited financial statements, are summarised below:

	2024	2023
	£	£
Turnover	1,781,687	1,637,384
Cost of Sales	(1,374,932)	(1,322,819)
	<hr/>	<hr/>
Gross Profit	406,755	314,565
Administration expenses	(185,571)	(182,908)
Other operating income	0	0
	<hr/>	<hr/>
Operating profit	221,184	131,657
Interest receivable	7,386	3,226
Interest payable	(66)	0
	<hr/>	<hr/>
Net profit	<u>228,504</u>	<u>134,883</u>

Turnover includes £674,684 (2023: £635,515) supplied to the School. Costs include contributions to the overheads of the School totalling £207,706 (2023: £163,548). These intercompany transactions are excluded from the consolidated figures shown on the SOFA and in note 6.

At 31 July 2024 there was a balance of £566,374 (2023: £357,405) owed by Cheneford to Canford School Limited and £251,463 (2023: £134,886) owed by Canford School Limited to Cheneford Limited.

The subsidiary's balance sheet as at 31 July 2024 as extracted from the audited financial statements is summarised below:

	2024	Restated 2023
	£	£
Fixed assets	37,910	45,432
Current assets	785,745	501,201
Less current liabilities	(766,011)	(488,989)
Long term liabilities	0	0
Net Assets	<u>57,644</u>	<u>57,644</u>
Called up share capital	100	100
Profit and loss account	57,544	57,544
	<u>57,644</u>	<u>57,644</u>

4. OTHER INCOME

	2024	2023
	£	£
Other educational charitable activities		
Fee income for extra subjects	368,846	340,330
Entrance and registration fees	116,970	91,261
Courses and sub lettings	34,032	35,774
	<u>519,848</u>	<u>467,365</u>
Other ancillary trading income		
Ancillary income	167,864	161,692
Insurance commission	0	0
	<u>167,864</u>	<u>161,692</u>
Other income		
Gain / (Loss) on Sales of Fixed Assets	3,827	(37,400)
Other operational income	3,027	4,660
Amortisation of lease granted over land	7,666	7,666
	<u>14,520</u>	<u>(25,074)</u>

5. INVESTMENT INCOME

	General Funds	Restricted Funds	2024 Total	General Funds	Restricted Funds	2023 Total
	£	£	£	£	£	£
Investment income	187,827	75,277	263,104	162,154	80,425	242,579
Interest received	218,112	0	218,112	111,960	0	111,960
	<u>405,939</u>	<u>75,277</u>	<u>481,216</u>	<u>274,114</u>	<u>80,425</u>	<u>354,539</u>

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs	Other costs	Depreciation	2024 Total	Staff costs	Other costs	Depreciation	2023 Total
	£	£	£	£	£	£	£	£
Costs of generating funds:								
Fundraising	139,185	102,425	0	241,610	114,143	76,748	0	190,891
Trading costs of subsidiary	685,166	438,294	7,523	1,130,983	599,680	546,754	5,979	1,152,413
Finance costs	0	78,751	0	78,751	0	117,791	0	117,791
	<u>824,351</u>	<u>619,470</u>	<u>7,523</u>	<u>1,451,344</u>	<u>713,823</u>	<u>741,293</u>	<u>5,979</u>	<u>1,461,095</u>
Charitable Activities								
Provision of education								
-Teaching	8,628,090	269,566	0	8,897,656	7,892,155	337,218	0	8,229,373
-Welfare	3,708,716	1,154,423	0	4,863,139	3,488,382	1,218,353	0	4,706,735
-Premises	1,122,724	2,744,603	2,682,426	6,549,753	1,067,725	2,714,174	1,787,136	5,569,035
-Support costs	2,057,176	1,020,291	0	3,077,467	1,818,475	870,304	0	2,688,779
Governance	0	80,253	0	80,253	0	69,662	0	69,662
	<u>15,516,706</u>	<u>5,269,136</u>	<u>2,682,426</u>	<u>23,468,268</u>	<u>14,266,737</u>	<u>5,209,711</u>	<u>1,787,136</u>	<u>21,263,584</u>
Grants, awards and prizes	0	361,920	0	361,920	0	175,114	0	175,114
	<u>15,516,706</u>	<u>5,631,056</u>	<u>2,682,426</u>	<u>23,830,188</u>	<u>14,266,737</u>	<u>5,384,825</u>	<u>1,787,136</u>	<u>21,438,698</u>
Total Expenditure	<u>16,341,057</u>	<u>6,250,526</u>	<u>2,689,949</u>	<u>25,281,532</u>	<u>14,980,560</u>	<u>6,126,118</u>	<u>1,793,115</u>	<u>22,899,793</u>

All support costs relate to the provision of education. Support staff costs include the salaries of the Headmaster, Finance, Human Resources, IT, Marketing and Admissions. Other support costs include computer equipment, photocopying equipment, software licences professional fees and the apprenticeship levy.

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Charitable activities include:				
Depreciation on owned assets	2,689,949	1,793,115	2,682,426	1,787,136
Operating leases	40,280	78,022	40,280	78,022
Finance costs include				
Bad debts expense	68,743	84,118	84,912	67,161
Governance costs include				
Auditors remuneration for				
Audit services	29,271	31,120	24,594	28,020
Other service	1,560	450	1,560	450

7. STAFF COSTS

	2024	2023
	£	£
Total staff costs were as follows:		
Wages and salaries	12,964,671	11,977,024
Social security costs	1,255,987	1,149,827
Pension contributions	2,120,399	1,853,709
	<u>16,341,057</u>	<u>14,980,560</u>

The governors received no remuneration during the year (2023: £nil). An aggregate amount of £514 was reimbursed to 4 governors during the year, in respect of travel expenses (2023: £843 to 5 governors). One Governor has a child in the school paid at

standard rates. Two Governors have a child / grandchild who receive merit-based scholarships. The related Governors were not involved in the decisions to make these awards.

Related party transactions

No related party transactions occurred during the year (2023: one transaction for £76,251.66).

	2024	2023
	No.	No.
Staff numbers		
The number of employees in the year were:	488	449
The number of employees whose emoluments exceeded £60,000 were		
£60,001 to £70,000	41	32
£70,001 to £80,000	13	8
£80,001 to £90,000	2	4
£90,001 to £100,000	4	0
£110,001 to £120,000	0	1
£120,001 to £130,000	1	0
£130,001 to £140,000	1	0
£240,001 to £250,000	0	1
£250,001 to £260,000	1	0

There are a number of key management personnel in the School including the Senior Management Team and the Support Staff Senior Management Team. The total amount of remuneration, benefits and pensions paid to this group of individuals was £1,986,086 (2023: £1,827,070).

In addition to the above payments and those contained in the bandings above, the School provides fee remission to teaching and some senior staff typical for the independent school sector and accommodation (or reimbursement for own accommodation) to staff who are entitled to accommodation by virtue of their role.

Pension contributions and commitments

Teaching staff are eligible to contribute to the Teachers' Pension Scheme. Support staff are eligible to contribute to a personal pension plan, which is a defined contribution scheme administered by Scottish Widows. All schemes permit staff to make additional voluntary contributions.

Further details relating to these pension schemes are set out in note 21.

	2024	2023
	£	£
Pension contributions		
Total employer contributions incurred during the year were:		
Teaching staff	1,375,061	1,216,261
Support staff	745,338	637,448
	<u>2,120,399</u>	<u>1,853,709</u>
Redundancy & Termination Payments	£	£
made in the year totalled	52,000	11,384

8. TANGIBLE FIXED ASSETS – GROUP

	Freehold property	Plant & equipment	Computer equipment	Furniture, fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£
Historic cost						
Opening - 1st August	47,829,164	6,666,556	1,582,244	4,241,078	398,636	60,717,678
Transfers	(4,125,255)	1,425,164	733,466	1,966,624	0	(1)
Additions	2,757,501	139,496	52,280	64,898	147,376	3,161,551
Disposals	0	(2,537)	0	0	(25,387)	(27,924)
Closing - 31st July	46,461,410	8,228,679	2,367,990	6,272,600	520,625	63,851,304
Depreciation						
Opening - 1st August	11,050,424	3,443,690	1,351,237	1,453,060	294,898	17,593,309
Transfers	0	0	0	0	0	0
Charge in year	1,090,046	707,935	309,558	514,418	67,992	2,689,949
Disposals	0	0	0	0	(25,387)	(25,387)
Closing - 31st July	12,140,470	4,151,625	1,660,795	1,967,478	337,503	20,257,871
Net Book Value						
Opening - 1st August	36,778,740	3,222,866	231,007	2,788,018	103,738	43,124,369
Closing - 31st July	34,320,940	4,077,054	707,195	4,305,122	183,122	43,593,433

8. TANGIBLE FIXED ASSETS – CHARITY

	Freehold property	Plant & equipment	Computer equipment	Furniture, fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£
Historic cost						
Opening - 1st August	47,829,164	6,488,909	1,571,155	4,241,078	398,636	60,528,942
Transfers	(4,125,255)	1,425,164	733,466	1,966,624	0	(1)
Additions	2,757,501	139,496	52,280	64,898	147,376	3,161,551
Disposals	0	(2,537)	0	0	(25,387)	(27,924)
Closing - 31st July	<u>46,461,410</u>	<u>8,051,032</u>	<u>2,356,901</u>	<u>6,272,600</u>	<u>520,625</u>	<u>63,662,568</u>
Depreciation						
Opening - 1st August	11,050,425	3,311,475	1,340,148	1,453,060	294,898	17,450,006
Transfers	0	0	0	0	0	0
Charge in year	1,090,045	700,413	309,558	514,418	67,992	2,682,426
Disposals	0	0	0	0	(25,387)	(25,387)
Closing - 31st July	<u>12,140,470</u>	<u>4,011,888</u>	<u>1,649,706</u>	<u>1,967,478</u>	<u>337,503</u>	<u>20,107,045</u>
Net Book Value						
Opening - 1st August	36,778,739	3,177,434	231,007	2,788,018	103,738	43,078,936
Closing - 31st July	<u>34,320,940</u>	<u>4,039,144</u>	<u>707,195</u>	<u>4,305,122</u>	<u>183,122</u>	<u>43,555,523</u>

9. INVESTMENTS

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Investment in subsidiary undertaking	-	-	100	100

10. COMPOSITION FEES

The investments are managed by Rathbone Brothers PLC in accordance with an investment policy established by the school as a trustee. The surplus of funds invested over liabilities has been recognised and is shown as a restricted reserve. This scheme was closed to new entrants in October 2020 and the investment fund was closed in May 2023.

	2024	2023
	£	£
At 1 August 2023	105,415	525,442
Composition fees received	0	0
Income arising from investments	0	(16,452)
Management fees and similar charges	0	(1,558)
Payments	0	(289,987)
Cash transferred	0	(217,445)
Net Movement in the year	<u>0</u>	<u>(525,442)</u>

Total liability as at 31 July 2024	37,038	105,415
Unrealised gain/(loss) on investments	0	0
At 31 July 2024	<u>37,038</u>	<u>105,415</u>

Represented by:

Investment with Rathbones	0	0
Cash at bank	37,038	105,415
Interest Receivable	0	0
	<u>37,038</u>	<u>105,415</u>

11. OTHER INVESTMENTS

2024	2023
£	£

a) Assyrian Fund

Cost of assets representing School Funds	<u>7,060,809</u>	<u>6,718,763</u>
Market value of assets representing School Funds	<u>7,652,325</u>	<u>6,947,608</u>

The funds are invested by Rathbones.

2024	2023
Total	Total
£	£

UK equities	1,774,619	1,589,324
Overseas equities	2,774,940	1,995,428
Index linked	139,038	355,020
Other	2,920,523	2,896,970
Cash and commitments	43,205	110,866
	<u>7,652,325</u>	<u>6,947,608</u>

2024
£

Reconciliation of Movement in Fund

B/Fwd	6,947,608
Additions	1,594,626
Disposals	(1,369,602)
Profit /(Loss) on Disposals	184,562
Unrealised Gains/(Losses)	362,671
Cash Movements	(67,540)
C/Fwd	<u>7,652,325</u>

b) Other Assets held as Investments

Market value of assets representing School Funds	<u>8,750</u>	<u>8,750</u>
--	--------------	--------------

Total Other Investments	<u>7,661,075</u>	<u>6,956,358</u>
--------------------------------	-------------------------	-------------------------

	2024	2023
	£	£
c) Restricted Funds - Scholarship, Bursaries and Prize Fund		
Investments representing restricted funds at cost	2,886,412	2,727,879
Market value of assets representing restricted funds	3,152,118	2,869,975
The funds are invested by Rathbones		
	2024	2023
	Total	Total
	£	£
UK equities	871,612	722,466
Overseas equities	1,451,819	1,101,379
Index linked	76,927	102,735
Other	739,206	885,608
Cash and commitments	12,554	57,787
	<u>3,152,118</u>	<u>2,869,975</u>

	2024
	£
Reconciliation of Movement in Fund	
B/Fwd	2,869,974
Additions	780,042
Disposals	(695,631)
Profit /(Loss) on Disposals	119,066
Unrealised Gains/(Losses)	123,610
Cash Movements	(44,944)
C/Fwd	<u>3,152,118</u>

The investments are managed by Rathbones Investment Management Ltd in accordance with an investment policy established by the School as trustee. Notes 17 and 18 show the funds to which these investments relate.

12. STOCKS

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Goods for resale	165,047	138,224	19,773	23,551

The replacement cost of stocks is not considered to be materially different from their historical costs.

13. DEBTORS

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Debtors in respect of school fee account	447,088	522,776	447,088	522,776
Amounts owed by subsidiary undertaking	0	0	566,374	357,405
Other debtors	44,098	2,940,195	16,348	2,914,140
Prepayments and accrued income	770,257	618,660	765,488	612,432
	<u>1,261,443</u>	<u>4,081,631</u>	<u>1,795,298</u>	<u>4,406,753</u>

Other Debtors 2023 includes half of the proceeds of land sale, paid in April 2024.

14. CREDITORS: amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
School fees paid on account	10,745,884	3,743,217	10,745,884	3,743,217
Composition fees (see note 10)	0	0	0	0
Trade creditors	742,106	554,494	737,446	543,105
Amounts owed to subsidiary undertaking	0	0	251,469	134,886
Other creditors	647,369	612,478	605,541	562,108
Taxation & social security	321,544	301,229	292,198	273,851
Finance lease obligations	(4,775)	0	(4,775)	0
Accruals and deferred income	1,648,993	1,662,535	1,525,190	1,571,007
	<u>14,101,121</u>	<u>6,873,953</u>	<u>14,152,953</u>	<u>6,828,174</u>

15. CREDITORS: amounts falling due after more than one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Composition fees due 2 - 5 years (see note 10)	0	0	0	0
Composition fees due more than 5 years (see note 10)	0	0	0	0
Prepaid fees due 2 - 5 years	9,805,042	0	9,805,042	0
Prepaid fees due more than 5 years	0	0	0	0
Deferred Income due 2 - 5 years	30,664	30,664	30,664	30,664
Deferred Income more than 5 years	76,659	84,325	76,659	84,325
Finance lease obligations due 2 - 5 years	(15,094)	0	(15,094)	0
Finance lease obligations more than 5 years	0	0	0	0
Pension Scheme Deficit 2 - 5 years (see note 21)	0	745	0	746
Pension Scheme Deficit more than 5 years (see note 21)	0	0	0	0
	<u>9,897,271</u>	<u>115,734</u>	<u>9,897,271</u>	<u>115,735</u>

The Deferred Income relates to a lease granted over land and is amortised over the life of the lease.

16. MOVEMENT IN TOTAL DEFERRED INCOME

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
As at 1st August	329,242	314,985	264,722	247,488
New Deferred Income	208,638	113,678	135,873	49,158
Released to SOFA	(305,474)	(99,421)	(240,954)	(31,924)
As at 31st July	<u>232,406</u>	<u>329,242</u>	<u>159,641</u>	<u>264,722</u>

17. FUNDS

	1 August 2022	Income	Expenditure	Gain(Loss) on Investment Assets	Transfer Between Funds	1 August 2023	Income	Expenditure	Gain(Loss) on Investment Assets	Transfer Between Funds	31 July 2024
	£	£	£	£	£	£	£	£	£	£	£
Unrestricted Funds											
Assyrian Fund	6,659,027	155,784	(27,220)	(108,090)	0	6,679,501	180,325	(29,127)	534,645	(9,188)	7,356,156
Canford Partnership Fund	272,270	6,370	(6,113)	(4,420)	0	268,107	7,502	(1,216)	12,588	9,188	296,169
Designated Property Fund	32,976,095	0	0	0	3,780,502	36,756,597	0	0	0	(2,435,658)	34,320,939
	39,907,392	162,154	(33,333)	(112,510)	3,780,502	43,704,205	187,827	(30,343)	547,233	(2,435,658)	41,973,264
General Fund	11,206,929	23,608,909	(21,822,739)		(3,780,502)	9,212,597	26,083,665	(24,107,435)		2,435,658	13,624,485
Total Unrestricted School Funds	51,114,321	23,771,063	(21,856,072)	(112,510)	0	52,916,802	26,271,492	(24,137,778)	547,233	0	55,597,749
Restricted Funds											
Composition Fees Fund	238,857	9,680	107,075	(26,132)	(224,065)	105,415	0	0	0	(68,377)	37,038
Scholarship Bursary and Prize Fund	3,041,674	422,573	(701,543)	(27,545)	271,000	3,006,159	406,519	(367,052)	242,676	(118,659)	3,169,643
Total Restricted School Funds	3,280,531	432,253	(594,468)	(53,677)	46,935	3,111,574	406,519	(367,052)	242,676	(187,036)	3,206,681
Total Charity Funds	54,394,852	24,203,316	(22,450,540)	(166,187)	46,935	56,028,376	26,678,011	(24,504,830)	789,909	(187,036)	58,804,430
Subsidiary Reserves	57,544	1,485,255	(1,485,255)	0	0	57,544	1,603,343	(1,603,343)	0	0	57,544
	54,452,396	25,688,571	(23,935,795)	(166,187)	46,935	56,085,920	28,281,354	(26,108,173)	789,909	(187,036)	58,861,974

The total of the Income and Expenditure in each year above matches the Net Income before transfers and investments gains/(losses) on the SOFA.

The cost of scholarships in the year from the Assyrian Fund and the Scholarship, Bursary and Prize Funds are included within the total for "scholarships, bursaries, grants and allowances" in note 2.

Purpose of funds**Unrestricted Funds**

Assyrian Fund	This is designated for annual scholarship and bursary awards to pupils.
Canford Partnership Fund	This is designated for work carried out by pupils on trips to orphanages in countries such as Argentina, Ghana and India.
Designated Property Fund	This is designated to match the value of the investment made over the years in the fabric of School buildings.
General Fund	General reserves are available to the group. Governors monitor this fund on a regular basis, considering the working capital management of the School and the desire to continually improve facilities.

Restricted Funds

Composition Fees Fund	This is restricted to the advance payment of fees, and represents funds received in respect of school fees for current and future pupils. This scheme was close to new entrants in October 2020.
Scholarship Bursary and Prize Fund	This is restricted to terms set out by donors for the provision of scholarships, bursaries, prizes and activities.

Transfers between funds

£2,435,658 was transferred from the designated property fund to the general fund to match the movement in net book value of freehold land and buildings.

18. ALLOCATION OF NET ASSETS TO FUNDS

	Fixed assets	Investments	Other net assets/ (liabilities)	Long term liabilities	2024 Total	Fixed assets	Investments	Other net assets/ (liabilities)	Long term liabilities	2023 Total
	£	£	£	£	£	£	£	£	£	£
Unrestricted General Fund	9,272,494	8,750	14,298,056	(9,897,271)	13,682,029	6,367,772	8,750	2,960,274	(115,734)	9,221,062
Unrestricted School Funds										
Assyrian Fund	0	7,356,156	0	0	7,356,156	0	6,679,501	0	0	6,679,501
Canford Partnership Fund	0	296,169	0	0	296,169	0	268,107	0	0	268,107
Designated Property Fund	34,320,939	0	0	0	34,320,939	36,756,597	0	0	0	36,756,597
	34,320,939	7,652,325	0	0	41,973,264	36,756,597	6,947,608	0	0	43,704,205
Restricted Funds										
Composition Fees Fund	0	0	37,038	0	37,038	0	0	109,937	0	109,937
Scholarship Bursary and Prize Fund	0	3,152,118	17,525	0	3,169,643	0	2,869,975	131,662	0	3,001,637
	0	3,152,118	54,563	0	3,206,681	0	2,869,975	241,599	0	3,111,574
	43,593,433	10,813,193	14,352,619	(9,897,271)	58,861,974	43,124,369	9,826,333	3,201,873	(115,734)	56,036,841

19. OPERATING LEASE COMMITMENTS

At 31 July 2024 the company's future minimum operating lease payments are as follows:

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Within one year	45,133	80,269	43,354	75,886
Between 1 and 5 years	39,434	58,916	38,100	55,804

At 31 July 2024 the company's future minimum operating lease income is as follows:

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Within one year	7,666	7,666	7,666	7,666
Between 1 and 5 years	30,664	30,664	30,664	30,664
Over 5 years	90,076	97,743	90,076	97,743

20. CAPITAL COMMITMENTS

Capital expenditure authorised and contracted for at the balance sheet date amounted to £12,414,064 (2023: £866,753)

21. PENSIONS

The Group operates two pension schemes: Teachers are enrolled in the Teachers' Pension Scheme and Support Staff are offered a Scottish Widows Group Personal Pension Plan. Staff who do not elect to join one of two schemes offered are swept up into the Scottish Widows scheme under auto-enrolment rules.

There are a small number of Support Staff who are active members of a legacy pension scheme, which is no longer offered to new members; The Pensions Trust Growth Plan. The School was also responsible for paying a share of the pension costs for employees of the Allied School Agency Limited which provides company secretarial and other services to the School. During the year the Allied School Agency gave notice to withdraw from the Pensions Trust Scheme. The School's share of the deficit withdrawal liability of £15K was paid during the year.

Teachers Pensions

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 £1,379,273 (2023: £1,212,591) and at the year end £173,770 (2023: £140,483) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in March 2020.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

22. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2023	Cashflows	31 July 2024
Cash	5,855,971	21,171,279	27,027,250
Composition fees	(286,585)	286,585	0
	<u>5,569,386</u>	<u>21,457,864</u>	<u>27,047,119</u>

CANFORD SCHOOL LIMITED

England & Wales - Charity number 306315

Accounts

CANFORD SCHOOL LIMITED
(Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

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Bankers

Barclays Bank Plc
PO Box 612
Ocean Village
Southampton
SO14 2ZP

Insurance Brokers

Marsh Limited
Capital House 15 Perrymount Road
Haywards Heath RH16 3SY

Investment Advisors

Rathbone Brothers Plc
8 Finsbury Circus
London EC2M 7AZ

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the company will be held at 12 noon on Thursday 21 March 2024 at Wrekin College, Sutherland Rd, Wellington, Telford TF1 3BH.

In accordance with the Articles of Association Mr Jeffries, Mr Holloway, Rev Simmons and Ms Thomas retire by rotation and, being eligible, offer themselves for re-election. Mr Le Bas retires by rotation and does not offer himself for re-election. Mr Daubeney and Mr Nicholl are resigning and do not offer themselves for re-election.

DIRECTORS AND TRUSTEES' REPORT

FINANCIAL STATEMENTS

The Governors, who are Directors for the purposes of Company Law and Trustees for the purposes of Charity Law, present their annual report and audited financial statements for the year ended 31 July 2023. The Governors have adopted the provisions of the Charities Statement of Recommended Practice (SORP) (Second Edition, effective 1 January 2019) based on Financial Reporting Standard (FRS) 102, in preparing the annual report and financial statements of the charity.

OBJECTS AND AIMS

Charitable Objects

The Charity's Object is to advance the education of boys and girls including but not limited to the provision of a senior school in or near Canford, Dorset and/or if thought desirable, in other parts of England or Wales, in accordance with the principles of the Church of England.

Public Benefit Aims and Intended Impact

In furtherance of this Object, Canford School's public benefit aim is to provide a first-class independent education, through strong academic tuition and through developing wider sporting, artistic, cultural and social skills in all its pupils. This is intended to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

Canford has restricted and unrestricted funds for the development of the School's facilities as well as for scholarships, prizes and other educational purposes. The School provides bursaries for those without the means to support their child through school.

The Charity also has to maintain its heritage endowment, with its Grade I and II listed buildings and historic park and tree collection, which are all considered of national importance.

Canford views the social responsibilities it carries as an educational institution as being a central feature of our ethos, aims and actions. The '*Importance of Community*' is one of our core aims whereby we recognise '*The importance of community and the engendering of a deep rooted sense of social responsibility in the context of Canford's Christian origins and heritage*' alongside '*respecting the abilities, views and dignity of others throughout the school community and in the wider world*'.

This is not just a form of words but articulates an attitude and approach which guides and informs much of what we do within and beyond the school. Aside from activities within the school based educational programme which seek to raise awareness and understanding of issues and problems confronting the wider world, hundreds of our pupils and many of our staff are engaged in active charitable and community partnership work locally, regionally, nationally and internationally. It is beyond the scope of this report to outline all of the detail of this extensive activity, although some more information can be found below. This social engagement and interaction in a meaningful and sustained sense is very much part of the fabric of Canford's culture.

In the furtherance of these aims the Governors, as the charity trustees, have complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act. In addition, the Governors act to promote the success of the school by: considering the likely consequences of any decision in the long term; looking at the interests of the company's employees; fostering relationships with pupils, parents, staff, suppliers and others; considering the impact of the Charity's operations on the community and the environment; by maintaining a reputation for high standards of business conduct; and acting fairly as between members of the company.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The School is a company limited by guarantee and each of its members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities. The School is a registered charity and is governed by its Articles of Association as most recently amended on 26th September 2013 by Special Resolution. Canford School is a member of the Allied Schools group of independent schools, all of

which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On September 26th 2013 the Allied Schools signed a management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT.

The School has a subsidiary company, Cheneford Limited, which undertakes a range of trading activities including the letting of the School's sports facilities to the public. We also co-operate with many local charities in our on-going endeavours to widen public access to the schooling we provide, to optimise the educational use of our cultural and sporting facilities and to awaken in our pupils, in the public interest, an awareness of the social context of the all-round education they receive at Canford.

Governing Body

The Governors are responsible for the overall management and control of Canford School and meet at least three times a year. The work of detailed formulation and implementation of most of their policies is carried out by members of the Environment, Social and Governance (ESG) Committee, who usually meet a few weeks in advance of the full Governing Board. The Education Committee and the Resources Committee, responsible for financial performance and the school fabric, perform detailed reviews in their specialist areas.

Governors are elected by the Governing Body, except that two Governors are nominated by the Martyrs Memorial and Church of England Trust if the total does not exceed 12, three if the number exceeds 12 but does not exceed 18, and four if the number exceeds 18. New governors are appointed by existing governors with input from the Headmaster and Bursar and care is taken to ensure that the relevant skills and experience are represented. Each new governor is provided with an information pack (handbook) and meets with key staff as part of an induction process. They are all encouraged to spend time at the School to experience lessons as the pupils do. All governors receive information on governor training update courses.

All governors have access to the meeting papers and minutes for all committee meetings, whether or not they are members of that committee. Meetings may be held in person or virtually. This ensures that they are informed about the issues being addressed by those committees but can also raise queries and monitor progress in a wide range of areas. The chairmen of the sub committees meet regularly with the School's lead for each committee area, thereby ensuring that they are fully briefed on issues and can provide advice, challenge and support as required.

Organisational Management

The day to day running of the School is delegated to the Headmaster, the Bursar and the Senior Leadership Team (SLT), which comprises the Deputy Head Academic, Deputy Head Pastoral, Deputy Head Co-Curricular and three Assistant Heads (Academic, Pupils and Safeguarding). Strategic matters are discussed with the Senior Management Group (SMG), which comprises the SLT plus the directors of Marketing, Admissions, Development, Human Resources, Finance and Estates, as well as the School Services Manager and Commercial Services Manager. Various educational management groups also operate to progress educational and pastoral matters.

Changes to the remuneration levels of key management personnel are made with reference to industry standards, such as the Baines Cutler benchmark reports. Remuneration changes for specific roles are made with reference to internal performance criteria and external role benchmarks, including salary surveys and use of a benchmarking agency as required, and are reviewed by the Chair of Governors and Chair of the ESG Committee.

The Headmaster and Bursar attend meetings of all the governors' committees.

STRATEGIC REPORT AND FUTURE PLANS

Canford's Governors recognise that the School must remain competitive, relevant and sustainable in a rapidly changing and increasingly uncertain environment in which there is no shortage of local and regional competitor schools. In looking to the future, Canford intends to maintain and enhance its profile and position as a premium independent school. The Governing Body is already implementing strategies that will enable the School to defend and grow its share of the prestige school boarding and day markets. The key to this will be attracting and retaining suitably able pupils by meeting or exceeding their and their parents' expectations for high academic results, a wide range of high-quality co-curricular facilities and for comfortable pupil accommodation. Our plans include a wide array of educational programmes to enhance the learning experience of our pupils and the provision of flexible, adaptable infrastructure in order to widen the gap between full capacity and the break-even point, allowing flexible and efficient operation with an appropriate level of spare capacity. This strategy is subject to regular reviews.

One particular area of focus is our work on Equity, Diversity and Inclusion. Some indication of our work over the past year can be seen below. Canford remains committed to ensuring that its pupils and the whole community are fully engaged with the EDI focus and work. EDI is a standing agenda item for Governing Body meetings.

The EDI programme at Canford has continued to grow over the last year. The EDI working party, comprised of staff and pupils, has worked to introduce several initiatives to raise greater awareness and understanding of a range of EDI issues. Canford has continued to use its EDI charter, a formal document that expresses our understanding and acceptance of difference in all its forms. This charter was signed by the Headmaster and the Heads of School and a copy is now placed on our website and in all our classrooms and houses. Canford has marked numerous EDI events over the year: International Men's Day, International Women's Day, Pride, Black History Month, Holocaust Memorial Day, Ghana's Independence Day and Chinese New Year to name a few.

We have continued to host four pupil-led groups who specialise in an area of EDI: the Rainbow Alliance (considering LGBT+ issues), Open-Minded (working on Neurodiversity and hidden disability), a Challenge Sexism group (who have worked with Bold Voices to consider gender, sexual harassment and violence) and BBMC (Beautiful Black Mixed Heritage Children who work to celebrate black and dual heritage pupils). These pupil-led groups have met informally throughout the year to give an opportunity to interested pupils to explore common issues and to enable them to raise awareness in the wider Canford community. The focus has always been on supporting individuals and raising awareness with all.

Our QR reporting code and the response and reconciliation framework has been used to effectively to respond to issues relating to Protected Characteristics. We are now entering the second year of having these tools in place. In addition to these systems for collecting information on EDI issues, we have also added questions on EDI to the pupil questionnaire to enable us to review the effectiveness of the wider educational programme considering in particular its impact on different groups.

We have continued to draw together the many strands of the Beyond the Gates curriculum at Canford, so that pupils, staff and parents can see the different ways in which we seek to develop well rounded Canfordians that are fully prepared for the modern world after Sixth Form. This has been review and redevelopment has been completed for Shells to Fifth Form. The programme for the Lower Sixth and Upper Sixth remains under review and is being developed to ensure we have a complete spiral curriculum that covers the full range of EDI, PSHE, careers and wider societal issues, ensuring that pupils are well equipped for life after Canford.

Vision and Mission Statements

Our Vision: 'Canford: a school community where all are inspired to explore, empowered to express and challenged to excel.'

Our Mission: 'To build a community of open minded people who are motivated to embrace learning in all its forms, and committed to making a difference to their own lives, and to the lives of others. Our exceptional education grants freedom to grow and creates opportunities for all to explore, to express and to excel.'

Our Values: 'Develop Purposeful engagement – Building a confident mindset develops positive life-long learning. We inspire members of our community to be curious and determined in pursuit of knowledge and opportunity. Instil a Courageous Attitude – Being principled and strong, yet reflective and tolerant takes courage. We support members of our community to be bold and sensitive in expressing thoughts, words and deeds.'

Promote Humble Ambition – Pursuing goals without arrogance or complacency brings meaningful success. We challenge members of our community to be energetic and resilient in pursuit of their goals but honest and grateful for fulfilment of them.

Encourage Gracious Leadership – Fulfilling a duty to guide and support others makes a difference. We urge members of our community to lead graciously and serve willingly for the greater good.'

Achievements and Performance

Our vision and values have played out each and every day over the past year. Canford's commitment to a high-quality education and to ensuring that all members of its community can flourish is borne out in many ways and is evidenced by the support received from current members of the community and the strong interest in those wishing to join the school from many quarters.

Academic

We are delighted with the outcomes of our U6th pupils. The overall results are far higher than 2019 (the last comparable set of results before the covid-affected examinations). They are extremely strong and in line with the best ever results achieved at Canford (non-Covid mitigated, linear examination). Remarkably, the overall results are not dissimilar to our CAG results of 2020. Before any review of results, 30.9% of all grades were at A* and 66.7% at A*/A – this far surpasses the National average and, indeed, the Independent School sector average too. We are overjoyed that our pupils have done so well. Especially as they did not have the experience of sitting public examinations for their GCSEs. There is no doubt that they, like all children, had to overcome significant difficulties and frustrations with Covid related interruption to their learning.

Not to be outdone, our 5th form pupils also excelled. We fully expected a "levelling off" of results towards 2019 levels on a national scale. However, the average GCSE point score per pupil was 7.27 which stands up well in our year-on-year comparisons and the 9-7 [equivalent to A*/A] level was an impressively high (72% of all grades). 23.1% of all Canford grades were at the top grade 9. Once again our results far exceeded the National average and the Independent School sector average too.

Of course, there is far more to a good education than examination results. Our pupils, and staff, have thrown themselves fully into expanding their experiences inside and outside of the classroom. The impressive pupil outcomes are, in part, a manifestation of our school's belief that confidence (and success) gained in one place area of school life can often be rolled over into other areas.

Strong academic examination outcomes don't happen by chance and, as always, our thanks go to our colleagues, Governors, parents and especially our hard-working pupils. All of whom, as a community, help in setting and creating an educational environment which not only has high expectations but just enough pressure (and a significant amount of support) to ensure that our children have the opportunities to flourish and thrive inside and outside of the classroom.

Academic Enrichment

The development of our enrichment programme is one way that we have ensured that our pupils are outward looking, broad thinking and inquisitive. There is a wide offering of supra-curricular activities for our pupils to engage with and we are extremely proud, both of the quality of our provision, but also of the level and quality of engagement we see from our pupils.

In October 2022, we saw the return of our flagship enrichment event, the Festival of Ideas. 17 Speakers visited the school, with each year group having its own bespoke programme of talks. Given the events of the last few years, there has been significant global and local change so it seemed fitting that the theme of this year's event was 'Changing People, Changing Places'. Our speakers included Emma Henderson MBE, who spoke of her experience delivering the 'Project Wingman' initiative during the pandemic, where airline staff traded in their wings to offer well-being support to front line airline staff. Dipo Faloyin, author of the critically acclaimed 'African Is Not A Country' spoke to our 6th form about misconceptions of African nations, pushing back against stereotypes and myth busting.

A new and exciting addition to this year's festival was the introduction of Upper 6th Scholars delivering talks to the Shell Year Group. For a number of years our senior scholars have delivered talks to junior scholars as part of our scholarship programme, but with the aim of opening up this experience to a wider audience, the pupils that delivered three of the strongest lectures from the previous year were invited to speak at the festival. The quality of these three sessions was superb, the themes being: 'Concussion in Sport, Nature Vs Nurture, and the Human Perception of Sharks'.

The annual Baynam Essay Competition also took place in October 2022. The competition sees every member of Lower 6th write a

short essay on a topic of their own choosing. The standard of these essays is always impressive, with pupils demonstrating their extensive interests outside of the standard confines of their A Levels. This year's winners had essays titled *'The limits of my language are the limits of my world.'* – Ludwig Wittgenstein. *In what ways is this true?'* and *'Will the ancient stereotype of hysteria and mischaracterization of female anatomy continue to be a fatal problem in women's medicine?'*

At the end of the academic year we saw our 5th Form return to school following their GCSEs. As part of this return the whole year group attended an 'explore morning'. The purpose of this was to expose the pupils to some slightly 'out of the box' ideas regarding futures beyond Canford. The pupils heard from three visitors, all with different stories to tell via their careers. Former BBC Apprentice finalist Kathryn Burn, spoke of her experience in starting her own businesses, whilst Annabel Taylor-Ross talked about the variety of rarely thought about careers that exist in conflict zones.

Higher Education

Following some excellent exam results in 2022, the U6 cohort of 2023 exceeded expectations with some of the highest results in Canford's history. Consequently, of the 140 pupils offered places, 94% got into their first choice university. 110 of these were placed in Russell Group universities (78%) with a further 8 (6%) placed in the Times Top Twelve. Of the 9 Oxbridge offers, 6 took up their places and 8 out of the 10 applicants for medicine and veterinary medicine secured their places in another very competitive year for these sought-after courses. Canford's overseas applications continued with 6 pupils finding places at universities abroad: 3 in the US, 1 in Canada, 1 in Spain and 1 in Hong Kong. 2 pupils applied for and secured the Degree Apprenticeships offered by Dyson and IBM, an increasingly popular alternative route to a degree qualification. Overall, Canford has helped all these pupils secure opportunities with top universities which will provide a firm foundation for their futures.

Sport

Sport was a key feature in the celebration of Canford's 100th year, as well as continuing to give the Canford pupils continued opportunities for them to explore, express and excel and strive to be the best they can be. It is always difficult to pick out highlights of any year as the most important thing is just seeing the school alive and buzzing around the varying sports venues as pupils enjoy the benefits that exercise can bring. This is in evidence particularly on Thursday and Saturday afternoons when we are often in friendly competition with other schools. Touring was also back on the agenda and our centenary year saw our Hockey players in Spain and Holland and our rugby players in France and Scotland, both trips making memories and experiences that will last long past the pupils time at Canford. All this enjoyment does not mean that there were not many moments of excellence in the year just gone, with us regularly competing strongly against the best in the country across many sports. Our girls cricket programme set the bar by reaching the final and finishing runners up in the National U18 T20 Cup. The U15 girls have also reached the Semi Finals of their T20 competition and will complete their tournament at Finals Day being held at Rugby School in September. The boy's cricketers also had a strong season with both the 1st XI and U15's made the last 16 in their National events. Our Rowers won bronze medals for the second year running at National Schools Regatta and the U15 Boys Rugby team made the National Cup Quarter Finals (the furthest ever reached by the school at this age group). Individually L6 pupil Eddie Jack both toured Australia with England U19s and made his senior Hampshire debut. U6 pupil Robbie Hemmings continued his Canford swimming career as part of the GB Juniors squad which also included for him a senior GB appearance in Indianapolis, USA. A large number of pupils also continue on performance pathways alongside their sport at Canford.

The centenary year also saw us organise a number of fixtures across sports with Stowe who share both the same founder and anniversary as ourselves. Although poor weather took its toll on a number of the arranged fixtures at various times during the year, it was great to see our hockey players, golfers and cricketers in competitive and exciting fixtures. The highlight of this friendly competition saw an OC's eight involved alongside Old Stoics in a ceremonial row past as part of the Tuesday races at Henley Royal Regatta.

With Wellbeing a constant theme as part of the sports programme it has been fantastic to see our school sleep programme recognised with several independent school awards during the year. The ability to further educate our pupils in these types of areas will pay dividends as they look to meet the challenges they will face in their lives post school. Linked in with a growing athletic development programme and physiotherapy service we continue to aim for the cutting down the number of injuries in school sport.

The ongoing development of Canford's sport continues to enable the growth of all the pupils. There are no reasons why this next generation of Canford pupils can't achieve their potential in sport and put in place the foundations to promote their physical wellbeing throughout their lives.

Drama

The Drama department in 2022-23 had a full and varied programme with several large-scale productions involving numerous pupils on

stage and behind the scenes. As ever we strove for originally, innovation and inclusivity.

The year began with 5 A-Level and GCSE devising pieces, one L6 production and two 4th form productions all before the Winter half term. Alongside monthly Friday Foyers, where pupils are given the opportunity to perform monologues, songs, their own writing etc. it was a busy start to the year with performances taking place on both the main stage and in The Foyer which our technical team transformed into excellent performance spaces. The major production of the year was "Dead Dog in a Suitcase" a contemporary version of the Beggar's Opera. This was a hugely ambitious production with over 50 pupils involved on and off stage. An U6 pupil was the musical director, the rock band was made up solely of pupils lights were designed by a L6 pupil and the whole show was mixed by a Sixth Form pupil too. Most impressive though, was the hugely pressured role of calling all the cues and scene changes in the show (hundreds of cues) was a Shell student in only her first 3 months at the school. Two days after Dead Dog's final performance the annual Canford panto was staged, written and directed by a 4th former. 'Dick Whittington' again involved pupils from every year group in the school.

The Easter term saw a powerful production of Find Me and in March an immersive promenade performance of Woyzeck. The entire theatre including dressing rooms, corridors and surrounding areas were brilliantly transformed into various locations and audiences enjoyed a massively engaging and theatrical production as they moved all around the Layard.

At the end of the summer term, following on from practical exams for our GCSE and A-Level, we staged an outdoor version of A Midsummer Night's dream in The Round Garden. It was both a magical and at times very funny production.

Many students (over 140 different ones from every year) were involved in productions in some way. The Layard is very much a hub for creativity here at Canford and we were thrilled to be shortlisted for innovation in Performing Arts in the Talk Education awards and at the time of writing we are a finalist for the school of the year in performing arts in the Independent School's awards. This is a real credit to all the pupils and staff who work so hard and enthusiastically to provide entertainment for the Canford community.

Music

Music ensembles and choirs had a busy programme of concerts and events this year. During the first term the Chamber choir sang evensong in Winchester Cathedral, and the carol service was well supported at Wimborne Minster. The House Music competition which saw some very accomplished performing, and great enthusiasm from the whole school pupil body. Particular highlights from later in the year included the annual Jazz concert in the music school, with the theme 'A Night at the Musicals' and, in April, the opportunity for the combined choirs to perform in Salisbury Cathedral in the summer term at the school's Centenary Foundation Service. Both their singing and processing was complimented by the Cathedral staff. The culmination of the musical year, though, was 'Proms in the Park', where an audience of over 2,000 enjoyed music from the school's ensembles as the major celebration of the Centenary. The online streaming of concerts and events continued with appreciative but more distant supporters tuning in regularly.

The informal 'Sounds of Canford' concert series went on throughout the year, offering informal opportunities for all those learning instruments or singing to perform in house groups. A significant number of pupils achieved an ARSM diploma, or grade 8 with either merit or distinction during the year, and there were similarly respectable achievements at lower grades. One of the younger pupils also enjoyed significant success in 2 major UK music competitions. The final week of the summer term showcased the particular talents of an unusually accomplished Upper 6th year group: a concert of diploma standard performing was the perfect end to a vibrant musical year.

CCF

Canford CCF continues to attract great interest from the student body at Canford, due in no small part to the trips on offer throughout the school calendar. Two 24-hour field exercises were held at various locations along the south coast, involving both 4th form cadets and 6th form NCOs. The contingent has continued to swell in size and now sits at record levels for the third year running. Over 50 Sixth Form pupils choose it as their enterprise option, allowing them to enhance and demonstrate effective leadership on a weekly basis. Several trips ran during the school holidays, including the much awaited return of the Norway Cross Country Skiing Expedition. A fantastic week during the February half term allowed many of the cadets a once in a lifetime experience to explore the Norwegian mountains. Canford CCF's reputation continues to extend beyond our region with strong showings in both the Pringle Trophy and Rifles Cup Competition, achieving top 3 finishes in both. The summer also saw two more of our L6th NCOs awarded Army Scholarships. Only 30 to 35 of these awards are handed out annually and to have 3 Canfordians over the last two years receive them is a testament to both their hard work and the support provided to them.

Duke of Edinburgh's Award

It has been brilliant to see such a strong take up of DofE, with 30 of this year's Lower Sixth completing their Expeditions over the summer – a strong indicator in terms of completing the award. Expeditions took place in the Brecon Beacons and mid Wales, and our partnership

with Expeditions Wales is working very well, to the benefit of the pupils in particular. Many of their instructors ask to work with Canford! Current focus is on a bumper new cohort of over 50 Lower Sixth pupils – nearly 40% of the year group...

5th Form Enterprises

The Fifth Form choose their Monday afternoon activities from a diverse range of options, from Global Connections to Sub Aqua Diving, and from Survival to Mountain Biking. Some are run by outside providers and recharged to bills, but a pleasing number run due to staff expertise and enthusiasm, and making the most of our facilities, such as climbing on the school's tower. October Whole Day Enterprises gives a longer window to carry out the activity, so for example the survivalists use their skills on an overnight survival exercise, and overall some 115 pupils enjoyed 10 different activities, 5 involving an overnight camp.

Activities

The activities programme for the Shell and 4th form pupils requires students to opt for at least one of 20 activity choices, including various music ensembles, that take place in the late afternoons. The most popular choices tend to be sporting (e.g. boys' hockey, netball, futsal, rowing and squash) but there are also many students participating in drama rehearsals and debating.

Community Service and Public Benefit

The community service programme is now up to speed since our enforced break due to the pandemic and our partners are very happy to let our pupils volunteer with them. This is often backed up with very complimentary letters and emails. For example, Whole Day Enterprises continues to be very successful, with pupils undertaking projects in local schools. These include gardening, painting and continuing to work on a memorial garden for Wimborne First School in memory of a pupil who passed away.

The Shine programme has continued to grow and we are looking to now run this as a two term enrichment programme to six schools (instead a of a one term programme to three schools). The City Reach project continues with visits to Northam by our pupils as well as hosting Northam pupils at Canford and a weekend away to the Isle of Wight. The annual sponsored walk for Northam took place with over 30 pupils and 8 members of staff raising £2,500 which will help City Reach to continue to run the girls' group. The group is also being sponsored by the Friends of Canford. Our thanks to them for their generosity.

The Bourne Academy have started a 'Bourne Scholar Programme', supported by Canford. The programme provides a highly academic and rigorous curriculum that will improve social mobility through increased confidence, high career aspirations and support for entry to top universities. Canford is supporting this programme by delivering sessions including presentation skills, Model United Nations, team building (using the assault course and climbing tower) and the history of Canford, both at The Bourne Academy and at Canford. Other support includes University application guidance, inviting their sixth form to attend our careers convention and our 6th form volunteering to assist their younger pupils on Monday afternoons. Two supported students from the academy joined Canford's Sixth form during 2022 and two further students were offered supported places for September 2023.

Stakeholder Relationships

Canford exists as a community; our links with current and former pupils, parents and staff, as well as our community partners, are strong. We employ over 450 people in the local community who and have used more than 500 suppliers, all of whom are crucial to our success. This supports our local, regional and national economy. We are grateful to our suppliers for their continued support for Canford.

Employee Engagement and Employment Policy

Governors communicate with employees through a variety of channels. Both governors and employees sit on the Joint Consultative Committee where matters relating to pay, benefits and working conditions are discussed. Governors and employees also sit on the Health and Safety Committee. Governors write to employees to explain the impact of significant decisions, such as pay reviews and the strategic direction of the School. Any significant decisions taken during governors' meetings are assessed for the impact they will have on staff, with the governors aware that the School cannot be successful without an engaged, motivated staff body. For information on the relationship between governors and management, see section 'Structure, Governance and Management'.

Canford School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

Employees are made aware of the financial performance of the school.

Fundraising Performance

Canford undertakes fundraising activity to its supporters via fundraising events, sponsored events, direct mail and email. Canford is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice. There were no complaints about fundraising activity during the year. Our fundraising promise, which is available on our website alongside our privacy notice to reassure supporters of our approach, is:

“When you support you can be sure of the following:

- We will never sell your contact details to anyone
- If you ask us to change how we communicate with you, or stop, we will respect that
- We try hard to ensure no one ever feels pressurised to support our work
- All our activities are open, fair, honest and legal.”

Total fundraising costs during the year including operating budget and salaries were £191K (2022: £198K), to cover programmes including fundraising and a significant amount of engagement work. Where events took place, income (tickets purchased) partially offset some of the costs. Income from fundraising activities totalled £399K (2022: £196K). The Development Programme continues to seek to engage alumni, parents and friends of Canford as School benefactors. This can be through giving of time and expertise through volunteering; the giving of financial donations including one-off gifts, regular giving, or gifts of stocks, shares or art; and securing longer-term legacies.

There are three main areas of activity within the current Development Programme: (1) engaging the Canford Community, (2) encouraging and promoting volunteering, and (3) fundraising to increase access to a Canford education through the provision of pupil bursaries. Secondary fundraising priorities include funding capital and equipment projects.

Engaging the Canford Community involves supporting the many different volunteer-driven groups which themselves aim to benefit Canford, Canfordians and associated partner charities and organisations. The Development team provide support to the Old Canfordian Society (OCS), the Friends of Canford School, the Friends of Canford Music and the Friends of Canford Rowing. Events and monies raised by these groups are returned directly to benefit the education and enrichment of pupils at Canford and the local community. Modernisation of the OCS is ongoing. Developments aim to transform connections between OCs and facilitate better communication, knowledge and support of our alumni. Celebrating Canford's Centenary in 2023 involved two major events, the Centenary Foundation Service at Salisbury Cathedral and a Proms in the Park Garden party. Both were attended by OCs and Canford families.

Volunteers to Canford give in a variety of ways. All school governors are volunteers and provide strategic oversight. Many others serve as alumni, sports or committee representatives. Alumni and parents provide careers advice to pupils providing mentoring, work experience or speaking to pupils about their experiences. Other volunteer duties include supporting music at Canford, supporting sport at home and away fixtures and speaking at Canford events. During the year over 175 individuals provided their time and expertise free of charge to Canford. The Governing Body is very appreciative of this invaluable support.

Donations include cash gifts, regular gifts, bequests received and gifts-in-kind. The Development Office also supports the work of the Friends of Canford School (FCS), a parent and friends' group. The group have again this year focused their support on local external charities through grants for specific projects. This included a grant to a longstanding partnership, the City Reach project in Southampton.

The fifth annual fundraising auction to support the Martin Marriott Foundation raised a significant amount for the Foundation in November 2022. The Case for Support on the website is updated annually to include new testimonies from bursary pupils, state fundraising aims and provide an accessible method for making online donations. The Lady Charlotte's Walk campaign launched in 2020 inviting alumni and parents to sponsor a stone on the walkway leading to the new library has continued to be well received with over 260 stones now sponsored. The strategic plan is revised annually with an action plan updated to reflect current trends.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Current pupil numbers, and considerable future interest in the School, give us confidence that we will be at full capacity for the foreseeable future. This is a result of our continued resolve to deliver a top-quality education, supported by talented staff in an inspiring environment.

The School's financial policy is to maintain total fee income at a level sufficient to generate a surplus over time to meet the objectives of the School's strategic plan, allowing for investment in the school. This will be achieved through both operating cash flow and fundraising. As a charity the parents of our pupils have the assurance that all the income of the school must be applied for educational purposes.

In preparing its budget for this year the School recognised the need to continue to invest in both high quality staff and the School's fabric, to ensure that both continue to support the educational mission.

Financial review summary	2023	2022
School fees receivable	£22,148K	£20,986K
Fundraising income	£399K	£196K
All other income	£2,362K	£2,141K
Provision of education	£(21,439)K	£(19,915)K
Other costs	£(1,461)K	£(1,280)K
Net income (before transfers and investment gains / losses)	£2,010K	£2,129K

Operational financial performance was slightly below budget expectations this year, primarily due to inflation. Pupil numbers remained healthy, with total gross fee income for the year 5.5% higher than last year (2022: 11.2% higher). Fundraising income for bursaries was significantly higher, due to the generosity of a number of parents and Old Canfordians. Other income was higher from investment returns and strong trading activity.

Careful cost control was exercised throughout the year to ensure that resources were focussed on pupil outcomes, despite significant inflationary increases, seen particularly in the National Living Wage, food costs and utility prices (particularly gas). Other costs were driven by the higher levels of trading. A loss on investments of £0.2M led to the Statement of Financial Activities showing the School's Net Income to be £1.7M (2022: gain of £1.8M). During the year the Composition Fee Investment Fund was closed, with the revaluation gains transferred to the general fund.

The overall cost of the School's capital expenditure in this financial year amounted to £5.3M (2022: £4.9M), which included the strategic capital works programme (Manor House refurbishment £2.6m, final phase of a new Boarding House £1.1M and the new Sixth Form buildings £0.8M). Other capital expenditure included ongoing reinvestment into the fabric of the school. Investing in additional flexible capacity and improved core facilities will ensure Canford's future sustainability and there is a clear imperative to complete the strategic building plans which are essential to support future sustainability and success. All projects will remain subject to the usual governance and approval processes. The first half of the proceeds from the land sale was received during the year. Overall, this resulted in an increase in cash of £1.3M (2022: reduction of £1.3M).

Overall the Governors were satisfied with this financial result. Future plans will require higher levels of surplus order to provide sufficient income for the School's strategic plan objectives – a top-quality education, supported by talented staff in an inspiring environment.

Reserves Policy

The beneficiaries of Canford School are its pupils; any reserves held must ultimately be for their benefit. Governors have determined that Canford should not hold excessive reserves, money that could otherwise be used for the benefit of pupils. Equally, insufficient reserves, in the event of a crisis, may mean that pupils experience undue disruption to their education.

Given the current economic climate, Governors have reaffirmed their commitment for pupils to be able to complete the current academic year as a minimum. This strikes a balance between unduly tying up funds and minimising disruption in a crisis such as unplanned closure. To ensure this, the level of general reserves held will be equivalent to the sum of cash liabilities in the longest period in the academic year with no fee income, approximately £6M. This has been tested against several scenarios to confirm this level of reserves.

Whilst restricted funds fall outside the definition of free reserves, some restricted funds are maintained principally for the award of bursaries and the advance payment of school fees. Designated funds are also held, in addition to the reserves above, for the purposes of matching the investment made in the fabric of the school, to fund the school's partnership activities and to provide bursaries.

At the year end the school held total funds of £56.0M, of which £3.1M was held in restricted funds principally for the award of bursaries. The Governors have designated a further £43.7M for the following purposes:

- a) to match the investment it has made over the years in the fabric of the school estate and is not therefore freely available £36.8M
- b) to set aside funds to support the school's partnership activities £0.3M; and
- c) to set aside funds that are invested for the provision of bursary support £6.7M.

After these designations, and the value of fixed assets not represented by the property fund, free reserves are £9.2M (2022: £11.2M) which the Governors consider exceed the reserves policy objective. This excess will continue to be used for capital projects for the charity's beneficiaries, with around £6m of projects planned in 23/24. Most of these projects have commenced. Governors monitor reserve levels on a regular basis, considering the working capital management of the school and the desire to continually improve facilities.

Investment Policy and Objectives

Canford School holds investments in three portfolios with the prime objective to preserve and grow the capital value of funds, whilst generating sufficient income to meet current commitments. This is achieved through a balanced approach to income and asset growth and appropriate risk diversification. The policy recognises that there will be differing investment styles required for some of the restricted funds. The company's Articles of Association empower it to invest the monies of the company not immediately required, as it thinks fit.

The school uses external professional discretionary fund managers to achieve the investment objectives, which may be a single firm or several firms. The performance of these managers is reviewed regularly by the Investment Sub-committee of the Finance Committee as is the overall allocation of assets by type and manager. During the year, Rathbone Brothers PLC managed the investment portfolio and have discretionary management powers. In 2022 a gain of 0.7% (2022: 1.3% loss) was seen across the funds. Governors were satisfied with this result given the context of the external environment.

The largest portfolio comprises the Assyrian Fund and Canford Partnership Fund. The investment policy is to maximise long-term total return in such a way as to permit the regular award of scholarships and bursaries while maintaining or increasing the value of the fund in real terms. The second portfolio comprises various funds restricted by the donors for the provision of scholarships, bursaries, prizes and activities. The Composition Fees Scheme for advance payment of fees, the third portfolio, were invested with the aim of preserving the capital and achieving a return over a period of five years sufficient to fund the School's liabilities under the scheme. This scheme was closed during 2022, with the funds held as cash to match future liabilities and the investment gain returned to the General Fund.

Grant Making Policy

This year, the value of scholarships, grants, prizes and other awards made to the School's pupils was £758K (2022: £852K). The Governors' policy is to make these awards based on the individual's educational potential, subject to the particular conditions imposed by the original donor where an award is made from restricted funds. In addition, means-tested bursary awards totalling £2,006K (2022: £1,563K) were provided. Funding from investments contributed £360K (2022: £279K) to this, with the remainder funded from fees income. The policy for awarding bursaries is to broaden access to the school for prospective pupils and to relieve hardship where a current pupil's education and future prospects would otherwise be at risk. Awards representing 90% or more of the fees went to 23 pupils (2022: 25). The availability of all such awards for fee assistance, together with the terms and conditions for each kind of award, is advertised on our website. In the year the Governors reaffirmed their plan to increase means tested fee assistance through fundraising.

Energy and Carbon Performance

Energy and carbon performance is an area which receives an ever-increasing focus in the School, even more so recently with the increase in energy prices. The Governors have included this area in the new Environmental, Social and Governance Committee in order to develop a strategy to reduce the School's environmental impact and to monitor the implementation of the strategy. During the year, several steps were taken to improve environmental performance whilst ensuring a comfortable experience for staff and pupils. This included adjusting heating and hot water timings, lowering thermostat temperatures, moving boarding pupils into better insulated accommodation and a communication programme with staff and pupils, resulting in gas consumption reducing by 25%; the continued

roll out of LED lighting; and further work on projects to review renewable energy options for a number of buildings. These measures resulted in the level of CO₂e per pupil reducing by 17% in 2023.

	Energy type	Original unit	2023 Budget Year CO ₂ kg	2022 Budget Year CO ₂ kg	Notes
Scope 1 emissions	Transport - diesel	Litres	56,424	62,824	Fuel for minibuses, vans and cars
	Transport - unleaded	Litres	4,237	5,307	
Scope 2 emissions	Electricity *	kWh	385,093	374,184	All School buildings
	Gas	kWh	794,209	1,054,834	
Total			1,239,963	1,497,149	
kg CO₂e per pupil			1,908	2,310	

* Note that electricity emissions have been determined using the UK Government's standard conversion factors. However, the School's electricity is sourced through a renewable energy contract so this element of our emissions is essentially carbon neutral.

For all capital projects, consideration is given to the full range of heat generation options. Each is evaluated on its likely reduction of carbon emissions, along with the practicalities of the location, likely impact on the setting and surrounding grounds, along with technical and cost considerations. The new buildings have building management systems to optimise hot water heating efficiencies and ventilation is either natural or makes use of high efficiency plate heat exchangers, where required. All lighting is based on low energy LED technology, with daylight and motion sensors. Almost all the school's electricity is from renewable sources. Active consideration is being given to ground source heat pumps and solar panels for other buildings.

To determine the School's CO₂ emissions, we have followed the 2019 HM Government Environmental Reporting Guidelines, used the GHG Reporting Protocol – Corporate Standard and the 2023 UK Government's Conversion Factors for Company Reporting.

Risk Management

The Board of Governors is responsible for the management of risks faced by the School. Risks are identified and reviewed by the School's leadership team and split into functional risk areas. The Governors' functional sub-committees review their risk areas on a termly basis, implementing appropriate mitigation measures. The most significant risks are reviewed by the Governing Body each term. Through this process, the Governors are satisfied that the major risks to the School have been identified and reasonably mitigated with key controls.

The Governors consider the major risks to the School to be:

- The political opposition to independent schools threatening the viability of the business model and legality of the sector.
- Competition from other schools could adversely affect pupil numbers.
- Penalties or restrictions following regulatory inspections.
- Significant disruption to school activities from power outages, fire or the failure of key computer hardware or software.
- Pupils significantly underachieve their potential.
- A challenging economic or political outlook and / or a rising cost base could affect the affordability of Canford's fees, exacerbated by the current inflationary environment.
- A lack of readily available financial reserves might limit the School's ability to respond to unexpected catastrophic events.
- Staff costs rise at unsustainable levels given the increasing level of employer pension contributions, National Living Wage and inflationary challenges.
- A road traffic accident or similar incident leads to injury or death, on or off school premises.

The key controls include:

- Strategic risk assessments and risk assessments for individual activities and departments.
- Planning, budgeting and management accounting, focussing funds on critical areas of infrastructure.
- Clear Terms of Reference for all Committees and appropriate membership, ensuring oversight of high educational standards, relations with feeder schools, all aspects of health and safety, the financial position of the school and IT systems.
- Formal written policies.
- Vetting procedures as required by law for the protection of vulnerable people.
- Clear organisational structure, lines of reporting and authority limits.
- Formal agenda and minutes to support decisions of all Committee and Governing Body activities.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Governors, who are Directors for the purposes of Company Law, are responsible for preparing the Directors and Trustees' Report, incorporating the strategic report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Directors are required to:

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

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

So far as each of the Directors is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company and group's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

Haysmacintyre LLP have expressed their willingness to continue as auditors to Canford School Limited.

This report was approved by the Board on 1 December 2023 and signed on its behalf by:



Sir Gary Coward
Director/Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANFORD SCHOOL LIMITED

Opinion

We have audited the financial statements of Canford School Limited for the year ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Cash flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2023 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors and Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Directors and Trustees' 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors and Trustees' Report (which incorporates the strategic report and the directors' report).

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission and the Independent Schools Inspectorate, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as payroll tax and sales tax.

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

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Review of Governor's meeting minutes during the year;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or

regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Richard Weaver (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 4th December 2023

CONSOLIDATED AND CHARITY BALANCE SHEETS

CANFORD SCHOOL LIMITED AS AT 31 JULY 2023

COMPANY REGISTERED NO: 190956

	Notes	Group		Charity	
		July 2023 £	July 2022 £	July 2023 £	July 2022 £
FIXED ASSETS					
Cost		60,717,678	55,736,015	60,528,942	55,590,493
Depreciation		(17,593,309)	(16,107,188)	(17,450,006)	(15,969,863)
Tangible Fixed Assets	8	<u>43,124,369</u>	<u>39,628,827</u>	<u>43,078,936</u>	<u>39,620,630</u>
INVESTMENTS					
Investment in subsidiary undertaking	9	0	0	100	100
Investment for composition fees	10	0	525,472	0	525,472
Restricted investments	11	2,869,975	2,941,000	2,869,975	2,941,000
Other investments	11	6,956,358	6,940,047	6,956,358	6,940,047
		<u>9,826,333</u>	<u>10,406,519</u>	<u>9,826,433</u>	<u>10,406,619</u>
CURRENT ASSETS					
Stocks	12	138,224	116,812	23,551	25,648
Debtors	13	4,081,631	6,775,644	4,406,753	7,193,677
Cash at bank and in hand		5,855,971	4,536,650	5,636,612	4,040,456
		<u>10,075,826</u>	<u>11,429,106</u>	<u>10,066,916</u>	<u>11,259,781</u>
CREDITORS: amounts falling due within one year	14	(6,873,953)	(6,834,722)	(6,828,174)	(6,665,765)
NET CURRENT ASSETS		<u>3,201,873</u>	<u>4,594,384</u>	<u>3,238,742</u>	<u>4,594,016</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>56,152,575</u>	<u>54,629,730</u>	<u>56,144,111</u>	<u>54,621,265</u>
CREDITORS: amounts falling due after more than one year	15	(115,734)	(226,413)	(115,735)	(226,413)
NET ASSETS		<u>56,036,841</u>	<u>54,403,317</u>	<u>56,028,376</u>	<u>54,394,852</u>
UNRESTRICTED FUNDS					
General fund		9,221,062	11,215,394	9,212,597	11,206,929
Designated funds:					
Property fund		36,756,597	32,976,095	36,756,597	32,976,095
Assyrian Fund		6,679,501	6,659,027	6,679,501	6,659,027
Canford Partnership fund		268,107	272,270	268,107	272,270
RESTRICTED FUNDS		<u>3,111,574</u>	<u>3,280,531</u>	<u>3,111,574</u>	<u>3,280,531</u>
TOTAL FUNDS	17	<u>56,036,841</u>	<u>54,403,317</u>	<u>56,028,376</u>	<u>54,394,852</u>

The surplus of the parent charitable company before consolidation was £1,786,170 (2022: £1,762,180).

The financial statements were approved and authorised for issue by the Board of Directors on 1 December 2023 were signed on its behalf by:



Sir Gary Coward
Chair



Stephen Le Bas
Chair of Finance Committee

The notes on pages 23 to 39 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FORTHEYEAR ENDED 31 JULY 2023

	2023 £	2022 £
Net movement in funds	1,633,524	1,762,180
Investment income receivable	(354,539)	(239,962)
(Gains)\losses on investments	<u>166,188</u>	<u>366,457</u>
Operating surplus for the year	1,445,173	1,888,675
Depreciation	1,793,115	1,700,074
(Profit)\loss on disposal of fixed assets	37,400	0
Amortisation of lease granted over land	(7,666)	(7,666)
Discount given on Composition fees	3,246	7,202
Decrease \ (increase) in stocks	(21,412)	(24,409)
(Increase)\decrease in debtors	(150,017)	(241,093)
(Decrease)\increase in creditors	(473,105)	(43,539)
Net cash inflow from operating activities	<u>2,626,734</u>	<u>3,279,244</u>
Investing		
Investment income received	354,539	239,962
Purchase of tangible fixed assets	(4,642,929)	(4,766,285)
Proceeds from sale of tangible fixed assets	2,853,564	0
Net Sale\ (Purchase) of investments	(85,342)	(3,831)
Net movement in composition fee investments	<u>499,340</u>	<u>416,172</u>
Net cashflow from capital expenditure and financial investments	(1,020,828)	(4,113,982)
Net cash inflow/(outflow) before financing	<u>1,605,906</u>	<u>(834,738)</u>
Financing		
Composition fee payments and transfers	(286,585)	(430,862)
Lessee's payments for the reduction of the outstanding liability relating to a finance lease	<u>0</u>	<u>(533)</u>
Net cashflow from financing	(286,585)	(431,395)
Increase\ (Decrease) in cash in the year	<u><u>1,319,321</u></u>	<u><u>(1,266,133)</u></u>
	Note 22	
Cash and cash equivalents at the start of the year	4,536,650	5,802,783
Cash and cash equivalents at the end of the year	5,855,971	4,536,650

The notes on pages 23 to 39 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

I. ACCOUNTING POLICIES

a) *General information*

The Charity is a private company limited by guarantee, incorporated in England and Wales (company number 190956) and a charity registered in England and Wales (charity number 306315). The Charity's registered office address is The Bursary, Canford School, Wimborne, Dorset BH21 3AD.

b) *Basis of accounting*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Canford School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). Financial statements are prepared in pounds sterling rounded to the nearest pound.

These financial statements consolidate the results of the charity and its wholly owned subsidiary Cheneford Limited. In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Canford School Limited.

The Trustees have reviewed the appropriateness of adopting the going concern basis of accounting in preparing the annual financial statements to assess whether the charity was viable in accordance with the new requirement of the UK Corporate Governance Code. The assessment included a review of the budget and principal risks facing the charity, their potential impact, how they were being managed and a review as to the appropriate period for the assessment. The Governors are confident that there is a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due over the one-year period of the assessment and there are no material uncertainties in making this assessment.

c) *Significant judgements and sources estimation uncertainty*

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Charity's accounting policies. The key judgements that have been applied by management relate to:

- Items covered above in Basis of accounting, such as determining the charity is a going concern, and
- Estimates regarding pensions liabilities have been made and are covered in Note 21.

d) *Income and expenditure*

School fees and operating expenses are included in the financial statements on the accruals basis. Fees receivable are stated after deducting allowance, scholarships and other remissions granted by the school. Entrance and registration fees are credited to income in the year in which they are received. All income and expenditure included in the financial statements is from continuing operations.

Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to the management estimates of time spent or space occupied, as appropriate. VAT is included with the item of expenditure to which it relates.

Governance costs comprise the cost of running the company, including strategic planning for its future development, external audit, and all the costs of complying with constitutional and statutory requirements, such as the cost of governor and committee meetings and preparing financial statements.

e) *Termination payments*

Termination payments are accounted for in the year in which the commitment is made. This applies to pay in lieu of notice, redundancy payments and payments under compromise agreements.

f) Donations

Donations of tangible fixed assets are capitalised, and a matching gift in kind is accounted for as a donation within the Statement of Financial Activities. Other donations are accounted for within the Statement of Financial Activities and are recognised when the school is entitled to the receipt.

g) Repairs and maintenance

Repairs and maintenance expenditure is charged as an operating expense in the year in which it is incurred net of any grants receivable.

h) Investments

The investments are stated at market value, less any provision for permanent diminution in value. It is the company's policy to keep valuation up to date such that when investments are sold there is no gain or loss arising. As a result, the Statement of Financial Activities only includes those unrealised gains or losses arising from the revaluation of the investment portfolio throughout the year. The school also holds an investment at cost in its subsidiary, Cheneford Limited, shown in Note 9.

i) Tangible fixed assets and depreciation*Freehold land and buildings*

Expenditure relating to the acquisition of and extensions to freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less depreciation and any provision for impairment. No depreciation is charged on freehold land. Leases granted over land are amortised over the term of the lease. Land and buildings are reviewed annually for impairment in accordance with FRS 102.

Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Donations of tangible fixed assets are capitalised at their cash value or at estimated cash value if received in kind. Depreciation is provided on tangible fixed assets so as to write off their cost, less estimated residual value, by equal instalments over the expected useful lives of the assets concerned. Assets with a cost of more than £5,000 are capitalised. The estimated useful lives are considered to be as follows:

Freehold buildings	-	Up to 50 years
Property improvements	-	5 – 25 years
Plant and equipment	-	3 – 20 years
Computer equipment	-	4 – 7 years
Furniture, fixtures and fittings	-	10 – 20 years
Motor vehicles	-	4 Years

j) Composition fees

Composition fees represent payments in advance in respect of school fees for current and future pupils. These are recorded in the School's balance sheet as a liability (representing the fees received in advance from parents) and assets (being the investments managed by Rathbone Brothers PLC or the cash held for these purposes). A transfer to the revenue account is made each term in respect of school fees which are then due when funds are withdrawn from investments. During 2022 the Composition Fund investment account was closed, with the funds held as cash to match future liabilities and the investment gain returned to the General Fund.

k) Stocks

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

l) Assets acquired under finance leases

Assets acquired under finance leases, which confer rights and obligations similar to those attached to owned assets are capitalised and included under tangible fixed assets in the balance sheet and are depreciated over the shorter of the lease term and their useful lives.

The capital elements of finance lease obligations are recorded as liabilities while the interest elements are charged to the Statement of Finance Activities over the primary lease period, to produce a constant rate of charge on the balance of capital repayments

outstanding.

m) Operating leases

Assets used by the school under operating leases are not capitalised. The costs associated with their rental are charged on a straight-line basis over the lease term, even if the payments are not made on such basis.

n) Pensions

The School's professional teaching staff are members of a Superannuation Scheme operated by the Department for Education and Skills. This is a multi-employer defined benefits scheme and individual schools are not able to identify their share of the underlying assets and liabilities of the scheme. The results for the year are stated after charging the relevant employer's contributions to this scheme. Other staff are members of a defined contribution scheme. Further information and the basis of accounting is given in Note 21.

o) Taxation

The School is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

p) Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

q) Government grants

Government grants are accounted for on an accruals basis.

2. FEES

	2023	2022
	£	£
Gross School Fees	24,997,510	23,631,149
Less: scholarships, bursaries, grants and allowances	(3,209,212)	(2,923,900)
	<hr/>	<hr/>
	21,788,298	20,707,249
Add: scholarships funded from Assyrian Fund and from Scholarship Bursary and Prize Fund	360,000	279,000
	<hr/>	<hr/>
	<u>22,148,298</u>	<u>20,986,249</u>

3. INCOME FROM SUBSIDIARY'S TRADING ACTIVITIES

The company owns 99% of the issued share capital of Cheneford Limited, a company registered in England, (Company number: 2694274). The company leases the Sports Centre and lets the facilities of the school, including a golf course, for use by the public and various organisations. The subsidiary's net profit is paid to Canford under a Deed of Covenant.

The subsidiary's trading results for the year, as extracted from the audited financial statements, are summarised below:

	2023	2022
	£	£
Turnover	1,637,384	1,502,318
Cost of Sales	(1,322,819)	(1,123,189)
Gross Profit	<u>314,565</u>	<u>379,129</u>
Administration expenses	(182,908)	(147,441)
Other operating income	0	0
Operating profit	<u>131,657</u>	<u>231,688</u>
Interest receivable	3,226	146
Interest payable	0	(14)
Net profit	<u><u>134,883</u></u>	<u><u>231,820</u></u>

Turnover includes £635,515 (2022: £567,665) supplied to the School. Costs include contributions to the overheads of the School totalling £163,548 (2022: £154,000). These intercompany transactions are excluded from the consolidated figures shown on the SOFA and in note 6.

At 31 July 2023 there was a balance of £357,405 (2022: £470,618) owed by Cheneford to Canford School Limited and £134,886 (2022: £20,280) owed by Canford School Limited to Cheneford Limited.

The subsidiary's balance sheet as at 31 July 2023 as extracted from the audited financial statements is summarised below:

	2023	2022
	£	£
Fixed assets	45,432	8,197
Current assets	501,201	660,223
Less current liabilities	(538,069)	(659,855)
Long term liabilities	0	0
Net Assets	<u>8,564</u>	<u>8,565</u>
Called up share capital	100	100
Profit and loss account	8,465	8,465
	<u><u>8,565</u></u>	<u><u>8,565</u></u>

4. OTHER INCOME

	2023	2022
	£	£
Other educational charitable activities		
Fee income for extra subjects	340,330	310,048
Entrance and registration fees	91,261	106,950
Courses and sub lettings	35,774	45,470
	<u>467,365</u>	<u>462,468</u>

Other ancillary trading income

Ancillary income	161,692	147,041
Insurance commission	0	0
	<u>161,692</u>	<u>147,041</u>

Other income

Gain / (Loss) on Sales of Fixed Assets	(37,400)	0
Other operational income	4,660	15
Amortisation of lease granted over land	7,666	7,666
CJRS claims	0	2,599
	<u>(25,074)</u>	<u>10,280</u>

5. INVESTMENT INCOME

	General Funds	Restricted Funds	2023 Total	General Funds	Restricted Funds	2022 Total
	£	£	£	£	£	£
Investment income	162,154	80,425	242,579	137,431	83,022	220,453
Interest received	111,960	0	111,960	19,509	0	19,509
	<u>274,114</u>	<u>80,425</u>	<u>354,539</u>	<u>156,940</u>	<u>83,022</u>	<u>239,962</u>

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs	Other costs	Depreciation	2023 Total	Staff costs	Other costs	Depreciation	2022 Total
	£	£	£	£	£	£	£	£
Costs of generating funds:								
Fundraising	114,143	76,748	0	190,891	114,466	83,511	0	197,977
Trading costs of subsidiary	599,680	546,754	5,979	1,152,413	519,465	434,634	3,674	957,773
Finance costs	0	117,791	0	117,791	0	123,849	0	123,849
	<u>713,823</u>	<u>741,293</u>	<u>5,979</u>	<u>1,461,095</u>	<u>633,931</u>	<u>641,994</u>	<u>3,674</u>	<u>1,279,599</u>
Charitable Activities								
Provision of education								
-Teaching	7,892,155	337,218	0	8,229,373	7,369,519	299,401	0	7,668,920
-Welfare	3,488,382	1,218,353	0	4,706,735	3,150,144	1,094,568	0	4,244,712
-Premises	1,067,725	2,714,174	1,787,136	5,569,035	980,226	2,504,960	1,696,400	5,181,586
-Support costs	1,818,475	870,304	0	2,688,779	1,804,710	662,237	0	2,466,947
Governance	0	69,662	0	69,662	0	68,491	0	68,491
	<u>14,266,737</u>	<u>5,209,711</u>	<u>1,787,136</u>	<u>21,263,584</u>	<u>13,304,599</u>	<u>4,629,657</u>	<u>1,696,400</u>	<u>19,630,656</u>
Grants, awards and prizes	0	175,114	0	175,114	0	284,259	0	284,259
	<u>14,266,737</u>	<u>5,384,825</u>	<u>1,787,136</u>	<u>21,438,698</u>	<u>13,304,599</u>	<u>4,913,916</u>	<u>1,696,400</u>	<u>19,914,915</u>
Total Expenditure	<u>14,980,560</u>	<u>6,126,118</u>	<u>1,793,115</u>	<u>22,899,793</u>	<u>13,938,530</u>	<u>5,555,910</u>	<u>1,700,074</u>	<u>21,194,514</u>

All support costs relate to the provision of education. Support staff costs include the salaries of the Headmaster, Finance, Human Resources, IT, Marketing and Admissions. Other support costs include computer equipment, photocopying equipment, software licences professional fees and the apprenticeship levy.

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Charitable activities include:				
Depreciation on owned assets	1,793,115	1,700,074	1,787,136	1,696,400
Operating leases	0	78,507	0	78,507
Finance costs include				
Bad debts expense	84,118	77,703	67,161	65,701
Governance costs include				
Auditors remuneration for				
Audit services	31,120	21,516	28,020	17,598
Other service	450	0	450	0

7. STAFF COSTS

	2023	2022
	£	£
Total staff costs were as follows:		
Wages and salaries	11,977,024	11,133,689
Social security costs	1,149,827	1,075,472
Pension contributions	1,853,709	1,729,369
	<u>14,980,560</u>	<u>13,938,530</u>

The governors received no remuneration during the year (2022: £nil). An aggregate amount of £843 was reimbursed to 5 governors during the year, in respect of travel expenses (2022: £803 to 1 governor). One Governor has a child in the school paid at standard rates. One Governors has a child / grandchild who receives merit-based scholarships. The related Governor was not involved in the decisions to make these awards.

Related party transactions

One related party transaction occurred during the year (2022: £nil). McLaren Clark Consultancy were appointed in October 2019 as joint agents to assist with the marketing and sale of a piece of land. Upon completion of this contract in March 2023, £76,251.66 was paid to the company. In May 2022, one of the directors of McLaren Clark Consultancy became a trustee. There were no further related party transactions in the year.

	2023	2022
	No.	No.
Staff numbers		
The number of employees in the year were:	449	465
The number of employees whose emoluments exceeded £60,000 were		
£60,001 to £70,000	32	21
£70,001 to £80,000	8	3
£80,001 to £90,000	4	3
£110,001 to £120,000	1	1
£220,001 to £230,000	1	1

There are a number of key management personnel in the School including the Senior Management Team and the Support Staff Senior Management Team. The total amount of remuneration, benefits (excluding those listed below) and pensions paid to this group of individuals was £1,827,070 (2022: £1,700,995).

In addition to the above payments and those contained in the bandings above, the School provides fee remission to teaching and some senior staff typical for the independent school sector and accommodation (or reimbursement for own accommodation) to staff who are entitled to accommodation by virtue of their role.

Pension contributions and commitments

Teaching staff are eligible to contribute to the Teachers' Pension Scheme. Support staff are eligible to contribute to a personal pension plan, which is a defined contribution scheme administered by Scottish Widows. All schemes permit staff to make additional voluntary contributions.

Further details relating to these pension schemes are set out in note 21.

	2023	2022
	£	£
Pension contributions		
Total employer contributions incurred during the year were:		
Teaching staff	1,216,261	1,153,292
Support staff	637,448	576,077
	<u>1,853,709</u>	<u>1,729,369</u>
	2023	2022
	£	£
Redundancy & Termination Payments		
made in the year totalled	11,384	34,961

8. TANGIBLE FIXED ASSETS – GROUP

	Freehold property	Plant & equipment	Computer equipment	Furniture, fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£
Historic cost						
Opening - 1st August	43,429,902	6,397,946	1,576,885	3,932,646	398,636	55,736,015
Transfers	0	0	0	0	0	0
Additions	4,731,048	290,751	5,359	308,432	0	5,335,590
Disposals	(353,927)	0	0	0	0	(353,927)
Closing - 31st July	<u>47,807,023</u>	<u>6,688,697</u>	<u>1,582,244</u>	<u>4,241,078</u>	<u>398,636</u>	<u>60,717,678</u>
Depreciation						
Opening - 1st August	10,453,806	3,022,752	1,211,105	1,174,897	244,628	16,107,188
Transfers	0	0	0	0	0	0
Charge in year	903,613	420,938	140,132	278,162	50,270	1,793,115
Disposals	(306,993)	(1)	0	0	0	(306,994)
Closing - 31st July	<u>11,050,426</u>	<u>3,443,689</u>	<u>1,351,237</u>	<u>1,453,059</u>	<u>294,898</u>	<u>17,593,309</u>
Net Book Value						
Opening - 1st August	32,976,096	3,375,194	365,780	2,757,749	154,008	39,628,827
Closing - 31st July	<u>36,756,597</u>	<u>3,245,008</u>	<u>231,007</u>	<u>2,788,019</u>	<u>103,738</u>	<u>43,124,369</u>

8. TANGIBLE FIXED ASSETS – CHARITY

	Freehold property	Plant & equipment	Computer equipment	Furniture, fixtures & fitings	Motor vehicles	Total
	£	£	£	£	£	£
Historic cost						
Opening - 1st August	43,429,902	6,263,513	1,565,796	3,932,646	398,636	55,590,493
Transfers	0	0	0	0	0	0
Additions	4,731,048	247,537	5,359	308,432	0	5,292,376
Disposals	(353,927)	0	0	0	0	(353,927)
Closing - 31st July	<u>47,807,023</u>	<u>6,511,050</u>	<u>1,571,155</u>	<u>4,241,078</u>	<u>398,636</u>	<u>60,528,942</u>
Depreciation						
Opening - 1st August	10,453,806	2,896,516	1,200,016	1,174,897	244,628	15,969,863
Transfers	0	0	0	0	0	0
Charge in year	903,613	414,959	140,132	278,162	50,270	1,787,136
Disposals	(306,993)	0	0	0	0	(306,993)
Closing - 31st July	<u>11,050,426</u>	<u>3,311,475</u>	<u>1,340,148</u>	<u>1,453,059</u>	<u>294,898</u>	<u>17,450,006</u>
Net Book Value						
Opening - 1st August	32,976,096	3,366,997	365,780	2,757,749	154,008	39,620,630
Closing - 31st July	<u>36,756,597</u>	<u>3,199,575</u>	<u>231,007</u>	<u>2,788,019</u>	<u>103,738</u>	<u>43,078,936</u>

9. INVESTMENTS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Investment in subsidiary undertaking	-	-	100	100

10. COMPOSITION FEES

The investments are managed by Rathbone Brothers PLC in accordance with an investment policy established by the school as a trustee. The surplus of funds invested over liabilities has been recognised and is shown as a restricted reserve. This scheme was closed to new entrants in October 2020 and the investment fund was closed in May 2023.

	2023	2022
	£	£
At 1 August 2022	525,442	962,648
Composition fees received	0	0
Income arising from investments	(16,452)	2,609
Management fees and similar charges	(1,558)	(2,797)
Payments	(289,987)	(430,862)
Cash transferred	(217,445)	0
Net Movement in the year	<u>(525,442)</u>	<u>(431,050)</u>
Total liability as at 31 July 2023	105,415	531,598
Unrealised gain/(loss) on investments	0	(6,156)
At 31 July 2023	<u>105,415</u>	<u>525,442</u>

Represented by:

Investment with Rathbones	0	525,472
Cash at bank	105,415	(30)
Interest Receivable		0
	<u>105,415</u>	<u>525,442</u>

Amounts falling due within one year	0	183,320
Amounts falling due after one and within five years	0	103,264
Amount falling due after five years		
	<u>0</u>	<u>286,584</u>
Composition Fees Reserve	0	238,858
	<u>0</u>	<u>525,442</u>

2023	2022
£	£

Investments representing Composition Fees Funds

Investments representing restricted funds at cost	<u>0</u>	<u>531,628</u>
Market value of assets representing restricted funds	<u>0</u>	<u>525,472</u>

The funds are invested by Rathbones

UK equities	0	127,265
Overseas equities	0	84,996
Index linked	0	58,006
Other	0	246,570
Cash and commitments	0	8,635
	<u>0</u>	<u>525,472</u>

2023
£

Reconciliation of Movement in Fund

B/Fwd	721,637
Additions	126,340
Disposals	(617,045)
Profit /(Loss) on Disposals	(32,288)
Unrealised Gains/(Losses)	(190,009)
Cash Movements	<u>(8,635)</u>
C/Fwd	<u>0</u>

II. OTHER INVESTMENTS

	2023	2022
	£	£
a) Assyrian Fund		
Cost of assets representing School Funds	6,718,763	6,499,003
Market value of assets representing School Funds	6,947,608	6,931,297

The funds are invested by Rathbones

	2023	2022
	Total	Total
	£	£
UK equities	1,589,324	1,738,252
Overseas equities	1,995,428	1,745,481
Index linked	355,020	392,290
Other	2,896,970	2,362,355
Cash and commitments	110,866	692,919
	<u>6,947,608</u>	<u>6,931,297</u>

	2023
	£
Reconciliation of Movement in Fund	
B/Fwd	6,931,297
Additions	2,584,256
Disposals	(1,880,459)
Profit / (Loss) on Disposals	90,938
Unrealised Gains/ (Losses)	(203,448)
Cash Movements	(574,976)
C/Fwd	<u>6,947,608</u>

b) Other Assets held as Investments

Market value of assets representing School Funds	8,750	8,750
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Total Other Investments	<u>6,956,358</u>	<u>6,940,047</u>
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c) Restricted Funds - Scholarship, Bursaries and Prize Fund

Investments representing restricted funds at cost	2,727,879	2,716,999
Market value of assets representing restricted funds	2,869,975	2,941,000

The funds are invested by Rathbones.

	2023	2022
	Total	Total
	£	£
UK equities	722,466	846,465
Overseas equities	1,101,379	1,059,756
Index linked	102,735	116,170
Other	885,608	844,673
Cash and commitments	57,787	73,936
	<u>2,869,975</u>	<u>2,941,000</u>

2023

£

Reconciliation of Movement in Fund

B/Fwd	2,941,000
Additions	796,014
Disposals	(824,898)
Profit / (Loss) on Disposals	54,360
Unrealised Gains / (Losses)	(81,906)
Cash Movements	(14,595)
C/Fwd	<u>2,869,974</u>

The investments are managed by Rathbones Investment Management Ltd in accordance with an investment policy established by the School as trustee. Notes 17 and 18 show the funds to which these investments relate.

12. STOCKS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Goods for resale	138,224	116,812	23,551	25,648

The replacement cost of stocks is not considered to be materially different from their historical costs.

13. DEBTORS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Debtors in respect of school fee account	522,776	292,376	522,776	292,377
Amounts owed by subsidiary undertaking	0	0	357,405	470,618
Other debtors	2,940,195	5,866,783	2,914,140	5,824,551
Prepayments and accrued income	618,660	616,485	612,432	606,131
	<u>4,081,631</u>	<u>6,775,644</u>	<u>4,406,753</u>	<u>7,193,677</u>

Other Debtors 2023 includes half of the proceeds of land sale due to be paid March 2024.

14. CREDITORS: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
School fees paid on account	3,743,217	3,094,957	3,743,217	3,094,957
Composition fees (see note 10)	0	183,320	0	183,320
Trade creditors	554,494	1,103,011	543,105	1,090,463
Amounts owed to subsidiary undertaking	0	0	134,886	20,280
Other creditors	612,478	595,885	562,108	534,920
Taxation & social security	301,229	310,438	273,851	283,231
Finance lease obligations	0	0	0	0
Accruals and deferred income	1,662,535	1,547,111	1,571,007	1,458,594
	<u>6,873,953</u>	<u>6,834,722</u>	<u>6,828,174</u>	<u>6,665,765</u>

15. CREDITORS: amounts falling due after more than one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Composition fees due 2 - 5 years (see note 10)	0	103,264	0	103,264
Composition fees due more than 5 years (see note 10)	0	0	0	0
Deferred Income due 2 - 5 years	30,664	30,664	30,664	30,664
Deferred Income more than 5 years	84,325	91,991	84,325	91,991
Finance lease obligations due 2 - 5 years	0	0	0	0
Finance lease obligations more than 5 years	0	0	0	0
Pension Scheme Deficit 2 - 5 years (see note 21)	745	494	746	494
Pension Scheme Deficit more than 5 years (see note 21)	0	0	0	0
	<u>115,734</u>	<u>226,413</u>	<u>115,735</u>	<u>226,413</u>

The Deferred Income relates to a lease granted over land and is amortised over the life of the lease.

16. MOVEMENT IN TOTAL DEFERRED INCOME

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
As at 1st August	314,985	236,705	247,488	164,147
New Deferred Income	113,678	108,470	49,158	117,167
Released to SOFA	(99,421)	(30,190)	(31,924)	(33,826)
As at 31st July	<u>329,242</u>	<u>314,985</u>	<u>264,722</u>	<u>247,488</u>

17. FUNDS

	1 August 2021	Income	Expenditure	Gain(Loss) on Investment Assets	Transfer Between Funds	1 August 2022	Income	Expenditure	Gain(Loss) on Investment Assets	Transfer Between Funds	31 July 2023
	£	£	£	£	£	£	£	£	£	£	£
Unrestricted Funds											
Assyrian Fund	6,832,291	132,515	(48,481)	(257,298)	0	6,659,027	155,784	(27,220)	(108,090)	0	6,679,501
Canford Partnership Fund	252,693	4,916	23,941	(9,280)	0	272,270	6,370	(6,113)	(4,420)	0	268,107
Designated Property Fund	31,621,974	0	0	0	1,354,121	32,976,095	0	0	0	3,780,502	36,756,597
	38,706,958	137,431	(24,540)	(266,578)	1,354,121	39,907,392	162,154	(33,333)	(112,510)	3,780,502	43,704,205
General Fund	10,500,165	22,375,050	(20,314,165)		(1,354,121)	11,206,929	23,608,909	(21,822,739)		(3,780,502)	9,212,597
Total Unrestricted School Funds	49,207,123	22,512,481	(20,338,705)	(266,578)	0	51,114,321	23,771,063	(21,856,072)	(112,510)	0	52,916,802
Restricted Funds											
Composition Fees Fund	252,403	16,957	(9,999)	(20,504)	0	238,857	9,680	107,075	(26,132)	(224,065)	105,415
Scholarship Bursary and Prize Fund	3,173,147	259,175	(301,012)	(79,375)	(10,261)	3,041,674	422,573	(701,543)	(27,545)	271,000	3,006,159
Total Restricted School Funds	3,425,550	276,132	(311,011)	(99,879)	(10,261)	3,280,531	432,253	(594,468)	(53,677)	46,935	3,111,574
Total Charity Funds	52,632,673	22,788,613	(20,649,716)	(366,457)	(10,261)	54,394,852	24,203,316	(22,450,540)	(166,187)	46,935	56,028,376
Subsidiary Reserves	8,465	1,378,958	(1,378,958)	0	0	8,465	1,485,255	(1,485,255)	0	0	8,465
	52,641,138	24,167,571	(22,028,674)	(366,457)	(10,261)	54,403,317	25,688,571	(23,935,795)	(166,187)	46,935	56,036,841

The total of the Income and Expenditure in each year above matches the Net Income before transfers and investments gains/(losses) on the SOFA.

The cost of scholarships in the year from the Assyrian Fund and the Scholarship, Bursary and Prize Funds are included within the total for "scholarships, bursaries, grants and allowances" in note 2.

Purpose of funds

Unrestricted Funds

Assyrian Fund	This is designated for annual scholarship and bursary awards to pupils.
Canford Partnership Fund	This is designated for work carried out by pupils on trips to orphanages in countries such as Argentina, Ghana and India.
Designated Property Fund	This is designated to match the value of the investment made over the years in the fabric of School buildings.
General Fund	General reserves are available to the group. Governors monitor this fund on a regular basis, considering the working capital management of the School and the desire to continually improve facilities.

Restricted Funds

Composition Fees Fund	This is restricted to the advance payment of fees, and represents funds received in respect of school fees for current and future pupils. This scheme was close to new entrants in October 2020.
Scholarship Bursary and Prize Fund	This is restricted to terms set out by donors for the provision of scholarships, bursaries, prizes and activities.

Transfers between funds

£3,780,502 was transferred to the designated property fund from the general fund to match the movement in net book value of freehold land and buildings.

18. ALLOCATION OF NET ASSETS TO FUNDS

	Fixed assets	Investments	Other net assets/ (liabilities)	Long term liabilities	2023 Total	Fixed assets	Investments	Other net assets/ (liabilities)	Long term liabilities	2022 Total
	£	£	£	£	£					
Unrestricted General Fund	6,367,772	8,750	2,960,274	(115,734)	9,221,062	6,652,732	8,750	4,677,061	(123,149)	11,215,394
Unrestricted School Funds										
Assyrian Fund	0	6,679,501	0	0	6,679,501	0	6,659,027	0	0	6,659,027
Canford Partnership Fund	0	268,107	0	0	268,107	0	272,270	0	0	272,270
Designated Property Fund	36,756,597	0	0	0	36,756,597	32,976,095	0	0	0	32,976,095
	36,756,597	6,947,608	0	0	43,704,205	32,976,095	6,931,297	0	0	39,907,392
Restricted Funds										
Composition Fees Fund	0	0	109,937	0	109,937	0	525,472	(183,351)	(103,264)	238,857
Scholarship Bursary and Prize Fund	0	2,869,975	131,662	0	3,001,637	0	2,941,000	100,674	0	3,041,674
	0	2,869,975	241,599	0	3,111,574	0	3,466,472	(82,677)	(103,264)	3,280,531
	43,124,369	9,826,333	3,201,873	(115,734)	56,036,841	39,628,827	10,406,519	4,594,384	(226,413)	54,403,317

19. OPERATING LEASE COMMITMENTS

At 31 July 2023 the company's future minimum operating lease payments are as follows:

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Within one year	43,354	75,886	38,972	70,833
Between 1 and 5 years	38,100	55,804	34,988	51,422

At 31 July 2023 the company's future minimum operating lease income is as follows:

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Within one year	7,666	7,666	7,666	7,666
Between 1 and 5 years	30,664	30,664	30,664	30,664
Over 5 years	90,076	97,743	90,076	97,743

20. CAPITAL COMMITMENTS

Capital expenditure authorised and contracted for at the balance sheet date amounted to £866,753 (2022: £1,178,054).

21. PENSIONS

The Group operates two pension schemes: Teachers are enrolled in the Teachers' Pension Scheme and Support Staff are offered a Scottish Widows Group Personal Pension Plan. Staff who do not elect to join one of two schemes offered are swept up into the Scottish Widows scheme under auto-enrolment rules. There are a small number of Support Staff who are active members of a legacy pension scheme, which is no longer offered to new members; The Pensions Trust Growth Plan. The School is also responsible for paying a share of the pension costs for employees of the Allied School Agency Limited which provides company secretarial and other services to the School. The figures shown below include this liability.

Teachers Pensions

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 £1,212,591 (2022: £1,147,800).

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

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

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

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 following a public consultation in 2021 the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations were completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has indicated that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The Pensions Trust Growth Plan

To fulfil the School's responsibility to the Allied Schools Agency Limited the company participates in this scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

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

From 1 April 2022 to 31 January 2025: £3,312,000 per annum (payable monthly)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

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

From 1 April 2019 to 30 September 2025: £11,243,000 per annum (payable monthly and increasing by 3% each year on 1st April)

Company Deficit Contributions: From 1 April 2016 to 30 September 2028: £3,591 per annum (payable monthly). The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

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

PRESENT VALUES OF PROVISION

31-Jul-23 31-Jul-22
(£000s) (£000s)

Present value of provision

4 20

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

Period Ending 31-Jul-23 Period Ending 31-Jul-22
(£000s) (£000s)

Provision at start of period

9 25

Unwinding of the discount factor (interest expense)

0 0

Deficit contribution paid

(2) (4)

Remeasurements - impact of any change in assumptions

(0) (0)

Remeasurements - amendments to the contribution schedule

0 (12)

Provision at end of period

7 9

INCOME AND EXPENDITURE IMPACT

Period Ending 31-Jul-23 Period Ending 31-Jul-22
(£000s) (£000s)

Interest expense

0 0

Remeasurements - impact of any change in assumptions

(0) (0)

Remeasurements - amendments to the contribution schedule

0 (12)

Contributions paid in respect of future service*

0 0

Costs recognised in income and expenditure account

0 (12)

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS

31-Jul-23 31-Jul-22
% per annum % per annum

Rate of discount

5.98 3.15

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

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

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31-Jul-23 (£000s)	31-Jul-22 (£000s)
Year 1	2	2
Year 2	1	2
Year 3	0	1
Year 4	0	0

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

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

22. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2022	Cashflows	31 July 2023
Cash	4,536,650	1,319,321	5,855,971
Composition fees	(286,585)	286,585	0
	<u>4,250,065</u>	<u>1,605,906</u>	<u>5,855,971</u>

CANFORD SCHOOL LIMITED

England & Wales - Charity number 306315

Accounts

CANFORD SCHOOL LIMITED
(Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

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DIRECTORS AND OFFICERS**DIRECTORS**

Chairman	David Levin BEcon MA FRSA Lieutenant General Sir Gary Coward KBE CB	Retired 25 November 2022 Appointed Chairman 25 November 2022
Vice-chairman	Michael Jeffries Dip Arch RIBA FICE FRSA Akinbode Michael Oluwatosin Akinfala Mary Armitage CBE BSc MB ChB DM FRCP FRCPE Teresa Colaianni Barry Coupe BA DipArch RIBA Robert Daubeney BA Philippa Dickins MA MBBS DCH DRCOG MRCGP Georgina Fozard MA Cantab MBBS MRCPsych Professor Mark French MA Oxon PhD Nicholas Holloway BA Stephen Le Bas FCA BA Hons William McClaren-Clark Richard Nicholl BA PGCE Professor Jane Portlock Adam Richards BA Rev John Simmons Annabel Thomas BA	Appointed 22 April 2022 Resigned 17 June 2022 Resigned 26 November 2021 Appointed 9 May 2022 Appointed 9 May 2022 Resigned 25 November 2022

OFFICERS

Headmaster	Ben Vessey MA MBA	
Bursar	David J Brook OBE BSc MA CEng MRAeS	
Company Secretary	Michael Porter MSc BA	
Registered Office	The Bursary Canford School Wimborne BH21 3AD	
Solicitors	Harrison Clark Rickerbys Limited Ellenborough House, Wellington Street Cheltenham GL50 1YD	Steele Raymond LLP Richmond Point, 43 Richmond Hill Bournemouth BH2 6LR
	Veale Wasbrough Vizards LLP Narrow Quay House, Narrow Quay Bristol BS1 4QA	
Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	

Bankers

Barclays Bank Plc
Wytham Court
11 West Way, Botley
Oxford OX2 0XP

Insurance Brokers

Marsh Limited
Capital House 15 Perrymount Road
Haywards Heath RH16 3SY

Investment Advisors

Rathbone Brothers Plc
8 Finsbury Circus
London EC2M 7AZ

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the company will be held at 12 noon on Thursday 23 March 2023 at Harrogate Ladies College, Clarence Drive, Harrogate HG1 2QG.

In accordance with the Articles of Association Mr Akinfala, Mrs Colaanni, Sir Coward, Professor French, Mr McClaren-Clark and Professor Portlock retire by rotation and, being eligible, offer themselves for re-election. Mr Levin retires by rotation and does not offer himself for re-election.

DIRECTORS AND TRUSTEES' REPORT

FINANCIAL STATEMENTS

The Governors, who are Directors for the purposes of Company Law and Trustees for the purposes of Charity Law, present their annual report and audited financial statements for the year ended 31 July 2022. The Governors have adopted the provisions of the Charities Statement of Recommended Practice (SORP) (Second Edition, effective 1 January 2019) based on Financial Reporting Standard (FRS) 102, in preparing the annual report and financial statements of the charity.

OBJECTS AND AIMS

Charitable Objects

The Charity's Object is to advance the education of boys and girls including but not limited to the provision of a senior school in or near Canford, Dorset and/or if thought desirable, in other parts of England or Wales, in accordance with the principles of the Church of England.

Public Benefit Aims and Intended Impact

In furtherance of this Object, Canford School's public benefit aim is to provide a first class independent education, through strong academic tuition and through developing wider sporting, artistic, cultural and social skills in all its pupils. This is intended to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

Canford has restricted and unrestricted funds for the development of the School's facilities as well as for scholarships, prizes and other educational purposes. The School provides bursaries for those without the means to support their child through school.

The Charity also has to maintain its heritage endowment, with its Grade I and II listed buildings and historic park and tree collection, which are all considered of national importance.

Canford views the social responsibilities it carries as an educational institution as being a central feature of our ethos, aims and actions. The '*Importance of Community*' is one of our core aims whereby we recognise '*the importance of community and the engendering of a deep rooted sense of social responsibility in the context of Canford's Christian origins and heritage*' alongside '*respecting the abilities, views and dignity of others throughout the school community and in the wider world*'.

This is not just a form of words but articulates an attitude and approach which guides and informs much of what we do within and beyond the school. Aside from activities within the school based educational programme which seek to raise awareness and understanding of issues and problems confronting the wider world, hundreds of our pupils and many of our staff are engaged in active charitable and community partnership work locally, regionally, nationally and internationally. It is beyond the scope of this report to outline all of the detail of this extensive activity, although some more information can be found below. This social engagement and interaction in a meaningful and sustained sense is very much part of the fabric of Canford's culture.

In the furtherance of these aims the Governors, as the charity trustees, have complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act. In addition, the Governors act to promote the success of the school by: considering the likely consequences of any decision in the long term; looking at the interests of the company's employees; fostering relationships with pupils, parents, staff, suppliers and others; considering the impact of the Charity's operations on the community and the environment; by maintaining a reputation for high standards of business conduct; and acting fairly as between members of the company.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The School is a company limited by guarantee and each of its members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities. The School is a registered charity and is governed by its Articles of Association as most recently amended

on 26th September 2013 by Special Resolution. Canford School is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On September 26th 2013 the Allied Schools signed a management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT.

The School has a subsidiary company, Cheneford Limited, which undertakes a range of trading activities including the letting of the School's sports facilities to the public. We also co-operate with many local charities in our on-going endeavours to widen public access to the schooling we provide, to optimise the educational use of our cultural and sporting facilities and to awaken in our pupils, in the public interest, an awareness of the social context of the all-round education they receive at Canford.

Governing Body

The Governors are responsible for the overall management and control of Canford School and meet at least three times a year. The work of detailed formulation and implementation of most of their policies is carried out by members of the Finance and Executive Committees, who usually meet a few weeks in advance of the full Governing Board. The Education and Safeguarding, Property, External Relations and Communication, and Awards sub-Committees perform detailed reviews in their specialist areas.

Governors are elected by the Governing Body, except that two Governors are nominated by the Martyrs Memorial and Church of England Trust if the total does not exceed 12, three if the number exceeds 12 but does not exceed 18, and four if the number exceeds 18. New governors are appointed by existing governors with input from the Headmaster and Bursar and care is taken to ensure that the relevant skills and experience are represented. Each new governor is provided with an information pack (handbook) and meets with key staff as part of an induction process. They are all encouraged to spend time at the School to experience lessons as the pupils do. All governors receive information on governor training update courses.

All governors have access to the meeting papers and minutes for all committee meetings, whether or not they are members of that committee. Meetings may be held in person or virtually. This ensures that they are informed about the issues being addressed by those committees but can also raise queries and monitor progress in a wide range of areas. The chairmen of the sub committees meet regularly with the School's lead for each committee area, thereby ensuring that they are fully briefed on issues and can provide advice, challenge and support as required.

Organisational Management

The day to day running of the School is delegated to the Headmaster, the Bursar and the Senior Leadership Team (SLT), which comprises of Deputy Head Academic, Deputy Head Pastoral, Deputy Head Co-Curricular and two Assistant Heads (Academic and Pupils). Strategic matters are discussed with the Senior Management Group (SMG), which comprises of the SLT plus the directors of Marketing, Admissions, Development, Human Resources, Finance and Estates, as well as the School Services Manager. Various educational management groups also operate to progress educational and pastoral matters.

Changes to the remuneration levels of key management personnel are made with reference to industry standards, such as the Baines Cutler benchmark reports. Remuneration changes for specific roles are made with reference to internal performance criteria and external role benchmarks, including salary surveys and use of a benchmarking agency as required.

The Headmaster and Bursar attend meetings of all the governors' committees.

STRATEGIC REPORT AND FUTURE PLANS

Canford's Governors recognise that the School must remain competitive, relevant and sustainable in a rapidly changing and increasingly uncertain environment in which there is no shortage of local and regional competitor schools. In looking to the future, Canford intends to maintain and enhance its profile and position as a premium independent school. The Governing Body is already implementing strategies that will enable the School to defend and grow its share of the prestige school boarding and day markets. The key to this will be attracting and retaining suitably able pupils by meeting or exceeding their and their parents' expectations for high academic results, a wide range of high-quality co-curricular facilities and for comfortable pupil accommodation. Our plans include a wide array of educational programmes to enhance the learning experience of our pupils and the provision of flexible, adaptable infrastructure in order to widen the gap between full capacity and the break-even point, allowing flexible and efficient operation with an appropriate level of spare capacity. This strategy is subject to regular reviews, particularly in light of the Covid-19 pandemic.

One particular area of focus is our work on Equality, Diversity and Inclusion. Some indication of our work over the past year can be seen on below. Canford remains committed to ensuring that it's pupils and the whole community are fully engaged with the EDI focus and work and this is a standing agenda item for Senior Leadership Team and Governing Body meetings.

Vision and Mission Statements

Our Vision: 'Canford: a school community where all are inspired to explore, empowered to express and challenged to excel.'

Our Mission: 'To build a community of open minded people who are motivated to embrace learning in all its forms, and committed to making a difference to their own lives, and to the lives of others. Our exceptional education grants freedom to grow and creates opportunities for all to explore, to express and to excel.'

Our Values: 'Develop Purposeful engagement – Building a confident mindset develops positive life-long learning. We inspire members of our community to be curious and determined in pursuit of knowledge and opportunity.
Instil a Courageous Attitude – Being principled and strong, yet reflective and tolerant takes courage. We support members of our community to be bold and sensitive in expressing thoughts, words and deeds.
Promote Humble Ambition – Pursuing goals without arrogance or complacency brings meaningful success. We challenge members of our community to be energetic and resilient in pursuit of their goals but honest and grateful for fulfilment of them.
Encourage Gracious Leadership – Fulfilling a duty to guide and support others makes a difference. We urge members of our community to lead graciously and serve willingly for the greater good.'

Achievements and Performance

Our vision and values have played out each and every day over the past year in so many ways, not least in the way all have adapted and supported each other over the past months during the challenges of the Covid-19 pandemic and other emerging issues. Canford's commitment to a high-quality education and to ensuring that all members of its community can flourish is borne out in many ways and is evidenced by the support received from current members of the community and the strong interest in those wishing to join the school from many quarters.

The EDI programme at Canford has grown exponentially over the last year. The EDI working party, comprised of staff and pupils, has worked to introduce several initiatives to raise greater awareness and understanding of a plethora of EDI issues. Canford has now produced a charter, a formal document that expresses our understanding and acceptance of difference in all its forms. This charter was signed by the Headmaster and the Heads of School and a copy is now placed on our website and in all our classrooms and houses. Canford has marked numerous EDI events over the year: International Men's Day, International Women's Day, Pride, Black History Month, and Chinese New Year to name a few. Our Festival of Ideas, organised by Jamie lngs, saw a range of fascinating talks from notable individuals examine the relationship between themselves and society.

We have established four pupil-led groups: a Rainbow Alliance (considering LGBT+ issues), Open-Minded (working on Neurodiversity and hidden disability), a Challenge Sexism group and an Anti-Racism group. House Debating this year, involving many pupils in the school, considered a range of EDI topics which our guest judges considered incredibly challenging. The pupils sensitive handling of these topics was testament to the fact that we have built an exceptional and open-minded place to study.

This year we are offering an opportunity to a select group of pupils, staff and parents to run an action-research based project in school to challenge sexism. Our BBMC (Beautiful Black Mixed-Heritage Children) group of pupils will take a lead on sharing an impactful video of their experiences in our community to develop our collective understanding surrounding racism. We will continue to embed the use of the QR reporting code and the response and reconciliation framework developed to respond to issues relating to Protected Characteristics. We will also try to draw together the many strands of the Beyond the Gates curriculum at Canford, so that pupils, staff and parents can see the different ways in which we seek to develop well rounded Canfordians that are fully prepared for the modern world after Sixth Form.

Academic

Despite the ongoing effects of the pandemic, we worked incredibly hard to normalise our pupils' experiences with public examinations returning after a two-year hiatus. The year culminated with some stunning examination results.

At A-level/Pre-U, over 40% of all the examination grades were A*, with 73.7% at A*/A. At GCSE, 32.9% of grades were at level 9 (higher than the old A*) and 58.2% were at 9/8 (A* level). These results far outstrip the national average and the average results within the independent sector. In the U6, twenty pupils secured three A*s and five pupils gained four A* (including one who also obtained an A* for her EPQ). The average overall grade per pupil in the U6th was better than an A.

The 5th form also showed great determination, strength and focus to achieve excellent GCSE results. As a group they shone: the average GCSE point score is a strong 7.6. There are many individual highlights; eight pupils secured a clean sweep of grade 9s, including one who also made his international cricket debut for England U19 during results week! Twenty pupils obtained at least eight grade 9s.

Of course, academic success should not only be measured by examination results. Throughout the year, regardless of the limitations imposed by Covid restrictions, pupils enjoyed a rich range of academic extension activities, clubs, societies as well as drama, sport and music. Canford is an incredibly busy place - we aim to give our pupils maximum exposure to things that they will enjoy learning about. They are always encouraged to take opportunities whenever they can, to expand their horizons, widen their knowledge, embrace new learning and new experiences inside and outside of the classroom.

The last three years have been difficult for everybody in our school due to the pandemic. However, there have also been opportunities where we have worked creatively and been innovative. In the coming year, the year of our school's centenary, we can look towards the future with optimism in the knowledge that our staff and pupils pulled together, supported each other and thrived.

Academic Enrichment

The year saw several exciting enrichment activities delivered by the school and taken on by our pupils. The annual Baynham and CP Snow essay competition was run for our L6th year group with some truly outstanding entries. The Shell and 4th Form Scholars' programmes ran throughout the year with a range of speakers giving talks to our talented young minds. Topics ranged from global variations in health, to nature vs Nurture and whether society creates criminals. Our 5th form Scholars' trips resumed with a fascinating excursion to the Steve Etches Collection in Kimmeridge, where the pupils received an intimate tour and lecture from Mr Etches himself.

During Black History Month, we invited Historian, Dr Angelina Osbourne to deliver a talk to the 5th form entitled 'Putting the British Into Black History', that was very well received by both pupils and staff alike. This sat alongside many departmental activities with a Black History focus such as an English reading competition for 4th Form where pupils researched short stories from a range of cultures to celebrate black voices. We also began our journey with Jemma Roye, from 'Let's start a Conversation' when she joined us for the Festival of Ideas to discuss systemic racism and microaggression with our 6th formers.

The aforementioned Festival of Ideas returned under the theme 'The Individual in Society'. We saw visiting speakers talk to all year groups on a vast range of topics, including mental health, sexism, astronomy, and exploration of Papua New Guinea. The high standard of questions posed to speakers by our pupils was a clear indicator of how engaged our pupils were in the three-day event.

The final enrichment event of the year was the Canford Educational Partnership Day, during which several Lower 6th pupils were invited to a number of talks and discussions with pupils from two inner city London academies and the Bourne Academy, as well as Old Canfordians. Session themes ranged from the importance of peer reviewed research to interview and careers advice.

The school's Global Connections programme went from strength to strength. We ran a Ukraine appeal, in which pupils facilitated the

delivery of thousands of donations to the country. Our Model United Nations programme has also gathered momentum and when we took pupils to the MUN conference at Magdalen College, Oxford, all 7 pupils won awards and Canford won best delegation. A group of 6th form Canfordians also ran a mini MUN conference with Castle Court School in October which was very well received by pupils and teachers alike. Finally, our 4th form Global Connections programme has continued to enrich the year group. Whether it be learning the cultural origins of the Haka, discussing the root of geopolitical conflicts or debating resolutions on climate change, Canfordians are given every opportunity to delve into our diverse world at every turn.

Higher Education

Despite the U6 year group never having sat a public exam due to Covid restrictions, they produced exceptional A level/Pre-U results. As a consequence, of the 138 offered places, 117 (85%) got their first choice. 106 pupils (77%) were placed at Russell Group universities and a further 14 at Top 12 universities (10%). With 10 pupils gaining places at Oxbridge, a further 10 succeeding in getting places at medical school in the most competitive of years and 5 gaining places at US universities, Canford has helped these pupils to achieve a very good start to their life after school, both from an academic and extracurricular standpoint.

Sport

After the numerous challenges of 2020/21 it was hugely satisfying to see a Canford sports programme in 2021/22 that saw sport return to some form of normality. The outstanding feature of the year was seeing pupils, at all ability levels, enjoying the company of other schools in competition. Fun was had, mental and physical skills were challenged and friendships were made as the pupils explored the opportunities that sport provides.

There were many moments where Canford pupils excelled in the year: National Runners-Up in Golf, Bronze Medals won in Rowing at the National Schools Regatta and reaching the National Quarter Finals in the Girls U15 Cricket. These performances sat alongside very strong results in our focus team sports of Netball, Hockey, Cricket and Rugby. Individually, one pupil won the England Schools Championships (Discus) and another represented Great Britain in the European Juniors having won his National Age Group title. Three pupils were awarded Sports Scholarships to Universities in the USA where they will continue their educational and sporting journeys, and a large number of pupils continue on performance pathways alongside their sport at Canford.

Wellbeing has been a constant theme explored throughout the year. The ability to further educate our pupils in this area will pay dividends as they look to meet the challenges they will face in their lives after Canford. This has included rolling out a sleep programme, further athletic development sessions in Carousel and Games and talks and seminars on Nutrition and Pelvic floor understanding. The physiotherapy team has expanded its provision and the school were proud to be one of the first schools in the country to join forces with Podium Analytics in a long-term research project with the aim of cutting down the number of injuries in school sport. Sports Scholars now have a far more comprehensive programme of enrichment alongside their sporting development.

Looking ahead will be great to see tours and training camps heading overseas along with lots of chances for pupils to express themselves including extra fixtures in place against Stowe as both schools look to celebrate their centenaries. With a re-decorated Performance gym and a new pitch laid on the Rossiter Astro (formally Brook) there are no reasons why this generation of Canford pupils can't achieve their potential in sport and put in place the foundations to promote their physical wellbeing throughout their lives.

Drama

The Drama department returned to a full programme with several large scale productions involving numerous pupils on stage and behind the scenes. It was tremendous to also see audiences return in full to The Layard Theatre and although there were Covid blips along the way it was a strong year showcasing the work of the many talented pupils we have here at Canford.

The year began with Little Shop of Horrors finally being staged after the postponement from the previous term. It was a huge success and provided an uplifting start to the year. One pupil returned to play Audrey 2 having started university life and there was a strong sense of relief that the hard work of many finally came to fruition. A Dance show and exam devised work followed shortly after before the Christmas term concluded with a production of Sondheim's "Into the Woods" and the Canford Panto "Left out of the Woods". Credit again to the pupils who had some serious Covid curveballs to deal with in the lead-up to the productions and also huge thanks to Kevin Wilkins and his team who produced an extraordinary set for the casts to work on.

The Easter term saw our Scholars stage a creative adaptation of Roberto Innocenti's illustrated picture book "Rose Blanche". Sadly this was a timely exploration of war and its impact which was staged just as Russia invaded Ukraine. The end of term saw a production of "And then there were none", stylish, elegant and great fun. The Summer term concluded with an anarchic and modern version of "Peter

Pan" complete with flying and an illuminated crocodile. Many students were involved but the L6 pupil who designed the set must be praised for her wonderful design which made up her EPQ project.

Throughout the year we also held Friday Foyer evenings where pupils are given the opportunity to perform monologues, songs, their own writing etc. These low-key informal evenings have been very enjoyable and a good opportunity to share work without the pressure of a large audience. We also celebrated several pupils gaining success at NYT and NYMT and one U6 leaver this year has just begun a Foundation course at Drama School. Exam results for our GCSE and A'Level pupils were encouraging and the mood within The Layard this year has been one of positive creativity and excitement as we move from Covid times back to more normal ones.

Music

Music ensembles and choirs were delighted to resume 'normal' rehearsals and performance this year. The full range of concerts took place, and highlights included the annual Jazz concert in the music school and the opportunity for the orchestra and choirs to perform in Christchurch Priory in the Spring Term. The pupils were very glad not only to have live and appreciate audiences, but to enjoy the opportunity and the sense of occasion that these high-profile occasions brought. The carol service was a huge success, despite taking place at a time when there was some concern about Covid, being both well attended and well-received. During the first term the Chamber choir sang evensong in Winchester Cathedral, and the Chapel Choir in Wimborne Minster. Particularly popular with the community was the full return of the House Music competition which saw some very polished performing, and great enthusiasm from the whole school pupil body. The online streaming of concerts and events continued with decent view numbers for everything. House music notably achieved several thousand views over time.

The summer term afforded the shells and 4th form an opportunity to perform in house groups in our informal 'Sounds of Canford' concert series, with older pupils having played earlier in the year. The final week of term showcased all of the major ensembles in an exciting summer concert, featuring much challenging repertoire which it was a joy to be able to work towards after some necessary 'stepping back' in the previous couple of year. A significant number of pupils achieved an ARSM diploma, or grade 8 with either merit or distinction during the year, and there were similarly decent achievements at lower grades.

CCF

Canford CCF continues to thrive as we welcomed the return of many of our trips to the school calendar. Full 24-hour field exercises were held at Woodbury Common, Braunton Burrows and Bovington Training Areas, involving fourth form and Sixth form NCOs. There was also opportunity to run several other UK based trips. An adventure training camp in Snowdonia and another in the Brecon Beacons tested our pupil's ability to adapt to tricky conditions and try out new activities. The Battle Camp in Caerwent served as the culmination of the year's training with 25 cadets working closely with members of 1 Rifles to fulfil a battlefield scenario. The Canford CCF continues to enjoy healthy numbers with 97% of Shells choosing it as their enterprise option for the coming year. The Cadre leadership course also hit record levels of participation with 38 fifth formers being taught the skills involved in effective leadership. Canford CCF also continues to earn a sterling reputation amongst the wider cadet community with the Cadet Training Team referring to our contingent as the "gold standard". The Biennial Review showed this as well with the inspecting officer praising Canford for its excellent provision of opportunities for the pupils to build resilience and demonstrate leadership

Duke of Edinburgh's Award

This year's DofE programme has seen a welcome return to relative normality, enabling expeditions and activities to take place largely as planned. In the past year some 15 have achieved their Gold Award, and 7 have been awarded their Bronze. We have a pleasing number of this year's Upper Sixth on the cusp of completing their Gold having completed their qualifying expeditions over the summer – walking in Wales and canoeing in Scotland. Looking ahead, we are aiming to partner with the Bourne Academy for DofE expeditions, with their pupils joining a Canford-led canoeing expedition, and Canford students joining a TBA-led paddleboarding expedition.

Activities

The activities programme for the Shell and 4th form pupils requires students to opt for at least one of 25 or so different activities that take place in the late afternoons, primarily Wednesdays. The most popular choices tend to be sporting (e.g. boys' hockey, netball, futsal, rowing and squash) but there are also many students participating in drama rehearsals and debating.

Community Service and Public Benefit

The community service programme resumed following the pandemic despite challenges for the Upper Sixth (who would normally mentor the Lower sixth) as they had missed volunteering experience due to the pandemic. However, our partners welcomed the return

of our pupils, with numerous letters and emails received thanking the School for sending such excellent volunteers.

Whole Day Enterprises was another success. Pupils engaged with projects in local schools, including moving a school library and building a memorial garden for Wimborne First School in memory of a pupil who passed away. Pupils were visibly moved by a talk given by the child's father and this helped to reinforce the importance of giving back.

Despite some Covid-related disruption affecting the Christmas term, visits were almost back to normal by the end of the Easter term. One care home locked down during the Easter term so arrangements were made for residents to take part in an on-line Bingo competition with another care home.

The Shine programme resumed in the Christmas term and a presentation was held for the parents and pupils. A new school has joined the programme - The Elm Academy. The City Reach project continues with visits to Northam by our pupils as well as hosting Northam pupils at Canford. Unfortunately, the annual trip to the Isle of Wight was cancelled and the Christmas party was postponed until the Easter term due to Covid. However, the annual sponsored walk for Northam took place with over 20 pupils and 6 members of staff raising £2,000 which will help City Reach who have started a new girls' group. The group is also being sponsored by the Friends of Canford. Our thanks to them for their generosity. Work has also been carried out to support those suffering from the crisis in Ukraine with material and financial support put in place.

The Bourne Academy have started a 'Bourne Scholar Programme', supported by Canford. The programme provides a highly academic and rigorous curriculum that will improve social mobility through increased confidence, high career aspirations and support for entry to top universities. Canford is supporting this programme by delivering sessions including presentation skills, Model United Nations, team building (using the assault course and climbing tower) and the history of Canford, both at The Bourne Academy and at Canford.

Stakeholder Relationships

Canford exists as a community; our links with current and former pupils, parents and staff, as well as our community partners, are strong. We employ over 450 people in the local community who and have used more than 500 suppliers, all of whom are crucial to our success. This supports our local, regional and national economy. We have increased our payments within the agreed terms and continue to focus on this. We are grateful to our suppliers for their continued support for Canford.

Employee Engagement and Employment Policy

Governors communicate with employees through a variety of channels. Both governors and employees sit on the Joint Consultative Committee where matters relating to pay, benefits and working conditions are discussed. Governors and employees also sit on the Health and Safety Committee. Governors write to employees to explain the impact of significant decisions, such as pay reviews and the strategic direction of the School. Any significant decisions taken during governors' meetings are assessed for the impact they will have on staff, with the governors aware that the School cannot be successful without an engaged, motivated staff body. For information on the relationship between governors and management, see section 'Structure, Governance and Management'.

Canford School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial performance of the school.

Fundraising Performance

Canford undertakes fundraising activity to its supporters via fundraising events, sponsored events and direct mail. Email is used in line with the Fundraising Code of Practice set by the Fundraising Regulator. Our fundraising promise, which is available on our website alongside our privacy notice to reassure supporters of our approach, is:

"When you support you can be sure of the following:

- We will never sell your contact details to anyone
- If you ask us to change how we communicate with you, or stop, we will respect that
- We try hard to ensure no one ever feels pressurised to support our work

- All our activities are open, fair, honest and legal.”

Canford is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice. There were no complaints about fundraising activity during the year.

Total fundraising costs during the year including operating budget and salaries were £198K (2021: £169K), to cover programmes including fundraising and a significant amount of engagement work. Where events took place, income (tickets purchased) partially offset some of the costs. Income from fundraising activities totalled £196K (2021: £153K). The Development Programme continues to seek to engage alumni, parents and friends of Canford as School benefactors. This can be through giving of time and expertise through volunteering; the giving of financial donations including one-off gifts, regular giving, or gifts of stocks, shares or art; and securing longer-term legacies.

There are three main areas of activity within the current Development Programme: (1) engaging the Canford Community, (2) encouraging and promoting volunteering, and (3) fundraising to increase access to a Canford education through the provision of pupil bursaries. Secondary fundraising priorities include funding capital and equipment projects.

Engaging the Canford Community involves supporting the many different volunteer-driven groups which themselves aim to benefit Canford, Canfordians and associated partner charities and organisations. The Development team provide support to the Old Canfordian Society (OCS), the Friends of Canford School, the Friends of Canford Music and the Friends of Canford Rowing. Events and monies raised by these groups are returned directly to benefit the education and enrichment of pupils and the Canford Community. Modernisation of the OCS is ongoing. Developments aim to transform connections between OCs and facilitate better communication, knowledge and support of our alumni.

Volunteers to Canford give in a variety of ways. All school governors are volunteers and provide strategic oversight. Many others serve as alumni, sports or committee representatives. Alumni and parents provide careers advice to pupils providing mentoring, work experience or speaking to pupils about their experiences. Other volunteer duties include supporting music at Canford, supporting sport at home and away fixtures and speaking at Canford events. During the year over 200 individuals provided their time and expertise free of charge to Canford. The Governing Body is very appreciative of this invaluable support.

Donations include cash gifts, regular gifts, bequests received and gifts-in-kind. The Development Office also supports the work of the Friends of Canford School (FCS), a parent and friends' group. The group have again this year focused their support on local external charities through grants for specific projects. This included a grant to a longstanding partnership, the City Reach project in Southampton.

The fifth annual fundraising auction to support the Martin Marriott Foundation raised a significant amount for the Foundation in November 2021. A telethon was held in early December 2021 and secured pledged donations totalling £75,781 over a four-year period. Regular donors acquired through the 2019 Telethon are continuing to donate monthly and are stewarded accordingly. The Case for Support on the website is updated annually to include new testimonies from bursary pupils, state fundraising aims and provide an accessible method for making online donations. The Lady Charlotte's Walk campaign launched in 2020 inviting alumni and parents to sponsor a stone on the walkway leading to the new library has continued to be well received with over 220 stones now sponsored. The strategic plan for 2019-2024 is revised annually with an action plan updated to reflect current trends.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Current pupil numbers, and considerable future interest in the School, give us confidence that we will be at full capacity for the foreseeable future. This is a result of our continued resolve to deliver a top-quality education, supported by talented staff in an inspiring environment.

The School's financial policy is to maintain total fee income at a level sufficient to generate a surplus over time to meet the objectives of the School's strategic plan, allowing for investment in the school. This will be achieved through both operating cash flow and fundraising. As a charity the parents of our pupils have the assurance that all the income of the school must be applied for educational purposes.

In preparing its budget for this year the School recognised the need to continue to invest in both high quality staff and the School's fabric, to ensure that both continue to support the educational mission.

Financial review summary	2022	2021
School fees receivable	£20,986K	£18,872K
Fundraising income	£196K	£153K
All other income	£2,141K	£7,561K
Provision of education	£(19,915)K	£(19,124)K
Other costs	£(1,280)K	£(592)K
Net income (before transfers and investment gains / losses)	£2,129K	£6,870K

Operational financial performance was broadly in line with budget this year, despite higher wages and utility costs. Total gross fee income for the year was 11.2% higher than last year (2021: 8.6% higher). Pupil numbers remained healthy and there were no discounted weeks due to Covid. Fundraising income for bursaries was higher, due to the generosity of a number of parents and Old Canfordians. Other income was lower, despite the full resumption of trading activity, due to the one-off sale of a piece of land adjacent to the school in 2021 on which contracts have been exchanged but which has not yet completed. These funds will be used for capital projects.

Careful cost control was exercised throughout the year to ensure that resources were focussed on pupil outcomes, despite significant increases in the National Living Wage, other staff costs and utility prices. Other costs were driven by the resumption of trading. A loss on investments of £0.4M led to the Statement of Financial Activities showing the School's Net Income to be £1.8M (2021: gain of £8.6M).

The overall cost of the School's capital expenditure in this financial year amounted to £4.9M (2021: £8.0M), which included the strategic capital works programme (two new Boarding Houses £3.2M, Manor House refurbishment £0.8m and the new Library £0.3M). Other capital expenditure included ongoing reinvestment into the fabric of the school. Investing in additional flexible capacity and improved core facilities will ensure Canford's future sustainability and there is a clear imperative to complete the strategic building plans which are essential to support future sustainability and success. All projects will remain subject to the usual governance and approval processes. Given the investment in capital expenditure there was a reduction in cash of £1.3M (2021: reduction of £4.7M).

Overall the Governors were pleased with this financial result. Future plans will require similar levels of surplus order to provide sufficient income for the School's strategic plan objectives – a top-quality education, supported by talented staff in an inspiring environment.

Reserves Policy

The beneficiaries of Canford School are its pupils; any reserves held must ultimately be for their benefit. Governors have determined that Canford should not hold excessive reserves, money that could otherwise be used for the benefit of pupils. Equally, insufficient reserves, in the event of a crisis, may mean that pupils experience undue disruption to their education.

Given the current economic climate, Governors have reaffirmed their commitment for pupils to be able to complete the current academic year as a minimum. This strikes a balance between unduly tying up funds and minimising disruption in a crisis such as unplanned closure. To ensure this, the level of general reserves held will be equivalent to the sum of cash liabilities in the longest period in the academic year with no fee income, approximately £6M. This has been tested against several scenarios to confirm this level of reserves.

Whilst restricted funds fall outside the definition of free reserves, some restricted funds are maintained principally for the award of bursaries and the advance payment of school fees. Designated funds are also held, in addition to the reserves above, for the purposes of matching the investment made in the fabric of the school, to fund the school's partnership activities and to provide bursaries.

At the year end the school held total funds of £54.4M, of which £3.3M was held in restricted funds principally for the award of bursaries and the advance payment of school fees. The Governors have designated a further £39.9M for the following purposes:

- a) to match the investment it has made over the years in the fabric of the school estate and is not therefore freely available £33.0M
- b) to set aside funds to support the school's partnership activities £0.3M; and
- c) to set aside funds that are invested for the provision of bursary support £6.7M.

After these designations, and the value of fixed assets not represented by the property fund, free reserves are £11.2M (2021: £10.5M) which the Governors consider exceed the reserves policy objective. This excess will continue to be used for capital projects for the charity's beneficiaries, with around £6m of projects planned in 22/23. Most of these projects have commenced. Governors monitor reserve levels on a regular basis, considering the working capital management of the school and the desire to continually improve facilities.

Investment Policy and Objectives

Canford School holds investments in three portfolios with the prime objective to preserve and grow the capital value of funds, whilst generating sufficient income to meet current commitments. This is achieved through a balanced approach to income and asset growth and appropriate risk diversification. The policy recognises that there will be differing investment styles required for some of the restricted funds. The company's Articles of Association empower it to invest the monies of the company not immediately required, as it thinks fit.

The school uses external professional discretionary fund managers to achieve the investment objectives, which may be a single firm or several firms. The performance of these managers is reviewed regularly by the Investment Sub-committee of the Finance Committee as is the overall allocation of assets by type and manager. During the year, Rathbone Brothers PLC managed the investment portfolio and have discretionary management powers. In 2021 a loss of 1.3% (2021: 18.8% gain) was seen across the funds. Governors were satisfied with this result given the context of the external environment.

The largest portfolio comprises the Assyrian Fund and Canford Partnership Fund. The investment policy is to maximise long-term total return in such a way as to permit the regular award of scholarships and bursaries while maintaining or increasing the value of the fund in real terms. The second portfolio comprises various funds restricted by the donors for the provision of scholarships, bursaries, prizes and activities. The Composition Fees Scheme for advance payment of fees, the third portfolio, were invested with the aim of preserving the capital and achieving a return over a period of five years sufficient to fund the School's liabilities under the scheme. This scheme was closed to new entrants in October 2020.

Grant Making Policy

This year, the value of scholarships, grants, prizes and other awards made to the School's pupils was £852K (2021: £827K). The Governors' policy is to make these awards based on the individual's educational potential, subject to the particular conditions imposed by the original donor where an award is made from restricted funds. In addition, means-tested bursary awards totalling £1,563K (2021: £1,480K) were provided. Funding from investments contributed £279K (2021: £240K) to this, with the remainder funded from fees income. The policy for awarding bursaries is to broaden access to the school for prospective pupils and to relieve hardship where a current pupil's education and future prospects would otherwise be at risk. Awards representing 90% or more of the fees went to 25 pupils (2021: 24). The availability of all such awards for fee assistance, together with the terms and conditions for each kind of award, is advertised on our website. In the year the Governors reaffirmed their plan to increase means tested fee assistance through fundraising.

Energy and Carbon Performance

Energy and carbon performance is an area which receives an ever-increasing focus in the School, even more so recently with the increase in energy prices. The Governors have agreed to establish a committee to develop a strategy to reduce the School's environmental impact and to monitor the implementation of the strategy. Notwithstanding this, a number of steps were taken during the year to improve environmental performance. This included a continued roll out of LED lighting, replacing two diesel / petrol vehicles with electric vehicles and the commencement of a project to review renewable energy options for a number of buildings.

For all capital projects, consideration is given to the full range of heat generation options. Each is evaluated on its likely reduction of carbon emissions, along with the practicalities of the location, likely impact on the setting and surrounding grounds, along with technical and cost considerations. The new Boarding Houses have a building management system to optimise hot water heating efficiencies and ventilation is either natural or makes use of high efficiency plate heat exchangers, where required. All lighting is based on low energy LED

technology, with daylight and motion sensors. The new Library has a similar LED lighting system and is designed to have a high air tightness rating along with a high efficiency heating system. Almost all the school's electricity is from renewable sources. Active consideration is being given to ground source heat pumps and solar panels for other new buildings.

To determine the School's CO₂ emissions, we have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and the 2022 UK Government's Conversion Factors for Company Reporting. The level of CO₂e per pupil reduced in 2022, despite the school being open for a higher number of weeks (no Covid-related closures). This reduction was driven by moving one boys' boarding house out of the Manor House, a Grade I listed building that is difficult to insulate, into a modern, well-insulated building. The rollout of LED lighting facilitated a reduction in electricity consumption.

	Energy type	2022 CO ₂ kg	2021 CO ₂ kg	Notes
Scope 1 emissions	Transport - diesel	62,824	35,215	Fuel for minibuses, vans and cars
	Transport - unleaded	5,307	5,258	
Scope 2 emissions	Electricity *	332,985	365,717	All School buildings
	Gas	1,054,859	1,145,344	
Total		1,455,975	1,551,534	

kg CO ₂ e per pupil	2,247	2,413
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* Note that electricity emissions have been determined using the UK Government's standard conversion factors. However, the School's electricity is sourced through a renewable energy contract so this element of our emissions is essentially carbon neutral.

Risk Management

The Board of Governors is responsible for the management of risks faced by the School. Risks are identified and reviewed by the School's leadership team and split into functional risk areas. The Governors' functional sub-committees review their risk areas on a termly basis, implementing appropriate mitigation measures. The most significant risks are reviewed by the Governing Body each term. Through this process, the Governors are satisfied that the major risks to the School have been identified and reasonably mitigated with key controls.

The Governors consider the major risks to the School to be:

- The inability to deliver high quality education and / or charge sufficient fees to sustain the school due to the ongoing impacts of the Covid-19 outbreak.
- Competition from other schools could adversely affect pupil numbers.
- Significant disruption to school activities from power outages, fire or the failure of key computer hardware or software.
- Pupils significantly underachieve their potential.
- A challenging economic or political outlook and / or a rising cost base could affect the affordability of Canford's fees, exacerbated by the current inflationary environment.
- A lack of readily available financial reserves might limit the School's ability to respond to unexpected catastrophic events.
- Staff costs rise at unsustainable levels given the increasing level of employer pension contributions, National Living Wage and inflationary challenges.
- A road traffic accident or similar incident leads to injury or death, on or off school premises.

The key controls include:

- A risk assessment and monitoring of the current and longer terms effects of Covid-19.
- Strategic risk assessment, planning, budgeting and management accounting, focussing funds on critical areas of infrastructure.
- Clear Terms of Reference for all Committees and appropriate membership, ensuring oversight of high educational standards, relations with feeder schools, all aspects of health and safety, the financial position of the school and IT systems.
- Formal written policies.
- Risk assessments for individual activities and departments.
- Vetting procedures as required by law for the protection of vulnerable people.
- Clear organisational structure, lines of reporting and authority limits.
- Formal agenda and minutes to support decisions of all Committee and Governing Body activities.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Governors, who are Directors for the purposes of Company Law, are responsible for preparing the Directors and Trustees' Report, incorporating the strategic report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Directors are required to:

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

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

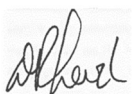
So far as each of the Directors is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company and group's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

Haysmacintyre LLP have expressed their willingness to continue as auditors to Canford School Limited.

This report was approved by the Board on 25 November 2022 and signed on its behalf by:



David R Levin
Director/Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANFORD SCHOOL LIMITED

Opinion

We have audited the financial statements of Canford School Limited for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Cash flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2022 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors and Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Directors and Trustees' 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors and Trustees' Report (which incorporates the strategic report and the directors' report).

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission and the Independent Schools Inspectorate, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as payroll tax and sales tax.

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

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

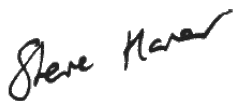
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of

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

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

Use of our report

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



Steven Harper (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: **17th March 2023**

CONSOLIDATED AND CHARITY BALANCE SHEETS

CANFORD SCHOOL LIMITED AS AT 31 JULY 2022

COMPANY REGISTERED NO: 190956

	Notes	Group		Charity	
		July 2022 £	July 2021 £	July 2022 £	July 2021 £
FIXED ASSETS					
Cost		55,736,015	51,123,625	55,590,493	50,978,103
Depreciation		(16,107,188)	(14,724,326)	(15,969,863)	(14,590,675)
Tangible Fixed Assets	8	<u>39,628,827</u>	<u>36,399,299</u>	<u>39,620,630</u>	<u>36,387,428</u>
INVESTMENTS					
Investment in subsidiary undertaking	9	0	0	100	100
Investment for composition fees	10	525,472	962,148	525,472	962,148
Restricted investments	11	2,941,000	3,149,435	2,941,000	3,149,435
Other investments	11	6,940,047	7,073,734	6,940,047	7,073,734
		<u>10,406,519</u>	<u>11,185,317</u>	<u>10,406,619</u>	<u>11,185,417</u>
CURRENT ASSETS					
Stocks	12	116,812	92,403	25,648	16,211
Debtors	13	6,775,644	6,534,551	7,193,677	6,537,101
Cash at bank and in hand		4,536,650	5,802,783	4,040,456	5,633,260
		<u>11,429,106</u>	<u>12,429,737</u>	<u>11,259,781</u>	<u>12,186,572</u>
CREDITORS: amounts falling due within one year	14	(6,834,722)	(6,904,973)	(6,665,765)	(6,658,501)
NET CURRENT ASSETS		<u>4,594,384</u>	<u>5,524,764</u>	<u>4,594,016</u>	<u>5,528,071</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>54,629,730</u>	<u>53,109,380</u>	<u>54,621,265</u>	<u>53,100,916</u>
CREDITORS: amounts falling due after more than one year	15	(226,413)	(468,243)	(226,413)	(468,243)
NET ASSETS		<u>54,403,317</u>	<u>52,641,137</u>	<u>54,394,852</u>	<u>52,632,673</u>
UNRESTRICTED FUNDS					
General fund		11,215,394	10,508,629	11,206,929	10,500,165
Designated funds:					
Property fund		32,976,095	31,621,974	32,976,095	31,621,974
Assyrian Fund		6,659,027	6,832,291	6,659,027	6,832,291
Canford Partnership fund		272,270	252,693	272,270	252,693
RESTRICTED FUNDS		3,280,531	3,425,550	3,280,531	3,425,550
TOTAL FUNDS	17	<u>54,403,317</u>	<u>52,641,137</u>	<u>54,394,852</u>	<u>52,632,673</u>

The surplus of the parent charitable company before consolidation was £1,762,179 (2021: £8,560,509).

The financial statements were approved and authorised for issue by the Board of Directors on 25 November 2022 and were signed on its behalf by:



David R Levin
Chairman



Stephen Le Bas
Chairman of Finance Committee

The notes on pages 23 to 39 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FORTHEYEAR ENDED 31 JULY 2022

	2022 £	2021 £
Net movement in funds	1,762,180	8,558,251
Investment income receivable	(239,962)	(180,395)
(Gains)\losses on investments	<u>366,457</u>	<u>(1,688,200)</u>
Operating surplus for the year	1,888,675	6,689,656
Depreciation	1,700,074	1,463,022
(Profit)\loss on disposal of fixed assets	0	(5,755,183)
Amortisation of lease granted over land	(7,666)	(7,666)
Discount given on Composition fees	7,202	18,827
Decrease \ (increase) in stocks	(24,409)	17,675
(Increase)\decrease in debtors	(241,093)	(112,882)
(Decrease)\increase in creditors	(43,539)	1,598,794
Net cash inflow from operating activities	<u>3,279,244</u>	<u>3,912,243</u>
Investing		
Investment income received	239,962	180,395
Purchase of tangible fixed assets	(4,766,285)	(8,512,006)
Proceeds from sale of tangible fixed assets	0	5,334
Net Sale\ (Purchase) of investments	(3,831)	14,382
Net movement in composition fee investments	<u>416,172</u>	<u>320,213</u>
Net cashflow from capital expenditure and financial investments	<u>(4,113,982)</u>	<u>(7,991,682)</u>
Net cash inflow/(outflow) before financing	<u>(834,738)</u>	<u>(4,079,439)</u>
Financing		
Composition fees received	0	0
Composition fee payments	(430,862)	(630,426)
Lessee's payments for the reduction of the outstanding liability relating to a finance lease	<u>(533)</u>	<u>(2,824)</u>
Net cashflow from financing	(431,395)	(633,250)
Decrease in cash in the year	Note 22 <u><u>(1,266,133)</u></u>	<u><u>(4,712,689)</u></u>
Cash and cash equivalents at the start of the year	5,802,783	10,515,472
Cash and cash equivalents at the end of the year	4,536,650	5,802,783

The notes on pages 23 to 39 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

I. ACCOUNTING POLICIES

a) *General information*

The Charity is a private company limited by guarantee, incorporated in England and Wales (company number 190956) and a charity registered in England and Wales (charity number 306315). The Charity's registered office address is The Bursary, Canford School, Wimborne, Dorset BH21 3AD.

b) *Basis of accounting*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Canford School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). Financial statements are prepared in pounds sterling rounded to the nearest pound.

These financial statements consolidate the results of the charity and its wholly owned subsidiary Cheneford Limited. In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Canford School Limited.

The Trustees have reviewed the appropriateness of adopting the going concern basis of accounting in preparing the annual financial statements to assess whether the charity was viable in accordance with the new requirement of the UK Corporate Governance Code. The assessment included a review of the budget and principal risks facing the charity, their potential impact, how they were being managed and a review as to the appropriate period for the assessment. This assessment included the short- and medium-term risks associated with Covid-19. The Governors are confident that there is a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due over the one-year period of the assessment and there are no material uncertainties in making this assessment.

c) *Significant judgements and sources estimation uncertainty*

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Charity's accounting policies. The key judgements that have been applied by management relate to:

- Items covered above in Basis of accounting, such as determining the charity is a going concern, and
- Estimates regarding pensions liabilities have been made and are covered in Note 21.

d) *Income and expenditure*

School fees and operating expenses are included in the financial statements on the accruals basis. Fees receivable are stated after deducting allowance, scholarships and other remissions granted by the school. Entrance and registration fees are credited to income in the year in which they are received. All income and expenditure included in the financial statements is from continuing operations.

Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to the management estimates of time spent or space occupied, as appropriate. VAT is included with the item of expenditure to which it relates.

Governance costs comprise the cost of running the company, including strategic planning for its future development, external audit, and all the costs of complying with constitutional and statutory requirements, such as the cost of governor and committee meetings and preparing financial statements.

e) *Termination payments*

Termination payments are accounted for in the year in which the commitment is made. This applies to pay in lieu of notice,

redundancy payments and payments under compromise agreements.

f) Donations

Donations of tangible fixed assets are capitalised, and a matching gift in kind is accounted for as a donation within the Statement of Financial Activities. Other donations are accounted for within the Statement of Financial Activities and are recognised when the school is entitled to the receipt.

g) Repairs and maintenance

Repairs and maintenance expenditure is charged as an operating expense in the year in which it is incurred net of any grants receivable.

h) Investments

The investments are stated at market value, less any provision for permanent diminution in value. It is the company's policy to keep valuation up to date such that when investments are sold there is no gain or loss arising. As a result, the Statement of Financial Activities only includes those unrealised gains or losses arising from the revaluation of the investment portfolio throughout the year. The school also holds an investment at cost in its subsidiary, Cheneford Limited, shown in Note 9.

i) Tangible fixed assets and depreciation

Freehold land and buildings

Expenditure relating to the acquisition of and extensions to freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less depreciation and any provision for impairment. No depreciation is charged on freehold land. Leases granted over land are amortised over the term of the lease. Land and buildings are reviewed annually for impairment in accordance with FRS 102.

Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Donations of tangible fixed assets are capitalised at their cash value or at estimated cash value if received in kind. Depreciation is provided on tangible fixed assets so as to write off their cost, less estimated residual value, by equal instalments over the expected useful lives of the assets concerned. Assets with a cost of more than £5,000 are capitalised. The estimated useful lives are considered to be as follows:

Freehold buildings	-	Up to 50 years
Property improvements	-	5 – 25 years
Plant and equipment	-	3 – 20 years
Computer equipment	-	4 – 7 years
Furniture, fixtures and fittings	-	10 – 20 years
Motor vehicles	-	4 Years

j) Composition fees

Composition fees represent payments in advance in respect of school fees for current and future pupils. These are recorded in the School's balance sheet as a liability (representing the fees received in advance from parents) and assets (being the investments managed by Rathbone Brothers PLC). A transfer to the revenue account is made each term in respect of school fees which are then due.

k) Stocks

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

l) Assets acquired under finance leases

Assets acquired under finance leases, which confer rights and obligations similar to those attached to owned assets are capitalised and included under tangible fixed assets in the balance sheet and are depreciated over the shorter of the lease term and their useful lives.

The capital elements of finance lease obligations are recorded as liabilities while the interest elements are charged to the Statement of Finance Activities over the primary lease period, to produce a constant rate of charge on the balance of capital repayments outstanding.

m) Operating leases

Assets used by the school under operating leases are not capitalised. The costs associated with their rental are charged on a straight-line basis over the lease term, even if the payments are not made on such basis.

n) Pensions

The School's professional teaching staff are members of a Superannuation Scheme operated by the Department for Education and Skills. This is a multi-employer defined benefits scheme and individual schools are not able to identify their share of the underlying assets and liabilities of the scheme. The results for the year are stated after charging the relevant employer's contributions to this scheme. Other staff are members of a defined contribution scheme. Further information and the basis of accounting is given in Note 21.

o) Taxation

The School is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

p) Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

q) Government grants

Government grants are accounted for on an accruals basis.

2. FEES

	2022	2021
	£	£
Gross School Fees	23,631,149	21,509,237
Less: scholarships, bursaries, grants and allowances	(2,923,900)	(2,877,387)
	<hr/>	<hr/>
	20,707,249	18,631,850
Add: scholarships funded from Assyrian Fund and from Scholarship Bursary and Prize Fund	279,000	240,000
	<hr/>	<hr/>
	<u>20,986,249</u>	<u>18,871,850</u>

3. INCOME FROM SUBSIDIARY'S TRADING ACTIVITIES

The company owns 99% of the issued share capital of Cheneford Limited, a company registered in England. (Company number: 2694274). The company leases the Sports Centre and lets the facilities of the school, including a golf course, for use by the public and various organisations. The subsidiary's net profit is paid to Canford under a Deed of Covenant.

The subsidiary's trading results for the year, as extracted from the audited financial statements, are summarised below:

	2022	2021
	£	£
Turnover	1,502,318	473,869
Cost of Sales	(1,123,189)	(463,931)
Gross Profit	<u>379,129</u>	<u>9,938</u>
Administration expenses	(147,441)	(12,218)
Other operating income	0	0
Operating profit	<u>231,688</u>	<u>(2,280)</u>
Interest receivable	146	7
Interest payable	(14)	(458)
Net profit	<u><u>231,820</u></u>	<u><u>(2,731)</u></u>

Turnover includes £36,387 (2021: £23,590) supplied to the School. Costs include contributions to the overheads of the School totalling £154,000 (2021: £149,552). These intercompany transactions are excluded from the consolidated figures shown on the SOFA and in note 6.

At 31 July 2022 there was a balance of £470,618 (2021: £40,010) owed by Cheneford to Canford School Limited and £20,280 (2021: £2,853) owed by Canford School Limited to Cheneford Limited.

The subsidiary's balance sheet as at 31 July 2022 as extracted from the audited financial statements is summarised below:

	2022	2021
	£	£
Fixed assets	8,197	11,871
Current assets	660,223	286,030
Less current liabilities	(659,855)	(289,336)
Long term liabilities	0	0
Net Assets	<u>8,565</u>	<u>8,565</u>
Called up share capital	100	100
Profit and loss account	8,465	8,465
	<u><u>8,565</u></u>	<u><u>8,565</u></u>

4. OTHER INCOME

	2022	2021
	£	£
Other educational charitable activities		
Fee income for extra subjects	310,048	292,592
Entrance and registration fees	106,950	80,064
Courses and sub lettings	45,470	8,389
	<u>462,468</u>	<u>381,045</u>

Other ancillary trading income

Ancillary income	147,041	97,078
Insurance commission	0	0
	<u>147,041</u>	<u>97,078</u>

Other income

Gain / (Loss) on Sales of Fixed Assets	0	5,755,183
Other operational income	15	428
Amortisation of lease granted over land	7,666	7,666
CJRS claims	2,599	494,016
	<u>10,280</u>	<u>6,257,293</u>

5. INVESTMENT INCOME

	General Funds	Restricted Funds	2022 Total	General Funds	Restricted Funds	2021 Total
	£	£	£	£	£	£
Investment income	137,431	83,022	220,453	101,196	61,379	162,575
Interest received	19,509	0	19,509	17,820	0	17,820
	<u>156,940</u>	<u>83,022</u>	<u>239,962</u>	<u>119,016</u>	<u>61,379</u>	<u>180,395</u>

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs	Other costs	Depreciation	2022 Total	Staff costs	Other costs	Depreciation	2021 Total
	£	£	£	£	£	£	£	£
Costs of generating funds:								
Fundraising	114,466	83,511	0	197,977	108,837	60,337	0	169,174
Trading costs of subsidiary	519,465	434,634	3,674	957,773	117,602	193,537	8,657	319,796
Finance costs	0	123,849	0	123,849	0	102,547	0	102,547
	<u>633,931</u>	<u>641,994</u>	<u>3,674</u>	<u>1,279,599</u>	<u>226,439</u>	<u>356,421</u>	<u>8,657</u>	<u>591,517</u>
Charitable Activities								
Provision of education								
-Teaching	7,369,519	299,401	0	7,668,920	7,177,864	458,334	0	7,636,198
-Welfare	3,150,144	1,094,568	0	4,244,712	3,109,075	914,698	0	4,023,773
-Premises	980,226	2,504,960	1,696,400	5,181,586	1,266,573	1,758,337	1,454,364	4,479,274
-Support costs	1,804,710	662,237	0	2,466,947	1,874,984	799,370	0	2,674,354
Governance	0	68,491	0	68,491	0	64,865	0	64,865
	<u>13,304,599</u>	<u>4,629,657</u>	<u>1,696,400</u>	<u>19,630,656</u>	<u>13,428,496</u>	<u>3,995,604</u>	<u>1,454,364</u>	<u>18,878,464</u>
Grants, awards and prizes	0	284,259	0	284,259	0	245,225	0	245,225
	<u>13,304,599</u>	<u>4,913,916</u>	<u>1,696,400</u>	<u>19,914,915</u>	<u>13,428,496</u>	<u>4,240,829</u>	<u>1,454,364</u>	<u>19,123,689</u>
Total Expenditure	<u>13,938,530</u>	<u>5,555,910</u>	<u>1,700,074</u>	<u>21,194,514</u>	<u>13,654,935</u>	<u>4,597,250</u>	<u>1,463,021</u>	<u>19,715,206</u>

All support costs relate to the provision of education. Support staff costs include the salaries of the Headmaster, Finance, Human Resources, IT, Marketing and Admissions. Other support costs include computer equipment, photocopying equipment, software licences professional fees and the apprenticeship levy.

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Charitable activities include:				
Depreciation on owned assets	1,463,021	1,369,236	1,454,364	1,357,001
Operating leases	78,507	68,973	78,507	68,973
Finance costs include				
Bad debts expense	32,403	122,901	33,491	119,292
Governance costs include				
Auditors remuneration for				
Audit services	20,690	17,790	17,340	14,640
Other service	0	0	0	0

7. STAFF COSTS

	2022	2021
	£	£
Total staff costs were as follows:		
Wages and salaries	11,133,689	10,973,864
Social security costs	1,075,472	1,010,124
Pension contributions	1,729,369	1,670,947
	<u>13,938,530</u>	<u>13,654,935</u>

The governors received no remuneration during the year (2021: £nil). No related party transactions occurred during the year (2021: £nil). An aggregate amount of £801 was reimbursed to 1 governor during the year, in respect of travel expenses (2021: £1,233 to 1 governor). Two Governors have a child in the school paid at standard rates. Two Governors have children / grandchildren who receive merit-based scholarships. The related Governors were not involved in the decisions to make these awards.

	2022	2021
	No.	No.
Staff numbers		
The number of employees in the year were:	465	468
The number of employees whose emoluments exceeded £60,000 were		
£60,001 to £70,000	21	16
£70,001 to £80,000	3	4
£80,001 to £90,000	3	3
£110,001 to £120,000	1	1
£220,001 to £230,000	1	1

There are a number of key management personnel in the School including the Senior Management Team and the Support Staff Senior Management Team. The total amount of remuneration, benefits (excluding those listed below) and pensions paid to this group of individuals was £1,700,995 (2021: £1,671,775).

In addition to the above payments and those contained in the bandings above, the School provides fee remission to teaching and some senior staff typical for the independent school sector and accommodation (or reimbursement for own accommodation) to staff who are entitled to accommodation by virtue of their role.

Pension contributions and commitments

Teaching staff are eligible to contribute to the Teachers' Pension Scheme. Support staff are eligible to contribute to a personal pension

plan, which is a defined contribution scheme administered by Scottish Widows. All schemes permit staff to make additional voluntary contributions.

Further details relating to these pension schemes are set out in note 21.

	2022	2021
	£	£
Pension contributions		
Total employer contributions incurred during the year were:		
Teaching staff	1,153,292	1,105,716
Support staff	576,077	565,231
	<u>1,729,369</u>	<u>1,670,947</u>
	2022	2021
	£	£
Redundancy & Termination Payments		
made in the year totalled	34,961	46,320

8. TANGIBLE FIXED ASSETS – GROUP

	Freehold property	Plant & equipment	Computer equipment	Furniture, fixtures & fitings	Motor vehicles	Total
	£	£	£	£	£	£
Historic cost						
Opening - 1st August	41,301,317	5,596,203	1,707,701	2,250,028	268,376	51,123,625
Transfers	0	0	0	0	0	0
Additions	2,228,584	801,743	86,396	1,682,619	130,260	4,929,602
Disposals	(100,000)	0	(217,212)	0	0	(317,212)
Closing - 31st July	<u>43,429,901</u>	<u>6,397,946</u>	<u>1,576,885</u>	<u>3,932,647</u>	<u>398,636</u>	<u>55,736,015</u>
Depreciation						
Opening - 1st August	9,679,342	2,600,012	1,288,148	947,053	209,771	14,724,326
Transfers	0	0	0	0	0	0
Charge in year	874,463	422,741	140,169	227,844	34,857	1,700,074
Disposals	(100,000)	0	(217,212)	0	0	(317,212)
Closing - 31st July	<u>10,453,805</u>	<u>3,022,753</u>	<u>1,211,105</u>	<u>1,174,897</u>	<u>244,628</u>	<u>16,107,188</u>
Net Book Value						
Opening - 1st August	31,621,975	2,996,191	419,553	1,302,975	58,605	36,399,299
Closing - 31st July	<u>32,976,096</u>	<u>3,375,193</u>	<u>365,780</u>	<u>2,757,750</u>	<u>154,008</u>	<u>39,628,827</u>

8. TANGIBLE FIXED ASSETS – CHARITY

	Freehold property	Plant & equipment	Computer equipment	Furniture, fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£
Historic cost						
Opening - 1st August	41,301,317	5,461,770	1,696,612	2,250,028	268,376	50,978,103
Transfers	0	0	0	0	0	0
Additions	2,228,584	801,743	86,396	1,682,619	130,260	4,929,602
Disposals	(100,000)	0	(217,212)	0	0	(317,212)
Closing - 31st July	<u>43,429,901</u>	<u>6,263,513</u>	<u>1,565,796</u>	<u>3,932,647</u>	<u>398,636</u>	<u>55,590,493</u>
Depreciation						
Opening - 1st August	9,679,342	2,477,450	1,277,059	947,053	209,771	14,590,675
Transfers	0	0	0	0	0	0
Charge in year	874,463	419,067	140,169	227,844	34,857	1,696,400
Disposals	(100,000)	0	(217,212)	0	0	(317,212)
Closing - 31st July	<u>10,453,805</u>	<u>2,896,517</u>	<u>1,200,016</u>	<u>1,174,897</u>	<u>244,628</u>	<u>15,969,863</u>
Net Book Value						
Opening - 1st August	31,621,975	2,984,320	419,553	1,302,975	58,605	36,387,428
Closing - 31st July	<u>32,976,096</u>	<u>3,366,996</u>	<u>365,780</u>	<u>2,757,750</u>	<u>154,008</u>	<u>39,620,630</u>

9. INVESTMENTS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Investment in subsidiary undertaking	-	-	100	100

10. COMPOSITION FEES

The investments are managed by Rathbone Brothers PLC in accordance with an investment policy established by the school as a trustee. The surplus of funds invested over liabilities has been recognised and is shown as a restricted reserve. This scheme was closed to new entrants in October 2020.

	2022	2021
	£	£
At 1 August 2021	962,648	1,456,535
Composition fees received	0	0
Income arising from investments	2,609	76,710
Management fees and similar charges	(2,797)	(4,640)
Applied to school fees	<u>(430,862)</u>	<u>(630,426)</u>
Net Movement in the year	<u>(431,050)</u>	<u>(558,356)</u>
Total liability as at 31 July 2022	531,598	898,179
Unrealised gain/(loss) on investments	<u>(6,156)</u>	<u>64,469</u>
At 31 July 2022	<u>525,442</u>	<u>962,648</u>

Represented by:

Investment with Rathbones	525,472	962,148
Cash at bank	(30)	500
Interest Receivable	0	0
	<u>525,442</u>	<u>962,648</u>

Amounts falling due within one year	183,320	386,727
Amounts falling due after one and within five years	103,264	323,518
Amount falling due after five years		
	<u>286,584</u>	<u>710,245</u>
Composition Fees Reserve	238,858	252,403
	<u>525,442</u>	<u>962,648</u>

2022	2021
£	£

Investments representing Composition Fees Funds

Investments representing restricted funds at cost	<u>531,628</u>	<u>897,679</u>
Market value of assets representing restricted funds	<u>525,472</u>	<u>962,148</u>

The funds are invested by Rathbones

UK equities	127,265	238,336
Overseas equities	84,996	186,407
Index linked	58,006	93,524
Other	246,570	428,445
Cash and commitments	8,635	15,436
	<u>525,472</u>	<u>962,148</u>

2022
£

Reconciliation of Movement in Fund

B/Fwd	962,148
Additions	72,807
Disposals	(482,178)
Profit /(Loss) on Disposals	50,121
Unrealised Gains/(Losses)	(70,625)
Cash Movements	<u>(6,801)</u>
C/Fwd	<u>525,472</u>

II. OTHER INVESTMENTS

	2022	2021
	£	£
a) Assyrian Fund		
Cost of assets representing School Funds	6,499,003	6,143,411
Market value of assets representing School Funds	6,931,297	7,064,984
The funds are invested by Rathbones		
	2022	2021
	Total	Total
	£	£
UK equities	1,738,252	1,673,158
Overseas equities	1,745,481	2,372,462
Index linked	392,290	355,487
Other	2,362,355	2,580,052
Cash and commitments	692,919	83,825
	<u>6,931,297</u>	<u>7,064,984</u>
	2022	
	£	
Reconciliation of Movement in Fund		
B/Fwd	7,064,984	
Additions	1,453,222	
Disposals	(1,929,426)	
Profit /(Loss) on Disposals	222,702	
Unrealised Gains/(Losses)	(489,280)	
Cash Movements	609,095	
C/Fwd	<u>6,931,297</u>	
b) Other Assets held as Investments		
Market value of assets representing School Funds	8,750	8,750
Total Other Investments	<u>6,940,047</u>	<u>7,073,734</u>
	2022	2021
	£	£
c) Restricted Funds - Scholarship, Bursaries and Prize Fund		
Investments representing restricted funds at cost	2,716,999	2,715,477
Market value of assets representing restricted funds	2,941,000	3,149,435
The funds are invested by Rathbones		

	2022	2021
	Total	Total
	£	£
UK equities	846,465	828,281
Overseas equities	1,059,756	1,347,296
Index linked	116,170	89,281
Other	844,673	814,728
Cash and commitments	73,936	69,849
	<u>2,941,000</u>	<u>3,149,435</u>

	2022
	£
Reconciliation of Movement in Fund	
B/Fwd	3,149,435
Additions	628,659
Disposals	(761,806)
Profit /(Loss) on Disposals	130,582
Unrealised Gains/(Losses)	(209,957)
Cash Movements	4,087
C/Fwd	<u>2,941,000</u>

The investments are managed by Rathbones Investment Management Ltd in accordance with an investment policy established by the School as trustee. Notes 17 and 18 show the funds to which these investments relate.

12. STOCKS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Goods for resale	116,812	92,403	25,648	16,211
	<u>116,812</u>	<u>92,403</u>	<u>25,648</u>	<u>16,211</u>

The replacement cost of stocks is not considered to be materially different from their historical costs.

13. DEBTORS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Debtors in respect of school fee account	292,376	225,381	292,376	225,381
Amounts owed by subsidiary undertaking	0	0	470,618	40,010
Other debtors	5,866,783	5,885,266	5,824,551	5,854,932
Prepayments and accrued income	616,485	423,904	606,132	416,778
	<u>6,775,644</u>	<u>6,534,551</u>	<u>7,193,677</u>	<u>6,537,101</u>

Other Debtors 2022 includes proceeds of land sale for which contracts have been exchanged but funds are not due until completion.

14. CREDITORS: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
School fees paid on account	3,094,957	2,942,092	3,094,957	2,942,092
Composition fees (see note 10)	183,320	386,727	183,320	386,727
Trade creditors	1,103,011	814,289	1,090,463	795,973
Amounts owed to subsidiary undertaking	0	0	20,280	2,853
Other creditors	595,885	759,964	534,920	640,982
Taxation & social security	310,438	280,150	283,231	257,177
Finance lease obligations	0	533	0	0
Accruals and deferred income	1,547,111	1,721,218	1,458,594	1,632,697
	<u>6,834,722</u>	<u>6,904,973</u>	<u>6,665,765</u>	<u>6,658,501</u>

15. CREDITORS: amounts falling due after more than one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Composition fees due 2 - 5 years (see note 10)	103,264	323,518	103,264	323,518
Composition fees due more than 5 years (see note 10)	0	0	0	0
Deferred Income due 2 - 5 years	30,664	30,664	30,664	30,664
Deferred Income more than 5 years	91,991	99,657	91,991	99,657
Finance lease obligations due 2 - 5 years	0	0	0	0
Finance lease obligations more than 5 years	0	0	0	0
Pension Scheme Deficit 2 - 5 years (see note 21)	494	14,404	494	14,404
Pension Scheme Deficit more than 5 years (see note 21)	0	0	0	0
	<u>226,413</u>	<u>468,243</u>	<u>226,413</u>	<u>468,243</u>

The Deferred Income relates to a lease granted over land and is amortised over the life of the lease.

16. MOVEMENT IN TOTAL DEFERRED INCOME

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
As at 1st August	236,705	237,222	164,147	145,675
New Deferred Income	108,470	98,718	117,167	26,160
Released to SOFA	(30,190)	(99,235)	(33,826)	(7,688)
As at 31st July	<u>314,985</u>	<u>236,705</u>	<u>247,488</u>	<u>164,147</u>

17. FUNDS

	1 August 2020	Income	Expenditure	Gain(Loss) on Investment Assets	Transfer Between Funds	1 August 2021	Income	Expenditure	Gain(Loss) on Investment Assets	Transfer Between Funds	31 July 2022
	£	£	£	£	£	£	£	£	£	£	£
Unrestricted Funds											
Assyrian Fund	5,749,803	97,637	(26,419)	1,011,270	0	6,832,291	132,515	(48,481)	(257,298)	0	6,659,027
Canford Partnership Fund	213,225	3,559	(977)	36,886	0	252,693	4,916	23,941	(9,280)	0	272,270
Designated Property Fund	25,066,311	0	0	0	6,555,663	31,621,974	0	0	0	1,354,121	32,976,095
	31,029,339	101,196	(27,396)	1,048,156	6,555,663	38,706,958	137,431	(24,540)	(266,578)	1,354,121	39,907,392
General Fund	10,181,451	25,966,710	(19,092,333)		(6,555,663)	10,500,165	22,375,050	(20,314,165)		(1,354,121)	11,206,929
Total Unrestricted School Funds	41,210,790	26,067,906	(19,119,729)	1,048,156	0	49,207,123	22,512,481	(20,338,705)	(266,578)	0	51,114,321
Restricted Funds											
Composition Fees Fund	134,691	89,989	(96,325)	124,048	0	252,403	16,957	(9,999)	(20,504)	0	238,857
Scholarship Bursary and Prize Fund	2,726,683	183,596	(253,127)	515,995	0	3,173,147	259,175	(301,012)	(79,375)	(10,261)	3,041,674
Total Restricted School Funds	2,861,374	273,585	(349,452)	640,043	0	3,425,550	276,132	(311,011)	(99,879)	(10,261)	3,280,531
Total Charity Funds	44,072,164	26,341,491	(19,469,181)	1,688,199	0	52,632,673	22,788,613	(20,649,716)	(366,457)	(10,261)	54,394,852
Subsidiary Reserves	10,723	489,292	(491,550)	0	0	8,465	1,378,958	(1,378,958)	0	0	8,465
	44,082,887	26,830,783	(19,960,731)	1,688,199	0	52,641,138	24,167,571	(22,028,674)	(366,457)	(10,261)	54,403,317

The total of the Income and Expenditure in each year above matches the Net Income before transfers and investments gains/(losses) on the SOFA.

The cost of scholarships in the year from the Assyrian Fund and the Scholarship, Bursary and Prize Funds are included within the total for "scholarships, bursaries, grants and allowances" in note 2.

Purpose of funds

Unrestricted Funds

Assyrian Fund	This is designated for annual scholarship and bursary awards to pupils.
Canford Partnership Fund	This is designated for work carried out by pupils on trips to orphanages in countries such as Argentina, Ghana and India.
Designated Property Fund	This is designated to match the value of the investment made over the years in the fabric of School buildings.
General Fund	General reserves are available to the group. Governors monitor this fund on a regular basis, considering the working capital management of the School and the desire to continually improve facilities.

Restricted Funds

Composition Fees Fund	This is restricted to the advance payment of fees, and represents funds received in respect of school fees for current and future pupils. This scheme was close to new entrants in October 2020.
Scholarship Bursary and Prize Fund	This is restricted to terms set out by donors for the provision of scholarships, bursaries, prizes and activities.

Transfers between funds

£1,354,121 was transferred to the designated property fund from the general fund to match the movement in net book value of freehold land and buildings.

18. ALLOCATION OF NET ASSETS TO FUNDS

	Fixed assets	Investments	Other net assets/ (liabilities)	Long term liabilities	2022 Total	Fixed assets	Investments	Other net assets/ (liabilities)	Long term liabilities	2021 Total
	£	£	£	£	£					
Unrestricted General Fund	6,652,732	8,750	4,677,061	(123,149)	11,215,394	4,777,325	8,750	5,867,279	(144,725)	10,508,629
Unrestricted School Funds										
Assyrian Fund	0	6,659,027	0	0	6,659,027	0	6,812,291	20,000	0	6,832,291
Canford Partnership Fund	0	272,270	0	0	272,270	0	252,693	0	0	252,693
Designated Property Fund	32,976,095	0	0	0	32,976,095	31,621,974	0	0	0	31,621,974
	32,976,095	6,931,297	0	0	39,907,392	31,621,974	7,064,984	20,000	0	38,706,958
Restricted Funds										
Composition Fees Fund	0	525,472	(183,351)	(103,264)	238,857	0	962,148	(386,227)	(323,518)	252,403
Scholarship Bursary and Prize Fund	0	2,941,000	100,674	0	3,041,674	0	3,149,435	23,712	0	3,173,147
	0	3,466,472	(82,677)	(103,264)	3,280,531	0	4,111,583	(362,515)	(323,518)	3,425,550
	39,628,827	10,406,519	4,594,384	(226,413)	54,403,317	36,399,299	11,185,317	5,524,764	(468,243)	52,641,137

19. OPERATING LEASE COMMITMENTS

At 31 July 2022 the company's future minimum operating lease payments are as follows:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Within one year	75,886	71,471	70,833	67,234
Between 1 and 5 years	55,804	85,707	51,422	74,182

At 31 July 2022 the company's future minimum operating lease income is as follows:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Within one year	7,666	7,666	7,666	7,666
Between 1 and 5 years	38,330	38,330	38,330	38,330
Over 5 years	90,076	107,323	90,076	107,323

20. CAPITAL COMMITMENTS

Capital expenditure authorised and contracted for at the balance sheet date amounted to £1,178,054 (2021: £4,710,796).

21. PENSIONS

The Group operates two pension schemes: Teachers are enrolled in the Teachers' Pension Scheme and Support Staff are offered a Scottish Widows Group Personal Pension Plan. Staff who do not elect to join one of two schemes offered are swept up into the Scottish Widows scheme under auto-enrolment rules. There are a small number of Support Staff who are active members of a legacy pension scheme, which is no longer offered to new members; The Pensions Trust Growth Plan. The School is also responsible for paying a share of the pension costs for employees of the Allied School Agency Limited which provides company secretarial and other services to the School. The figures shown below include this liability.

Teachers Pensions

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 £1,147,800 (2020: £1,144,500). The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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

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

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

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

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

The Pensions Trust Growth Plan

To fulfil the School's responsibility to the Allied Schools Agency Limited the company participates in this scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

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

From 1 April 2022 to 31 January 2025: £3,312,000 per annum (payable monthly)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

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

From 1 April 2019 to 30 September 2025: £11,243,000 per annum (payable monthly and increasing by 3% each year on 1st April)

Company Deficit Contributions: From 1 April 2016 to 30 September 2028: £3,591 per annum (payable monthly). The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

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

PRESENT VALUES OF PROVISION

31-Jul-22 31-Jul-21
(£000s) (£000s)

Present value of provision

4 20

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

Period Ending 31-Jul-22 Period Ending 31-Jul-21
(£000s) (£000s)

Provision at start of period

20 25

Unwinding of the discount factor (interest expense)

0 0

Deficit contribution paid

(4) (5)

Remeasurements - impact of any change in assumptions

(0) 0

Remeasurements - amendments to the contribution schedule

(12) 0

Provision at end of period

4 20

INCOME AND EXPENDITURE IMPACT	Period Ending 31-Jul-22 (£000s)	Period Ending 31-Jul-21 (£000s)
Interest expense	0	0
Remeasurements - impact of any change in assumptions	(0)	0
Remeasurements - amendments to the contribution schedule	(12)	0
Contributions paid in respect of future service*	0	0
Costs recognised in income and expenditure account	<u>(12)</u>	<u>0</u>
*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.		

ASSUMPTIONS	31-Jul-22 % per annum	31-Jul-21 % per annum
Rate of discount	3.15	0.57

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

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

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31-Jul-22 (£000s)	31-Jul-21 (£000s)
Year 1	2	6
Year 2	2	6
Year 3	1	6
Year 4	0	3
Year 5	0	0

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

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

22. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2021	Cashflows	New Finance Leases	Fair Value Movements	Foreign Exchange Movements	Other Non Cash Movements	31 July 2022
Cash	5,802,783	(1,266,133)	0	0	0	0	4,536,650
Composition fees	(710,244)	430,862	0	0	0	(7,202)	(286,584)
Finance lease obligation	(533)	533	0	0	0	0	0
	<u>5,092,006</u>	<u>(834,738)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(7,202)</u>	<u>4,250,066</u>

CANFORD SCHOOL LIMITED

England & Wales - Charity number 306315

Accounts

CANFORD SCHOOL LIMITED
(Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

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DIRECTORS AND OFFICERS**DIRECTORS**

Chairman	David Levin BEcon MA FRSA
Vice-chairman	Michael Jeffries Dip Arch RIBA FICE FRSA
	Mary Armitage CBE BSc MB ChB DM FRCP FRCPE
	Teresa Colaianni
	Barry Coupe BA DipArch RIBA
	Lieutenant General Sir Gary Coward KBE CB
	Robert Daubeney BA
	Philippa Dickins MA MBBS DCH DRCOG MRCGP
	Georgina Fozard MA Cantab MBBS MRCPsych
	Professor Mark French MA Oxon PhD
	Nicholas Holloway BA
	Stephen Le Bas FCA BA Hons
	Richard Nicholl BA PGCE
	Adam Richards BA
	Rev John Simmons
	James Stileman MA
	Annabel Thomas BA

Resigned 10 May 2021

OFFICERS

Headmaster	Ben Vessey MA MBA
Bursar	David J Brook OBE BSc MA CEng MRAeS
Company Secretary	Michael Porter MSc BA
Registered Office	The Bursary Canford School Wimborne BH21 3AD
Solicitors	Harrison Clark Rickerbys Limited Ellenborough House, Wellington Street Cheltenham GL50 1YD
	Steele Raymond LLP Richmond Point, 43 Richmond Hill Bournemouth BH2 6LR
	Veale Wasbrough Vizards LLP Narrow Quay House, Narrow Quay Bristol BS1 4QA
Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

Bankers	Barclays Bank Plc Wytham Court 11 West Way, Botley Oxford OX2 0XP
Insurance Brokers	Marsh Limited Capital House 15 Perrymount Road Haywards Heath RH16 3SY
Investment Advisors	Rathbone Brothers Plc 8 Finsbury Circus London EC2M 7AZ

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the company will be held at 12 noon on Thursday 24 March 2022 at Canford School, Wimborne BH21 3AD.

In accordance with the Articles of Association Dr Dickins, Dr Fozard, Mr Nicholl and Mr Richards retire by rotation and, being eligible, offer themselves for re-election. Mr Coupe retires by rotation and does not offer himself for re-election. For a third of the governors to be re-elected, required by the Articles of Association, Mr Daubeney, as the longest serving governor, retires by rotation and being eligible, offers himself for re-election.

DIRECTORS AND TRUSTEES' REPORT

FINANCIAL STATEMENTS

The Governors, who are Directors for the purposes of Company Law and Trustees for the purposes of Charity Law, present their annual report and audited financial statements for the year ended 31 July 2021. The Governors have adopted the provisions of the Charities Statement of Recommended Practice (SORP) (Second Edition, effective 1 January 2019) based on Financial Reporting Standard (FRS) 102, in preparing the annual report and financial statements of the charity.

OBJECTS AND AIMS

Charitable Objects

The Charity's Object is to advance the education of boys and girls including but not limited to the provision of a senior school in or near Canford, Dorset and/or if thought desirable, in other parts of England or Wales, in accordance with the principles of the Church of England.

Public Benefit Aims and Intended Impact

In furtherance of this Object, Canford School's public benefit aim is to provide a first class independent education, through strong academic tuition and through developing wider sporting, artistic, cultural and social skills in all its pupils. This is intended to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

Canford has restricted and unrestricted funds for the development of the School's facilities as well as for scholarships, prizes and other educational purposes. The School provides bursaries for those without the means to support their child through school.

The Charity also has to maintain its heritage endowment, with its Grade I and II listed buildings and historic park and tree collection, which are all considered of national importance.

Canford views the social responsibilities it carries as an educational institution as being a central feature of our ethos, aims and actions. The '*Importance of Community*' is one of our core aims whereby we recognise '*the importance of community and the engendering of a deep rooted sense of social responsibility in the context of Canford's Christian origins and heritage*' alongside '*respecting the abilities, views and dignity of others throughout the school community and in the wider world*'.

This is not just a form of words but articulates an attitude and approach which guides and informs much of what we do within and beyond the school. Aside from activities within the school based educational programme which seek to raise awareness and understanding of issues and problems confronting the wider world, hundreds of our pupils and many of our staff are engaged in active charitable and community partnership work locally, regionally, nationally and internationally. It is beyond the scope of this report to outline all of the detail of this extensive activity, although some more information can be found on pages 7 and 8. This social engagement and interaction in a meaningful and sustained sense is very much part of the fabric of Canford's culture.

In the furtherance of these aims the Governors, as the charity trustees, have complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act. In addition, the Governors act to promote the success of the school by: considering the likely consequences of any decision in the long term; looking at the interests of the company's employees; fostering relationships with pupils, parents, staff, suppliers and others; considering the impact of the Charity's operations on the community and the environment; by maintaining a reputation for high standards of business conduct; and acting fairly as between members of the company.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The School is a company limited by guarantee and each of its members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities. The School is a registered charity and is governed by its Articles of Association as most recently amended

on 26th September 2013 by Special Resolution. Canford School is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On September 26th 2013 the Allied Schools signed a management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT.

The School has a subsidiary company, Cheneford Limited, which undertakes a range of trading activities including the letting of the School's sports facilities to the public. We also co-operate with many local charities in our on-going endeavours to widen public access to the schooling we provide, to optimise the educational use of our cultural and sporting facilities and to awaken in our pupils, in the public interest, an awareness of the social context of the all-round education they receive at Canford.

Governing Body

The Governors are responsible for the overall management and control of Canford School and meet three times a year. The work of detailed formulation and implementation of most of their policies is carried out by members of the Finance and Executive Committees, who usually meet a few weeks in advance of the full Governing Board. The Education and Safeguarding, Property, External Relations and Communication, and Awards sub-Committees perform detailed reviews in their specialist areas.

Governors are elected by the Governing Body, except that two Governors are nominated by the Martyrs Memorial and Church of England Trust if the total does not exceed 12, three if the number exceeds 12 but does not exceed 18, and four if the number exceeds 18. New governors are appointed by existing governors with input from the Headmaster and Bursar and care is taken to ensure that the relevant skills and experience are represented. Each new governor is provided with an information pack (handbook) and meets with key staff as part of an induction process. They are all encouraged to spend time at the School to experience lessons as the pupils do. All governors receive information on governor training update courses.

All governors have access to the meeting papers and minutes for all committee meetings, whether or not they are members of that committee. Meetings may be held in person or virtually. This ensures that they are informed about the issues being addressed by those committees but can also raise queries and monitor progress in a wide range of areas. The chairmen of the sub committees meet regularly with the School's lead for each committee area, thereby ensuring that they are fully briefed on issues and can provide advice, challenge and support as required.

Organisational Management

The day to day running of the School is delegated to the Headmaster, the Bursar and the Senior Leadership Team (SLT), which comprises of Deputy Head Academic, Deputy Head Pastoral, Deputy Head Co-Curricular and two Assistant Heads (Academic and Pupils). Strategic matters are discussed with the Senior Management Group (SMG), which comprises of the SLT plus the directors of Marketing, Admissions, Development, Human Resources, Finance and Estates, as well as the School Services Manager. Various educational management groups also operate to progress educational and pastoral matters.

Changes to the remuneration levels of key management personnel are made with reference to industry standards, such as the Baines Cutler benchmark reports. Remuneration changes for specific roles are made with reference to internal performance criteria and external role benchmarks, including salary surveys and use of a benchmarking agency as required.

The Headmaster and Bursar attend meetings of all the governors' committees.

STRATEGIC REPORT AND FUTURE PLANS

Canford's Governors recognise that the School must remain competitive, relevant and sustainable in a rapidly changing and increasingly uncertain environment in which there is no shortage of local and regional competitor schools. In looking to the future, Canford intends to maintain and enhance its profile and position as a premium independent school. The Governing Body is already implementing strategies that will enable the School to defend and grow its share of the prestige school boarding and day markets. The key to this will be attracting and retaining suitably able pupils by meeting or exceeding their and their parents' expectations for high academic results, a wide range of high-quality co-curricular facilities and for comfortable pupil accommodation. Our plans include a wide array of educational programmes to enhance the learning experience of our pupils and the provision of flexible, adaptable infrastructure in order to widen the gap between full capacity and the break-even point, allowing flexible and efficient operation with an appropriate level of spare capacity. This strategy is subject to regular reviews, particularly in light of the Covid-19 pandemic.

One particular area of focus is our work on Equality, Diversity and Inclusion. Several reviews are underway to ensure that societal issues surrounding sexism, racism and other aspects relating to equality, diversity and inclusion will be at the forefront of our education. An EDI working group including a Governor, pupil leaders, a newly appointed Head of EDI and other representatives are developing plans for the future as well as implementing actions agreed by the Governing Body.

Vision and Mission Statements

Our Vision: 'Canford: a school community where all are inspired to explore, empowered to express and challenged to excel.'

Our Mission: 'To build a community of open minded people who are motivated to embrace learning in all its forms, and committed to making a difference to their own lives, and to the lives of others. Our exceptional education grants freedom to grow and creates opportunities for all to explore, to express and to excel.'

Our Values:

- 'Develop Purposeful engagement – Building a confident mindset develops positive life-long learning. We inspire members of our community to be curious and determined in pursuit of knowledge and opportunity.
- Instil a Courageous Attitude – Being principled and strong, yet reflective and tolerant takes courage. We support members of our community to be bold and sensitive in expressing thoughts, words and deeds.
- Promote Humble Ambition – Pursuing goals without arrogance or complacency brings meaningful success. We challenge members of our community to be energetic and resilient in pursuit of their goals but honest and grateful for fulfilment of them.
- Encourage Gracious Leadership – Fulfilling a duty to guide and support others makes a difference. We urge members of our community to lead graciously and serve willingly for the greater good.'

Achievements and Performance

Our vision and values have played out each and every day over the past year in so many ways, not least in the way all have adapted and supported each other over the past months during the challenges of the Covid-19 pandemic. The following is an extract from one of the many supportive communications received from parents and pupils.

'We would like to express our gratitude to you and your amazing staff for being the best school ever! I know we are completely biased as parents at your school only I do not think that I have ever known such an exceptional school. Everything you do from a parental perspective is always so accessible and informative, plus your forms are always super easy to fill in and send! It makes such a difference for busy parents. All your staff in every department are so kind, understanding and always offer viable helpful solutions if there is a problem to overcome. Nothing is ever too much trouble. Being a parent at Canford has been an absolute pleasure. We have LOVED being a part of your community for the past five years.

Our daughter came into the school as a somewhat shy Shell who found it hard to offer her opinions in and outside of the classroom all this has changed during her time at Canford. Since being at Canford she has developed an unassuming confidence in herself and is so relaxed and happy in any social situation.

She is strong and determined but is also kind and compassionate. We believe that the environment that you have created has helped her to flourish and to bring out these wonderful qualities. It was so touching to see the genuine beautiful relationships between the pupils and staff at the leaver's day. It was very emotional watching the pupils celebrate their time at Canford but also to see how difficult it was to say goodbye to Canford and its wonderful staff after five amazing years of being part of such an inspirational community.

Schools have had to continuously adapt to such challenging times during the pandemic however you have always responded quickly and efficiently to all the obstacles that you have had to overcome. Bravo to you all and well done.'

One broad area of focus over the year was developing our work on EDI. A survey gathered insights into attitudes and experiences of sexism at Canford from pupils and staff. With a very high response rate, across boys, girls and year groups, this provided extremely valuable information. Alongside year group assemblies on sexism and other EDI issues, we have also worked with Lower Sixth pupils who facilitated discussions on sexism with small groups of junior pupils. The structure of the sessions provided invaluable insights. An online panel session focused on Sexism / Sexual Harassment in the Workplace for the Fifth Form and Upper Sixth which included four high profile speakers who are involved in EDI in the commercial, legal and journalistic spheres, along with a representative from Beyond Equality, which was very well received. Further developments are planned in this area in the new academic year.

Academic

After another extremely challenging and unsettling year we are delighted with the results that our pupils have been awarded. It is not really possible, nor fair, to compare the results this year to previous years because the method of assessment was so different and, crucially there were no nationally norm standardised examinations. However, we can be confident that we provided our pupils with the best opportunities to demonstrate their learning and we were thorough and fair in our methods. Pleasingly, our Centre Policy was reviewed by the Joint Council for Qualifications (JCQ) and passed. The Exam board Quality Assurance sampling we were obliged to undertake was also successful when analysed. We can, therefore, be steadfastly secure from an objective point of view that our Teacher Assessed Grade (TAG) systems and procedures were robust and thorough.

Academic Enrichment

The 2020/21 academic year saw several exciting enrichment activities delivered by the school and taken on by our pupils. The annual Baynham and CP Snow essay competition was run for our Lower 6th year group with some truly outstanding entries. The Shell and 4th Form Scholars programmes ran throughout the year, both virtually and in-person, with a range of speakers giving talks to our talented young minds. Topics ranged from global variations in health to the investigations that lead to the arrest of the Unabomber.

During Black History Month, we invited Historian David Olusoga to deliver a virtual talk on the Forgotten History of Black Britons, a session that was very well received by both pupils and staff alike. This sat alongside many departmental activities with a Black History focus such as a Shell Geography project on the Underground Railroad, which taught pupils the journeys and experiences of slaves seeking freedom in the USA. Undeterred by the pandemic, the school debating competition took place online, with some impressive arguments including topics such as the legitimacy of graffiti as art, and whether guns make America strong.

The final Enrichment focused event of the year was the Canford Educational Partnership Day, during which several Lower 6th pupils were invited to several talks and discussions with pupils from partner schools and Old Canfordians. Session themes ranged from the importance of peer reviewed research to interview and careers advice

The school's Global Connections programme expanded considerably during the year, with every age group turning their gaze outwards, including the local community and our international partnerships. All pupils now have the opportunity to participate in Model United Nations and there are numerous activities to collaborate with the partnership projects, such as the Hogar el Alba home in Argentina. Whether it be learning the cultural origins of the Haka, discussing the root of geopolitical conflicts, or debating resolutions on climate change, Canfordians are given every opportunity to delve into our diverse world at every turn.

Higher Education

Despite the difficulties over the last 18 months, our Upper Sixth maintained their enthusiasm, worked diligently and set their sights high. Of the 136 that gained places at university, 130 were accepted into their first choice. 112 of these (82%) were Russell Group or from the Times Top 12 institutions, including 7 who were successful applicants to Oxbridge. Despite the high competition for places in medical schools, 8 Canfordians achieved places for medicine as well as 2 applicants for Veterinary Science. In spite of all the restrictions, these results demonstrate that Canford has managed to maintain a high standard of education and preparation for life after school.

Sport

The difficulties of the year - a term of internal sport only, a period of remote learning, some regular competition and then more remote learning – at least showed the amazing resilience of pupils and staff to meet whatever challenges were thrown at them. Highlights of the remote learning period were the development of some younger pupils via Athletic Development sessions; the distance clocked up during the Canford Round the World event; and a variety of other challenges delivered by Sixth Formers and Graduate Assistants. Other remote, live sessions including HIIT and Crossfit gave pupils exercise opportunities from home. The need to look after both physical and mental health was reinforced through some great messaging on Wellbeing Wednesdays and Feel-good Fridays, delivered by our Head

of Wellbeing and pupil leaders. This was enhanced with Instagram #EATtoEXCEL cooking sessions. The summer term saw the return of some competitive sport, with our Cricketers, Rowers, Tennis Players and Athletes in action both home and away. Plans for 21/22 should see pupils exploring, expressing and excelling across their sporting endeavours.

The year provided an opportunity to reassess our sports programme. Identifying four focus team sports (Hockey, Rugby, Netball and Cricket) has resulted in reallocating resources to these areas, with more support for Netball and girls' Cricket, in particular. Looking towards the new academic year, the Wellbeing focus will be to drive the understanding that physical activity and wellbeing affect performance in all areas, not just on the sports field. Initiatives include the Sleep programme and Eat2Excel. Additional physiotherapy support, an enhanced approach to sports injuries and a new Head of Athletic Development will help to minimise injuries and provide movement skills for life. The High Performers who need this specialist help and advice will particularly benefit, and a more structured sports scholar programme will include specialist talks and more analysis work for those who are aspirational in their sporting aims.

Drama

Despite the obvious difficulties the pandemic brought to all areas of life, the Drama department successfully navigated the challenges and provided a busy and fulfilling year for many pupils. In October we produced for a live audience Enda Walsh's "Chatroom", a play perfectly suited to rehearsing and staging with social distancing in mind. The end of term saw us produce a Pantomime, written by pupils, involving a large number of Shell pupils. Both productions were enjoyed by audiences in situ and remotely. The lockdown in January and February resulted in the production of Be My Baby moving from stage to online. Using sophisticated technology it was live streamed from several locations around the country and was enjoyed online by a large number of people.

Throughout the year our A Level and GCSE classes continued to work effectively both remotely and in person and we were delighted that both their devised and scripted work were able to be performed in person and to small audiences. A number of shows, including Little Shop of Horrors and a Dance Show were due to be performed in the Summer term. However, due to covid, these productions were moved to the Christmas term of 2021.

Music

Music ensembles and choirs continued throughout the year, adapting performances to a mixture of live-streamed, pre-recorded and remotely recorded concerts. The pupils were able to continue rehearsing in all the usual ensembles, despite being socially distanced and, during periods of school closure, remote rehearsals. Almost all concerts or performances which might have happened in a normal year took place – but were disseminated online, via the 'Canford Music' youtube channel. The audience/viewer support for the pupils was notable, with viewing figures per video regularly into the high hundreds, and cumulatively into the tens of thousands for the channel. Particular highlights included the orchestra's performance of 'Nimrod', released for Remembrance Day, which garnered over 2,000 views in the first couple of days alone. The virtual carol service was similarly well-received. Over the course of the year there were in the region of 50 or more online performances across the whole range of events, ensembles and musical genres.

The summer term afforded the 4th form and L6 an opportunity to be supported, live, by their parents in concerts for their GCSE and A level course. Notwithstanding the covid-related difficulties of the end of the academic year, the musical education of the pupils continued successfully. A significant number of pupils achieved grade 8 with either merit or distinction during the year, with similarly promising achievements at lower grades too. The achievements of the pupils and department have been recognised with the Music Department a finalist in the 'Independent School of the Year', Performing Arts category.

CCF

The new Canford Outdoor Education Centre has proved to be the envy of many schools, with a very good assault course, landscaped battlecraft areas, a range and the stores all in one place. With the employment of two ex-regular servicemen on the teaching staff, the CCF is thriving, with "The Week" naming Canford's CCF as the "Best of the Best" nationally. Cadet numbers are very healthy. Activities onsite continued as normal with some restrictions but being out of doors helped enormously and enabled most of the basic training to proceed as normal. A full 24-hour field training exercise for the fourth form and sixth form NCOs took place on Bovington Training Area in May. The weather was awful, but the cadets' self-reflections were extraordinary recognising the lessons learned particularly in leadership, resilience, teamwork and communication. Unfortunately, covid-related issues resulted in a number of camps being cancelled at the end of the year. Looking ahead, it is hoped that we can resume the normal menu of trips in the coming months.

Duke of Edinburgh's Award

The School has not been able to run its normal menu of Community Service volunteering and relied on a remote provision in many cases. This has, however, seen real success in some areas and some pupils have been extraordinary, volunteering to deliver food, working

at Covid testing centres, etc. Exercising at home and pursuing personal skills has seen considerable initiative too. The expeditions have been difficult to run and we have not succeeded in the normal numbers. However, where pupils have prioritised expeditions and their training, a number of pupils have been able to complete this section. Many of the most recent leavers were able to complete their expedition over the summer, after leaving Canford, as the country opened up.

Activities

During covid lockdowns, we provided – remotely - some 40 activities including photography, cookery and many others. A move to making activities voluntary has led to a more ambitious and focused ethos, with many opportunities for senior pupils to learn to lead.

Community Service and Public Benefit

The year was challenging as we were not able to send any pupils off campus. That said, engaged in a purposeful set of projects that involved our pupils producing resources for organisations that we worked with that were then shared securely. For example, some pupils recorded bingo games and made bingo cards that were sent through to care homes, pupils recorded music concerts and another group of pupils wrote and recorded their own illustrated stories and sent them to local primary schools. At the end of the year we also set up a live storytelling session. A team of pupils called some elderly members of the public every week to offer friendship and support, one of whom commented that 'those weekly phone calls would stay with me for a few days and really helped to keep me going'.

Some pupils videoed laboratory work and sent it to The Bourne Academy, as they were unable to carry out science experiments. We visited City Reach with a group of pupils at Christmas to provide food and presents for a meal and also had, right at the end of term, a visit by some primary school pupils to take place in a 'Shine' day of sport and outdoor pursuits.

Stakeholder Relationships

Canford exists as a community; our links with current and former pupils, parents and staff, as well as our community partners, are strong. We employ over 450 people in the local community who, along with our suppliers, are crucial to our success.

Over the last year, the School have used more than 550 suppliers, supporting our local, regional and national economy. We have improved our payment performance, in regard to paying within the agreed terms, and continue to focus on this. In particular, during the lock down period due to Covid-19, we ensured suppliers continued to be paid on time and provided flexibility when appropriate. We are grateful to our suppliers for their continued support for Canford.

Employee Engagement and Employment Policy

Governors communicate with employees through a variety of channels. Both governors and employees sit on the Joint Consultative Committee where matters relating to pay, benefits and working conditions are discussed. Governors and employees also sit on the Health and Safety Committee. Governors write to employees to explain the impact of significant decisions, such as pay reviews and the strategic direction of the School. Any significant decisions taken during governors' meetings are assessed for the impact they will have on staff, with the governors aware that the School cannot be successful without an engaged, motivated staff body. In particular, the governors provided employees with a number of specific reassurances during the Covid-19 lockdown which were unanimously appreciated by staff.

For information on the relationship between governors and management, see section 'Structure, Governance and Management'.

Canford School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial performance of the school.

Fundraising Performance

Canford undertakes fundraising activity to its supporters via fundraising events, sponsored events and direct mail. Email is used in line with the Fundraising Code of Practice set by the Fundraising Regulator. Our fundraising promise, which is available on our website alongside our privacy notice to reassure supporters of our approach, is:

"When you support you can be sure of the following:

- We will never sell your contact details to anyone
- If you ask us to change how we communicate with you, or stop, we will respect that
- We try hard to ensure no one ever feels pressurised to support our work
- All our activities are open, fair, honest and legal.”

Canford is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice. There were no complaints about fundraising activity during the year.

Total fundraising costs during the year including operating budget and salaries were £169K (2020: £174K), to cover programmes including fundraising and engagement work. Where events took place, income (tickets purchased) partially offset some of the costs. Income from fundraising activities totalled £153K (2020: £100K). The Development Programme continues to seek to engage alumni, parents and friends of Canford as School benefactors. This can be through giving of time and expertise through volunteering; the giving of financial donations including one-off gifts, regular giving, or gifts of stocks, shares or art; and securing longer-term legacies.

There are three main areas of activity within the current Development Programme: (1) engaging the Canford Community, (2) encouraging and promoting volunteering, and (3) fundraising to increase access to a Canford education through the provision of pupil bursaries. Secondary fundraising priorities include funding capital and equipment projects.

Engaging the Canford Community involves supporting the many different volunteer-driven groups which themselves aim to benefit Canford, Canfordians and associated partner charities and organisations. The Development team provide support to the Old Canfordian Society (OCS), the Friends of Canford School, the Friends of Canford Music and the Friends of Canford Rowing. Events and monies raised by these groups are returned directly to benefit the education and enrichment of pupils and the Canford Community. Modernisation of the OCS is continual process. Developments aim to transform connections between OCs and facilitate better communication, knowledge and support of our alumni.

Volunteers to Canford give in a variety of ways. All school governors are volunteers and provide strategic oversight. Many others serve as alumni, sports or committee representatives. Alumni and parents provide careers advice to pupils providing mentoring, work experience or speaking to pupils about their experiences. Other volunteer duties include supporting music at Canford, supporting sport at home and away fixtures and speaking at Canford events. During the year over 264 individuals provided their time and expertise free of charge to Canford. The Governing Body is very appreciative of this invaluable support.

Donations include cash gifts, regular gifts, bequests received and gifts-in-kind. The Development Office also supports the work of the Friends of Canford School (FCS), a parent and friends' group. The group have this year focused their support on local external charities through grants for specific projects. This included a grant to a longstanding partnership, the City Reach project in Southampton.

The fourth annual fundraising auction to support the Martin Marriott Foundation raised a significant amount for the Foundation in November 2020. Regular donors acquired through the 2019 Telethon are continuing to donate monthly and are stewarded accordingly. The Case for Support on the website has been updated to include new testimonies from bursary pupils, state fundraising aims and provide an accessible method for making online donations. In November 2020 we launched our Lady Charlotte's Walk campaign inviting alumni and parents to sponsor a stone on the walkway leading to the new library. This has been well received with the first 150 stones being laid in August 2021. The strategic plan for 2019-2024 is revised annually with an action plan updated to reflect current trends.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Current pupil numbers, and considerable future interest in the School, give us confidence that we will be at full capacity for the foreseeable future. This is a result of our continued resolve to deliver a top-quality education, supported by talented staff in an inspiring environment.

The School's financial policy is to maintain total fee income at a level sufficient to generate a surplus over time to meet the objectives of the School's strategic plan, allowing for investment in the school. This will be achieved through both operating cash flow and fundraising. As a charity the parents of our pupils have the assurance that all the income of the school must be applied for educational purposes.

In preparing its budget for this year the School recognised the need to continue to invest in both high quality staff and the School's fabric, to ensure that both continue to support the educational mission. However, in recognition of the impact of the pandemic, the School also agreed to target a lower surplus for 2021.

Financial review summary	2021	2020
School fees receivable	£18,872K	£17,421K
Fundraising income	£153K	£100K
All other income	£7,561K	£2,113K
Provision of education	£(19,124)K	£(18,804)K
Other costs	£(592)K	£(790)K
Net income	£6,870K	£40K

Operational financial performance was in line with budget this year, despite the periods of remote learning. Total gross fee income for the year was 8.6% higher than last year (2020: 9.7% lower). Pupil numbers remained healthy and, whilst there was no fee rise, the number of discounted weeks due to covid were reduced. Other income increased significantly, driven by the sale of a piece of land adjacent to the school on which contracts have been exchanged but which has not yet completed. These funds will be used for capital projects.

Careful cost control was exercised throughout the year, particularly during remote education, to ensure that resources were focussed on pupil outcomes. In addition, the use of the Coronavirus Job Retention Scheme (CJRS) allowed us to maintain staffing levels and retain jobs, despite the periods of remote learning. The amount raised through fundraising for bursaries was higher, due to the generosity of a number of parents and Old Canfordians. In addition to this, investment gains helped to offset losses in the previous year, therefore the Statement of Financial Activities shows the School's Net Income to be £8.6M (2020: loss of £0.5M).

The overall cost of the School's capital expenditure in this financial year amounted to £8.0M (2020: £4.1M), which included the strategic capital works programme (two new Boarding Houses £4.6M and the new Library £2.6M). Other capital expenditure included ongoing reinvestment into the fabric of the school. Investing in additional flexible capacity and improved core facilities will ensure Canford's future sustainability and there is a clear imperative to complete the strategic building plans which are essential to support future sustainability and success. The economic environment and effects of Covid-19 will demand caution, therefore, whilst planning work for subsequent phases of the capital programme will continue, the decision for any construction to begin will be preceded by a wholesale review of demand and requirements. All projects will remain subject to the usual governance and approval processes. Given the investment in capital expenditure there was a reduction in cash of £4.7M (2020: £1.5M).

Overall the Governors accepted this financial result, given the economic circumstances of the past year. Plans for the future will require a return to the levels of surplus seen in previous years in order to meet the objective of providing sufficient income for the School's strategic plan objectives – a top-quality education, supported by talented staff in an inspiring environment.

Reserves Policy

The beneficiaries of Canford School are its pupils; any reserves held must ultimately be for their benefit. Governors have determined that Canford should not hold excessive reserves, money that could otherwise be used for the benefit of pupils. Equally, insufficient reserves, in the event of a crisis, may mean that pupils experience undue disruption to their education.

Given the current economic climate, political climate and the Covid-19 pandemic, or in the event of a crisis, Governors have reaffirmed their commitment for pupils to be able to complete the current academic year as a minimum. This strikes a balance between unduly tying up funds and minimising disruption in a crisis such as unplanned closure. To ensure this, the level of general reserves held will be equivalent to the sum of cash liabilities in the longest period in the academic year with no fee income, approximately £6M. This has been

tested against a number of scenarios to confirm the suitability of this level of reserves.

Whilst restricted funds fall outside the definition of free reserves, some restricted funds are maintained principally for the award of bursaries and the advance payment of school fees. Designated funds are also held, in addition to the reserves above, for the purposes of matching the investment made in the fabric of the school, to fund the school's partnership activities and to provide bursaries.

At the year end the school held total funds of £52.6M, of which £3.4M was held in restricted funds principally for the award of bursaries and the advance payment of school fees. The Governors have designated a further £38.7M for the following purposes:

- a) to match the investment it has made over the years in the fabric of the school estate and is not therefore freely available £31.6M
- b) to set aside funds to support the school's partnership activities £0.3M; and
- c) to set aside funds that are invested for the provision of bursary support £6.8M.

After these designations, and the value of fixed assets not represented by the property fund, free reserves are £10.5M (2020: £10.2M) which the Governors consider exceed the reserves policy objective. This excess will continue to be used for capital projects for the charity's beneficiaries, with at least £6m of projects planned in 21/22. Most of these projects have commenced. Governors monitor reserve levels on a regular basis, considering the working capital management of the school and the desire to continually improve facilities.

Investment Policy and Objectives

Canford School holds investments in three portfolios with the prime objective to preserve and grow the capital value of funds, whilst generating sufficient income to meet current commitments. This is achieved through a balanced approach to income and asset growth and appropriate risk diversification. The policy recognises that there will be differing investment styles required for some of the restricted funds. The company's Articles of Association empower it to invest the monies of the company not immediately required, as it thinks fit.

The school uses external professional discretionary fund managers to achieve the investment objectives, which may be a single firm or several firms. The performance of these managers is reviewed regularly by the Investment Sub-committee of the Finance Committee as is the overall allocation of assets by type and manager. During the year, Rathbone Brothers PLC managed the investment portfolio and have discretionary management powers. In 2021 a gain of 18.8% (2020: 3.8% loss) was seen across the funds. Governors were satisfied with this result as it exceeds the investment policy objective range of CPI plus 1ppt to CPI plus 4ppts across the various funds.

The largest portfolio is a fund for the award of scholarships and bursaries. This fund comprises the Assyrian Fund and Canford Partnership Fund. The investment policy is to maximise long-term total return in such a way as to permit the regular award of scholarships and bursaries while maintaining or increasing the value of the fund in real terms. The second portfolio comprises various funds restricted by the donors for the provision of scholarships, bursaries, prizes and activities. The Composition Fees Scheme for advance payment of fees, the third portfolio, were invested with the aim of preserving the capital and achieving a return over a period of five years sufficient to fund the School's liabilities under the scheme. This scheme was close to new entrants in October 2020.

Grant Making Policy

This year, the value of scholarships, grants, prizes and other awards made to the School's pupils was £827K (2020: £768K). The Governors' policy is to make these awards based on the individual's educational potential, subject to the particular conditions imposed by the original donor where an award is made from restricted funds. In addition, means-tested bursary awards totalling £1,480K (2020: £1,172K) were provided. Funding from investments contributed £240K (2020: £157K) to this, with the remainder funded from fees income. The policy for awarding bursaries is to broaden access to the school for prospective pupils and to relieve hardship where a current pupil's education and future prospects would otherwise be at risk. Awards representing 90% or more of the fees went to 24 pupils (2020: 23). The availability of all such awards for fee assistance, together with the terms and conditions for each kind of award, is advertised on our website. In the year the Governors reaffirmed their plan to increase means tested fee assistance through fundraising.

Energy and Carbon Performance

Energy and carbon performance is an area which receives an ever-increasing focus in the School. The Governors have agreed to establish a committee to develop a strategy to reduce the School's environmental impact and to monitor the implementation of the strategy. Notwithstanding this, during the year several steps were taken to improve environmental performance. This included a continued roll out of LED lighting and a continued focus by pupils on recycling and food waste. Following a strong case made by pupils, a contract was agreed with a local company to have all food waste collected and converted to bio methane for energy generation. These efforts resulted

in the school maintaining Silver status under the Eco-Schools programme.

For all Canford's capital projects, early consideration is given to heat generation options, including the investigation of low and zero carbon technologies. Each option is evaluated on its likely reduction of carbon emissions, along with the practicalities of the location, likely impact on the setting and surrounding grounds, along with technical and cost considerations. The new Boarding Houses have a building management system to optimise hot water heating efficiencies and ventilation will either be natural or use high efficiency plate heat exchangers, where required. All lighting will be based on low energy LED technology, with daylight and motion sensors. The new Library has a similar LED lighting system and is designed to have a high air tightness rating along with a high efficiency heating system. Almost all the school's electricity is from renewable sources. Other options for improving energy use are under review.

To determine the School's CO₂ emissions, we have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and the 2021 UK Government's Conversion Factors for Company Reporting. The level of CO₂e per pupil increased in 2021. This was driven by an increase in gas usage, although comparisons between years is difficult due to periods in both comparator years where the school site was closed due to the Covid-19 pandemic.

	Energy type	2021 CO ₂ kg	2020 CO ₂ kg	Notes
Scope 1 emissions	Transport - diesel	35,215	46,465	Fuel for minibuses, vans and cars
	Transport - unleaded	5,258	-	
Scope 2 emissions	Electricity *	365,717	403,324	All School buildings
	Gas	1,145,344	1,007,367	
Total		1,551,534	1,457,156	

kg CO₂e per pupil	2,413	2,218
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* Note that electricity emissions have been determined using the UK Government's standard conversion factors. However, the School's electricity is sourced through a renewable energy contract so this element of our emissions is essentially carbon neutral.

Risk Management

The Board of Governors is responsible for the management of risks faced by the School. Risks are identified and reviewed by the School's leadership team and split into functional risk areas. The Governors' functional sub-committees review their risk areas on a termly basis, implementing appropriate mitigation measures. The most significant risks are reviewed by the Governing Body each term. Through this process, the Governors are satisfied that the major risks to the School have been identified and reasonably mitigated with key controls.

The Governors consider the major risks to the School to be:

- The inability to deliver high quality education and / or charge sufficient fees to sustain the school due to the Covid-19 outbreak.
- Competition from other schools could adversely affect pupil numbers.
- Significant disruption to school activities from power outages, fire or the failure of key computer hardware or software.
- Pupils significantly underachieve their potential.
- A challenging economic or political outlook and / or a rising cost base could affect the affordability of Canford's fees.
- A lack of readily available financial reserves might limit the School's ability to respond to unexpected catastrophic events.
- Staff costs rise at unsustainable levels given the increasing level of employer pension contributions and the National Living Wage.
- A road traffic accident or similar incident leads to injury or death, on or off school premises.

The key controls include:

- An ongoing risk assessment to mitigate the effects of Covid-19. This includes implementation of advice from the Department for Education and Public Health England. This risk assessment is published on the School's website.
- Strategic risk assessment, planning, budgeting and management accounting, focussing funds on critical areas of infrastructure.
- Clear Terms of Reference for all Committees and appropriate membership, ensuring oversight of high educational standards, relations with feeder schools, all aspects of health and safety, the financial position of the school and IT systems.
- Formal written policies.
- Risk assessments for individual activities and departments.
- Vetting procedures as required by law for the protection of vulnerable people.
- Clear organisational structure, lines of reporting and authority limits.
- Formal agenda and minutes to support decisions of all Committee and Governing Body activities.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Governors, who are Directors for the purposes of Company Law, are responsible for preparing the Directors and Trustees' Report, incorporating the strategic report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Directors are required to:

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

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

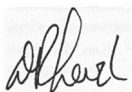
So far as each of the Directors is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company and group's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

Haysmacintyre LLP have expressed their willingness to continue as auditors to Canford School Limited.

This report was approved by the Board on 26 November 2021 and signed on its behalf by:



David R Levin
Director/Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANFORD SCHOOL LIMITED

Opinion

We have audited the financial statements of Canford School Limited for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Cash flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2021 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors and Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Directors and Trustees' 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors and Trustees' Report (which incorporates the strategic report and the directors' report).

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission and the Independent Schools Inspectorate, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as payroll tax and sales tax.

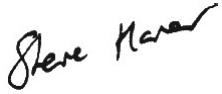
We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in making accounting estimates.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

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

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

Use of our report

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



Steven Harper (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 7 December 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure account)

Note	2021				2020					
	General Funds £	Designated Funds £	Restricted Funds £	Total 2021 £	General Funds £	Designated Funds £	Restricted Funds £	Total 2020 £		
INCOME FROM										
Income from charitable activities										
	School fees receivable	2	18,871,850	0	0	18,871,850	17,421,096	0	0	17,421,096
	Other educational income	4	381,045	0	0	381,045	424,042	0	0	424,042
	Other ancillary trading income	4	97,078	0	0	97,078	87,207	0	0	87,207
			19,349,973	0	0	19,349,973	17,932,345	0	0	17,932,345
Other trading activities										
	Fundraising		13,415	0	139,349	152,764	27,976	0	71,964	99,940
	Trading company	3	465,695	0	0	465,695	598,918	0	0	598,918
	Rents and school lets		179,138	0	0	179,138	185,134	0	0	185,134
	Income from Investments	5	17,821	101,195	61,379	180,395	74,367	59,607	41,787	175,761
	Other income	4	6,257,293	0	0	6,257,293	641,610	0	0	641,610
	Total Income		26,283,335	101,195	200,728	26,585,258	19,460,350	59,607	113,751	19,633,708
EXPENDITURE ON										
	Expenditure on raising funds	6	528,594	27,396	35,527	591,517	694,382	47,678	47,705	789,765
	Expenditure on Charitable activities	6	18,882,620	1	241,068	19,123,689	18,642,911	(2)	161,271	18,804,180
	Total Expenditure	6	19,411,214	27,397	276,595	19,715,206	19,337,293	47,676	208,976	19,593,945
	NET INCOME before transfers and investments gains/(losses)		6,872,121	73,798	(75,867)	6,870,052	123,057	11,931	(95,225)	39,763
	OPERATING SURPLUS before investment gains/(losses)		6,858,706	73,798	(215,216)	6,717,288	95,081	11,931	(167,189)	(60,177)
	Net gains/(losses) on Investments		(1)	1,048,157	640,043	1,688,199	0	(307,672)	(216,861)	(524,533)
	FUNDRAISING INCOME		13,415	0	139,349	152,764	27,976	0	71,964	99,940
	Net Income		6,872,120	1,121,955	564,176	8,558,251	123,057	(295,741)	(312,086)	(484,770)
	Transfers between funds		(6,555,664)	6,555,664	0	0	(1,276,926)	1,276,926	0	0
	NET MOVEMENT IN FUNDS		316,456	7,677,619	564,176	8,558,251	(1,153,869)	981,185	(312,086)	(484,770)
	Fund balance brought forward at 1 August		10,192,173	31,029,339	2,861,374	44,082,886	11,346,042	30,048,154	3,173,460	44,567,656
	Balance carried forward at 31 July	17	10,508,629	38,706,958	3,425,550	52,641,137	10,192,173	31,029,339	2,861,374	44,082,886

All operations of the company continued throughout both years and no operations were acquired or discontinued in either year.

The company had no recognised gains or losses in the year other than those above.

The statement of financial activities includes the income and expenditure account.

The notes on pages 22 to 38 form an integral part of these financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEETS

CANFORD SCHOOL LIMITED AS AT 31 JULY 2021

COMPANY REGISTERED NO: 190956

	Notes	Group		Charity	
		July 2021 £	July 2020 £	July 2021 £	July 2020 £
FIXED ASSETS					
Cost		51,123,625	43,434,211	50,978,103	43,286,716
Depreciation		(14,724,326)	(13,578,870)	(14,590,675)	(13,451,903)
Tangible Fixed Assets	8	<u>36,399,299</u>	<u>29,855,341</u>	<u>36,387,428</u>	<u>29,834,813</u>
INVESTMENTS					
Investment in subsidiary undertaking	9	0	0	100	100
Investment for composition fees	10	962,148	1,158,313	962,148	1,158,313
Restricted investments	11	3,149,435	2,721,621	3,149,435	2,721,621
Other investments	11	7,073,734	5,951,778	7,073,734	5,951,778
		<u>11,185,317</u>	<u>9,831,712</u>	<u>11,185,417</u>	<u>9,831,812</u>
CURRENT ASSETS					
Stocks	12	92,403	110,078	16,211	11,595
Debtors	13	6,534,551	671,669	6,537,101	700,781
Cash at bank and in hand		5,802,783	10,515,472	5,633,260	10,360,897
		<u>12,429,737</u>	<u>11,297,219</u>	<u>12,186,572</u>	<u>11,073,273</u>
CREDITORS: amounts falling due within one year	14	(6,904,973)	(6,046,795)	(6,658,501)	(5,813,690)
NET CURRENT ASSETS		<u>5,524,764</u>	<u>5,250,424</u>	<u>5,528,071</u>	<u>5,259,583</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>53,109,380</u>	<u>44,937,477</u>	<u>53,100,916</u>	<u>44,926,208</u>
CREDITORS: amounts falling due after more than one year	15	(468,243)	(854,591)	(468,243)	(854,044)
NET ASSETS		<u>52,641,137</u>	<u>44,082,886</u>	<u>52,632,673</u>	<u>44,072,164</u>
UNRESTRICTED FUNDS					
General fund		10,508,629	10,192,173	10,500,165	10,181,451
Designated funds:					
Property fund		31,621,974	25,066,311	31,621,974	25,066,311
Assyrian Fund		6,832,291	5,749,803	6,832,291	5,749,803
Canford Partnership fund		252,693	213,225	252,693	213,225
RESTRICTED FUNDS		<u>3,425,550</u>	<u>2,861,374</u>	<u>3,425,550</u>	<u>2,861,374</u>
TOTAL FUNDS	17	<u>52,641,137</u>	<u>44,082,886</u>	<u>52,632,673</u>	<u>44,072,164</u>

The surplus of the parent charitable company before consolidation was £8,560,509 (2020: loss of £484,770).

The financial statements were approved and authorised for issue by the Board of Directors on 26 November 2021 and were signed on its behalf by:



David R Levin
Chairman



Stephen Le Bas
Chairman of Finance Committee

The notes on pages 22 to 38 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FORTHEYEAR ENDED 31 JULY 2021

	2021 £	2020 £
Net movement in funds	8,558,251	(484,770)
Investment income receivable	(180,395)	(175,761)
(Gains)\losses on investments	<u>(1,688,200)</u>	<u>524,533</u>
Operating surplus for the year	6,689,656	(135,998)
Depreciation	1,463,022	1,369,236
(Profit)\loss on disposal of fixed assets	(5,755,183)	211,068
Amortisation of lease granted over land	(7,666)	(7,666)
Discount given on Composition fees	18,827	15,071
Decrease \ (increase) in stocks	17,675	37,179
(Increase)\decrease in debtors	(112,882)	3,591
(Decrease)\increase in creditors	1,598,794	787,922
Net cash inflow from operating activities	<u>3,912,243</u>	<u>2,280,403</u>
Investing		
Investment income received	180,395	175,761
Purchase of tangible fixed assets	(8,512,006)	(4,184,115)
Proceeds from sale of tangible fixed assets	5,334	3,808
Net Sale\Purchase) of investments	14,382	81,805
Net movement in composition fee investments	<u>320,213</u>	<u>583,314</u>
Net cashflow from capital expenditure and financial investments	<u>(7,991,682)</u>	<u>(3,339,427)</u>
Net cash inflow/(outflow) before financing	<u>(4,079,439)</u>	<u>(1,059,024)</u>
Financing		
Composition fees received	0	439,695
Composition fee payments	(630,426)	(863,359)
Lessee's payments for the reduction of the outstanding liability relating to a finance lease	<u>(2,824)</u>	<u>(2,278)</u>
Net cashflow from financing	(633,250)	(425,942)
Decrease in cash in the year	Note 22 <u><u>(4,712,689)</u></u>	<u><u>(1,484,966)</u></u>
Cash and cash equivalents at the start of the year	10,515,472	12,000,438
Cash and cash equivalents at the end of the year	5,802,783	10,515,472

The notes on pages 22 to 38 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

I. ACCOUNTING POLICIES

a) *General information*

The Charity is a private company limited by guarantee, incorporated in England and Wales (company number 190956) and a charity registered in England and Wales (charity number 306315). The Charity's registered office address is The Bursary, Canford School, Wimborne, Dorset BH21 3AD.

b) *Basis of accounting*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Canford School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). Financial statements are prepared in pounds sterling rounded to the nearest pound.

These financial statements consolidate the results of the charity and its wholly owned subsidiary Cheneford Limited. In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Canford School Limited.

The Trustees have reviewed the appropriateness of adopting the going concern basis of accounting in preparing the annual financial statements to assess whether the charity was viable in accordance with the new requirement of the UK Corporate Governance Code. The assessment included a review of the budget and principal risks facing the charity, their potential impact, how they were being managed and a review as to the appropriate period for the assessment. This assessment included the short- and medium-term risks associated with Covid-19. The Governors are confident that there is a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due over the one-year period of the assessment.

c) *Significant judgements and sources estimation uncertainty*

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Charity's accounting policies. The key judgements that have been applied by management relate to:

- Items covered above in Basis of accounting, such as determining the charity is a going concern, and
- Estimates regarding pensions liabilities have been made and are covered in Note 21.

d) *Income and expenditure*

School fees and operating expenses are included in the financial statements on the accruals basis. Fees receivable are stated after deducting allowance, scholarships and other remissions granted by the school. Entrance and registration fees are credited to income in the year in which they are received. All income and expenditure included in the financial statements is from continuing operations.

Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to the management estimates of time spent or space occupied, as appropriate. VAT is included with the item of expenditure to which it relates.

Governance costs comprise the cost of running the company, including strategic planning for its future development, external audit, and all the costs of complying with constitutional and statutory requirements, such as the cost of governor and committee meetings and preparing financial statements.

e) *Termination payments*

Termination payments are accounted for in the year in which the commitment is made. This applies to pay in lieu of notice, redundancy payments and payments under compromise agreements.

f) Donations

Donations of tangible fixed assets are capitalised, and a matching gift in kind is accounted for as a donation within the Statement of Financial Activities. Other donations are accounted for within the Statement of Financial Activities and are recognised when the school is entitled to the receipt.

g) Repairs and maintenance

Repairs and maintenance expenditure is charged as an operating expense in the year in which it is incurred net of any grants receivable.

h) Investments

The investments are stated at market value, less any provision for permanent diminution in value. It is the company's policy to keep valuation up to date such that when investments are sold there is no gain or loss arising. As a result, the Statement of Financial Activities only includes those unrealised gains or losses arising from the revaluation of the investment portfolio throughout the year. The school also holds an investment at cost in its subsidiary, Cheneford Limited, shown in Note 9.

i) Tangible fixed assets and depreciation*Freehold land and buildings*

Expenditure relating to the acquisition of and extensions to freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less depreciation and any provision for impairment. No depreciation is charged on freehold land. Leases granted over land are amortised over the term of the lease. Land and buildings are reviewed annually for impairment in accordance with FRS 102.

Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Donations of tangible fixed assets are capitalised at their cash value or at estimated cash value if received in kind. Depreciation is provided on tangible fixed assets so as to write off their cost, less estimated residual value, by equal instalments over the expected useful lives of the assets concerned. Assets with a cost of more than £5,000 are capitalised. The estimated useful lives are considered to be as follows:

Freehold buildings	-	Up to 50 years
Property improvements	-	5 – 25 years
Plant and equipment	-	3 – 20 years
Computer equipment	-	4 – 7 years
Furniture, fixtures and fittings	-	10 – 20 years
Motor vehicles	-	4 Years

j) Composition fees

Composition fees represent payments in advance in respect of school fees for current and future pupils. These are recorded in the School's balance sheet as a liability (representing the fees received in advance from parents) and assets (being the investments managed by Rathbone Brothers PLC). A transfer to the revenue account is made each term in respect of school fees which are then due.

k) Stocks

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

l) Assets acquired under finance leases

Assets acquired under finance leases, which confer rights and obligations similar to those attached to owned assets are capitalised and included under tangible fixed assets in the balance sheet and are depreciated over the shorter of the lease term and their useful lives.

The capital elements of finance lease obligations are recorded as liabilities while the interest elements are charged to the Statement of Finance Activities over the primary lease period, to produce a constant rate of charge on the balance of capital repayments outstanding.

m) Operating leases

Assets used by the school under operating leases are not capitalised. The costs associated with their rental are charged on a straight-line basis over the lease term, even if the payments are not made on such basis.

n) Pensions

The School's professional teaching staff are members of a Superannuation Scheme operated by the Department for Education and Skills. This is a multi-employer defined benefits scheme and individual schools are not able to identify their share of the underlying assets and liabilities of the scheme. The results for the year are stated after charging the relevant employer's contributions to this scheme. Other staff are members of a defined contribution scheme. Further information and the basis of accounting is given in Note 21.

o) Taxation

The School is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

p) Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

q) Government grants

Government grants are accounted for on an accruals basis.

2. FEES

	2021	2020
	£	£
Gross School Fees	21,509,237	19,813,741
Less: scholarships, bursaries, grants and allowances	(2,877,387)	(2,549,475)
	<hr/>	<hr/>
	18,631,850	17,264,266
Add: scholarships funded from Assyrian Fund and from Scholarship Bursary and Prize Fund	240,000	156,830
	<hr/>	<hr/>
	<u>18,871,850</u>	<u>17,421,096</u>

3. INCOME FROM SUBSIDIARY'S TRADING ACTIVITIES

The company owns 99% of the issued share capital of Cheneford Limited, a company registered in England, (Company number: 2694274). The company lets the facilities of the school, including a golf course, for use by the public and various organisations. The subsidiary's net profit is paid to Canford under a Deed of Covenant.

The subsidiary's trading results for the year, as extracted from the audited financial statements, are summarised below:

	2021	2020
	£	£
Turnover	473,869	608,414
Cost of Sales	(463,931)	(539,407)
Gross Profit	<u>9,938</u>	<u>69,007</u>
Administration expenses	(12,218)	(21,319)
Other operating income	0	0
Operating profit	<u>(2,280)</u>	<u>47,688</u>
Interest receivable	7	107
Interest payable	(458)	(1,004)
Net profit	<u>(2,731)</u>	<u>46,791</u>

Turnover includes £23,590 (2020: £29,407) supplied to the School. Costs include contributions to the overheads of the School totalling £149,552 (2020: £159,072). These intercompany transactions are excluded from the consolidated figures shown on the SOFA and in note 6.

At 31 July 2021 there was a balance of £40,010 (2020: £53,052) owed by Cheneford to Canford School Limited and £2,853 (2020: £3,180) owed by Canford School Limited to Cheneford Limited.

The subsidiary's balance sheet as at 31 July 2021 as extracted from the audited financial statements is summarised below:

	2021	2020
	£	£
Fixed assets	11,871	20,528
Current assets	286,030	280,179
Less current liabilities	(289,336)	(289,338)
Long term liabilities	0	(547)
Net Assets	<u>8,565</u>	<u>10,822</u>
Called up share capital	100	100
Profit and loss account	8,465	10,722
	<u>8,565</u>	<u>10,822</u>

4. OTHER INCOME

	2021	2020
	£	£
Other educational charitable activities		
Fee income for extra subjects	292,592	320,906
Entrance and registration fees	80,064	68,035
Courses and sub lettings	8,389	35,101
	<u>381,045</u>	<u>424,042</u>

Other income

Gain / (Loss) on Sales of Fixed Assets	5,755,183	(211,068)
Other operational income	428	420
Amortisation of lease granted over land	7,666	7,666
CJRS claims	494,016	844,592
	<u>6,257,293</u>	<u>641,610</u>

Other ancillary trading income

Ancillary income	97,078	87,207
Insurance commission	0	0
	<u>97,078</u>	<u>87,207</u>

5. INVESTMENT INCOME

	General Funds	Restricted Funds	2021 Total	General Funds	Restricted Funds	2020 Total
	£	£	£	£	£	£
Investment income	101,196	61,379	162,575	59,608	41,787	101,395
Interest received	17,820	0	17,820	74,366	0	74,366
	<u>119,016</u>	<u>61,379</u>	<u>180,395</u>	<u>133,974</u>	<u>41,787</u>	<u>175,761</u>

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs	Other costs	Depreciation	2021 Total	Staff costs	Other costs	Depreciation	2020 Total
	£	£	£	£	£	£	£	£
Costs of generating funds:								
Fundraising	108,837	60,337	0	169,174	110,062	63,984	0	174,046
Trading costs of subsidiary	117,602	193,537	8,657	319,796	137,387	244,770	12,235	394,392
Finance costs	0	102,547	0	102,547	0	221,327	0	221,327
	<u>226,439</u>	<u>356,421</u>	<u>8,657</u>	<u>591,517</u>	<u>247,449</u>	<u>530,081</u>	<u>12,235</u>	<u>789,765</u>
Charitable Activities								
Provision of education								
-Teaching	7,177,864	458,334	0	7,636,198	7,252,660	729,832	0	7,982,492
-Welfare	3,109,075	914,698	0	4,023,773	3,026,958	790,281	0	3,817,239
-Premises	1,266,573	1,758,337	1,454,364	4,479,274	1,294,398	1,642,471	1,357,001	4,293,870
-Support costs	1,874,984	799,370	0	2,674,354	1,749,838	728,024	0	2,477,862
Governance	0	64,865	0	64,865	0	64,205	0	64,205
	<u>13,428,496</u>	<u>3,995,604</u>	<u>1,454,364</u>	<u>18,878,464</u>	<u>13,323,854</u>	<u>3,954,813</u>	<u>1,357,001</u>	<u>18,635,668</u>
Grants, awards and prizes	0	245,225	0	245,225	0	168,513	0	168,513
	<u>13,428,496</u>	<u>4,240,829</u>	<u>1,454,364</u>	<u>19,123,689</u>	<u>13,323,854</u>	<u>4,123,326</u>	<u>1,357,001</u>	<u>18,804,181</u>
Total Expenditure	<u>13,654,935</u>	<u>4,597,250</u>	<u>1,463,021</u>	<u>19,715,206</u>	<u>13,571,303</u>	<u>4,653,407</u>	<u>1,369,236</u>	<u>19,593,945</u>

All support costs relate to the provision of education. Support staff costs include the salaries of the Headmaster, Finance, Human Resources, IT, Marketing and Admissions. Other support costs include computer equipment, photocopying equipment, software licences professional fees and the apprenticeship levy.

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Charitable activities include:				
Depreciation on owned assets	1,463,021	1,369,236	1,454,364	1,357,001
Operating leases	78,507	68,973	78,507	68,973
Finance costs include				
Bad debts expense	32,403	122,901	33,491	119,292
Governance costs include				
Auditors remuneration for				
Audit services	20,690	17,790	17,340	14,640
Other service	0	0	0	0

7. STAFF COSTS

	2021	2020
	£	£
Total staff costs were as follows:		
Wages and salaries	10,973,864	10,867,894
Social security costs	1,010,124	986,788
Pension contributions	1,670,947	1,716,620
	<u>13,654,935</u>	<u>13,571,302</u>

The governors received no remuneration during the year (2020: £nil). No related party transactions occurred during the year (2020: £nil). Two Governors have a child in the school paid at standard rates. Two Governors have children / grandchildren who receive merit-based scholarships. The related Governors were not involved in the decisions to make these awards.

An aggregate amount of £123 was reimbursed to one governor during the year, in respect of travel expenses (2020: £2,303 to 5 governors).

	2021	2020
	No.	No.
Staff numbers		
The number of employees in the year were:	468	486
The number of employees whose emoluments exceeded £60,000 were		
£60,001 to £70,000	16	18
£70,001 to £80,000	4	4
£80,001 to £90,000	3	3
£110,001 to £120,000	1	1
£180,001 to £190,000	0	1
£220,001 to £230,000	1	0

The employer pension contributions paid for the above higher-paid staff were £338,730 (2020: £383,390). During the year, pension arrangements for the highest paid employee were changed. A total of £263,267 (2020: £325,774) was paid to the Teachers' Pension Scheme, a defined benefit scheme, and £75,463 (2020: £57,616) to other schemes.

There are a number of key management personnel in the School including the Senior Management Team and the Support Staff Senior Management Team. The total amount of remuneration, benefits (excluding those listed below) and pensions paid to this group of individuals was £1,671,775 (2020: £1,642,209).

In addition to the payments contained in the bandings above, the School provides fee remission to teaching and some senior staff typical for the independent school sector and accommodation (or reimbursement for own accommodation) to staff who are entitled to accommodation by virtue of their role.

Pension contributions and commitments

Teaching staff are eligible to contribute to the Teachers' Pension Scheme. Support staff are eligible to contribute to a personal pension plan, which is a defined contribution scheme administered by Scottish Widows. All schemes permit staff to make additional voluntary contributions.

Further details relating to these pension schemes are set out in note 21.

	2021	2020
	£	£
Pension contributions		
Total employer contributions incurred during the year were:		
Teaching staff	1,105,716	1,081,898
Support staff	565,231	634,722
	<u>1,670,947</u>	<u>1,716,620</u>

	2021	2020
	£	£
Redundancy & Termination Payments		
made in the year totalled	46,320	74,270

8. TANGIBLE FIXED ASSETS – GROUP

	Freehold property	Plant & equipment	Computer equipment	Furniture, fixtures & fitings	Motor vehicles	Total
	£	£	£	£	£	£
Historic cost						
Opening - 1st August	34,021,102	5,232,291	1,913,812	2,069,448	197,558	43,434,211
Transfers	0	0	0	0	0	0
Additions	7,293,495	377,607	84,629	180,580	70,819	8,007,130
Disposals	(13,280)	(13,696)	(290,740)	0	0	(317,716)
Closing - 31st July	<u>41,301,317</u>	<u>5,596,202</u>	<u>1,707,701</u>	<u>2,250,028</u>	<u>268,377</u>	<u>51,123,625</u>
Depreciation						
Opening - 1st August	8,954,791	2,194,060	1,430,510	809,383	190,126	13,578,870
Transfers	0	0	0	0	0	0
Charge in year	737,831	419,497	148,378	137,670	19,646	1,463,022
Disposals	(13,281)	(13,545)	(290,740)	0	0	(317,566)
Closing - 31st July	<u>9,679,341</u>	<u>2,600,012</u>	<u>1,288,148</u>	<u>947,053</u>	<u>209,772</u>	<u>14,724,326</u>
Net Book Value						
Opening - 1st August	25,066,311	3,038,231	483,302	1,260,065	7,432	29,855,341
Closing - 31st July	<u>31,621,976</u>	<u>2,996,190</u>	<u>419,553</u>	<u>1,302,975</u>	<u>58,605</u>	<u>36,399,299</u>

8. TANGIBLE FIXED ASSETS – CHARITY

	Freehold property	Plant & equipment	Computer equipment	Furniture, fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£
Historic cost						
Opening - 1st August	34,021,102	5,095,885	1,902,723	2,069,448	197,558	43,286,716
Transfers	0	0	0	0	0	0
Additions	7,293,495	377,607	84,629	180,580	70,819	8,007,130
Disposals	(13,280)	(11,723)	(290,740)	0	0	(315,743)
Closing - 31st July	<u>41,301,317</u>	<u>5,461,769</u>	<u>1,696,612</u>	<u>2,250,028</u>	<u>268,377</u>	<u>50,978,103</u>
Depreciation						
Opening - 1st August	8,954,791	2,078,182	1,419,421	809,383	190,126	13,451,903
Transfers	0	0	0	0	0	0
Charge in year	737,831	410,840	148,378	137,670	19,645	1,454,364
Disposals	(13,280)	(11,572)	(290,740)	0	0	(315,592)
Closing - 31st July	<u>9,679,342</u>	<u>2,477,450</u>	<u>1,277,059</u>	<u>947,053</u>	<u>209,771</u>	<u>14,590,675</u>
Net Book Value						
Opening - 1st August	25,066,311	3,017,703	483,302	1,260,065	7,432	29,834,813
Closing - 31st July	<u>31,621,975</u>	<u>2,984,319</u>	<u>419,553</u>	<u>1,302,975</u>	<u>58,606</u>	<u>36,387,428</u>

9. INVESTMENTS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Investment in subsidiary undertaking	-	-	100	100

10. COMPOSITION FEES

The investments are managed by Rathbone Brothers PLC in accordance with an investment policy established by the school as a trustee. The surplus of funds invested over liabilities has been recognised and is shown as a restricted reserve. This scheme was close to new entrants in October 2020.

	2021	2020
	£	£
At 1 August 2020	1,456,535	1,944,150
Composition fees received	0	439,695
Income arising from investments	76,710	(45,092)
Management fees and similar charges	(4,640)	(11,847)
Applied to school fees	<u>(630,426)</u>	<u>(863,359)</u>
Net Movement in the year	<u>(558,356)</u>	<u>(480,603)</u>
Total liability as at 31 July 2021	898,179	1,463,547
Unrealised gain/(loss) on investments	64,469	(7,012)
At 31 July 2021	<u>962,648</u>	<u>1,456,535</u>

Represented by:

Investment with Rathbones	962,148	1,158,313
Cash at bank	500	298,222
Interest Receivable	0	0
	<u>962,648</u>	<u>1,456,535</u>

Amounts falling due within one year	386,727	625,597
Amounts falling due after one and within five years	323,518	696,247
Amount falling due after five years		
	<u>710,245</u>	<u>1,321,844</u>
Composition Fees Reserve	252,403	134,691
	<u>962,648</u>	<u>1,456,535</u>

2021	2020
£	£

Investments representing Composition Fees Funds

Investments representing restricted funds at cost	<u>897,679</u>	<u>1,165,325</u>
Market value of assets representing restricted funds	<u>962,148</u>	<u>1,158,313</u>

The funds are invested by Rathbones

UK equities	238,336	422,301
Overseas equities	186,407	261,582
Index linked	93,524	217,497
Other	428,445	217,421
Cash and commitments	15,436	39,512
	<u>962,148</u>	<u>1,158,313</u>

2021
£

Reconciliation of Movement in Fund

B/Fwd	1,158,313
Additions	331,394
Disposals	(627,530)
Profit /(Loss) on Disposals	52,567
Unrealised Gains/(Losses)	71,481
Cash Movements	<u>(24,076)</u>
C/Fwd	<u>962,148</u>

II. OTHER INVESTMENTS

	2021	2020
	£	£
a) Assyrian Fund		
Cost of assets representing School Funds	6,143,411	5,965,675
Market value of assets representing School Funds	7,064,984	5,943,028
The funds are invested by Rathbones		
	2021	2020
	Total	Total
	£	£
UK equities	1,673,158	1,761,050
Overseas equities	2,372,462	2,069,625
Index linked	355,487	516,403
Other	2,580,052	1,059,734
Cash and commitments	83,825	536,216
	<u>7,064,984</u>	<u>5,943,028</u>
	2021	
	£	
Reconciliation of Movement in Fund		
B/Fwd	5,943,028	
Additions	1,659,971	
Disposals	(1,133,780)	
Profit / (Loss) on Disposals	103,936	
Unrealised Gains/ (Losses)	944,221	
Cash Movements	(452,391)	
C/Fwd	<u>7,064,984</u>	
b) Other Assets held as Investments		
Market value of assets representing School Funds	8,750	8,750
Total Other Investments	<u><u>7,073,734</u></u>	<u><u>5,951,778</u></u>

	2021	2020
	£	£
c) Restricted Funds - Scholarship, Bursaries and Prize Fund		
Investments representing restricted funds at cost	2,715,477	2,763,968
Market value of assets representing restricted funds	3,149,435	2,721,621

The funds are invested by Rathbones

	2021	2020
	Total	Total
	£	£
UK equities	828,281	829,318
Overseas equities	1,347,296	950,230
Index linked	89,281	103,206
Other	814,728	219,117
Cash and commitments	69,849	619,750
	<u>3,149,435</u>	<u>2,721,621</u>

	2021
	£
Reconciliation of Movement in Fund	
B/Fwd	2,721,621
Additions	869,113
Disposals	(407,393)
Profit /(Loss) on Disposals	39,690
Unrealised Gains/(Losses)	476,305
Cash Movements	(549,901)
C/Fwd	<u>3,149,435</u>

The investments are managed by Rathbones Investment Management Ltd in accordance with an investment policy established by the School as trustee. Notes 17 and 18 show the funds to which these investments relate.

12. STOCKS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Goods for resale	92,403	110,078	16,211	11,595

The replacement cost of stocks is not considered to be materially different from their historical costs.

13. DEBTORS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Debtors in respect of school fee account	225,381	69,306	225,381	69,306
Amounts owed by subsidiary undertaking	0	0	40,010	53,052
Other debtors	5,885,266	224,135	5,854,932	203,410
Prepayments and accrued income	423,904	378,228	416,778	375,013

6,534,551	671,669	6,537,101	700,781
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Other Debtors 2021 includes proceeds of land sale for which contracts have been exchanged but funds are not due until completion.

14. CREDITORS: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
School fees paid on account	2,942,092	2,642,312	2,942,092	2,642,312
Composition fees (see note 10)	386,727	625,597	386,727	625,597
Trade creditors	814,289	548,186	795,973	535,641
Amounts owed to subsidiary undertaking	0	0	2,853	3,180
Other creditors	759,964	564,354	640,982	458,249
Taxation & social security	280,150	272,763	257,177	262,733
Finance lease obligations	533	2,810	0	0
Accruals and deferred income	1,721,218	1,390,773	1,632,697	1,285,978
	<u>6,904,973</u>	<u>6,046,795</u>	<u>6,658,501</u>	<u>5,813,690</u>

15. CREDITORS: amounts falling due after more than one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Composition fees due 2 - 5 years (see note 10)	323,518	696,247	323,518	696,247
Composition fees due more than 5 years (see note 10)	0	0	0	0
Deferred Income due 2 - 5 years	30,664	30,664	30,664	30,664
Deferred Income more than 5 years	99,657	107,324	99,657	107,324
Finance lease obligations due 2 - 5 years	0	547	0	0
Finance lease obligations more than 5 years	0	0	0	0
Pension Scheme Deficit 2 - 5 years (see note 21)	14,404	19,809	14,404	19,809
Pension Scheme Deficit more than 5 years (see note 21)	0	0	0	0
	<u>468,243</u>	<u>854,591</u>	<u>468,243</u>	<u>854,044</u>

The Deferred Income relates to a lease granted over land and is amortised over the life of the lease.

16. MOVEMENT IN TOTAL DEFERRED INCOME

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
As at 1st August	237,222	227,060	145,675	184,580
New Deferred Income	98,718	91,569	26,160	21
Released to SOFA	(99,235)	(81,407)	(7,688)	(38,926)
As at 31st July	<u>236,705</u>	<u>237,222</u>	<u>164,147</u>	<u>145,675</u>

17. FUNDS

	I August 2019	Income	Expenditure	Gain(Loss) on Investment Assets	Transfer Between Funds	I August 2020	Income	Expenditure	Gain(Loss) on Investment Assets	Transfer Between Funds	31 July 2021
	£	£	£	£	£	£	£	£	£	£	£
Unrestricted Funds											
Assyrian Fund	6,033,464	57,540	(46,000)	(295,201)	0	5,749,803	97,637	(26,419)	1,011,270	0	6,832,291
Canford Partnership Fund	225,305	2,069	(1,678)	(12,471)	0	213,225	3,559	(977)	36,886	0	252,693
Designated Property Fund	23,789,385	0	0	0	1,276,926	25,066,311	0	0	0	6,555,663	31,621,974
	30,048,154	59,609	(47,678)	(307,672)	1,276,926	31,029,339	101,196	(27,396)	1,048,156	6,555,663	38,706,958
General Fund	11,335,320	19,278,257	(19,155,200)	0	(1,276,926)	10,181,451	20,211,527	(13,337,150)		(6,555,663)	10,500,165
Total Unrestricted School Funds	41,383,474	19,337,866	(19,202,878)	(307,672)	0	41,210,790	20,312,723	(13,364,546)	1,048,156	0	49,207,123
Restricted Funds											
Composition Fees Fund	213,713	455,031	(466,612)	(67,441)	0	134,691	89,989	(96,325)	124,048	0	252,403
Scholarship Bursary and Prize Fund	2,959,747	98,414	(182,058)	(149,420)	0	2,726,683	183,596	(253,127)	515,995	0	3,173,147
Total Restricted School Funds	3,173,460	553,445	(648,670)	(216,861)	0	2,861,374	273,585	(349,452)	640,043	0	3,425,550
Total Charity Funds	44,556,934	19,891,311	(19,851,548)	(524,533)	0	44,072,164	20,586,308	(13,713,998)	1,688,199	0	52,632,673
Subsidiary Reserves	10,723	628,432	(628,432)	0	0	10,723	489,292	(491,550)	0	0	8,465
	44,567,657	20,519,743	(20,479,980)	(524,533)	0	44,082,887	21,075,600	(14,205,548)	1,688,199	0	52,641,137

The total of the Income and Expenditure in each year above matches the Net Income before transfers and investments gains/(losses) on the SOFA.

The cost of scholarships in the year from the Assyrian Fund and the Scholarship, Bursary and Prize Funds are included within the total for "scholarships, bursaries, grants and allowances" in note 2.

Purpose of funds

Unrestricted Funds

Assyrian Fund	This is designated for annual scholarship and bursary awards to pupils.
Canford Partnership Fund	This is designated for work carried out by pupils on trips to orphanages in countries such as Argentina, Ghana and India.
Designated Property Fund	This is designated to match the value of the investment made over the years in the fabric of School buildings.
General Fund	General reserves are available to the group. Governors monitor this fund on a regular basis, considering the working capital management of the School and the desire to continually improve facilities.

Restricted Funds

Composition Fees Fund	This is restricted to the advance payment of fees, and represents funds received in respect of school fees for current and future pupils. This scheme was close to new entrants in October 2020.
Scholarship Bursary and Prize Fund	This is restricted to terms set out by donors for the provision of scholarships, bursaries, prizes and activities.

Transfers between funds

£6,555,663 was transferred to the designated property fund from the general fund to match the movement in net book value of freehold land and buildings.

18. ALLOCATION OF NET ASSETS TO FUNDS

	Fixed assets	Investments	Other net assets/ (liabilities)	Long term liabilities	2021 Total	Fixed assets	Investments	Other net assets/ (liabilities)	Long term liabilities	2020 Total
	£	£	£	£	£	£	£	£	£	£
Unrestricted General Fund	4,777,325	8,750	5,867,279	(144,725)	10,508,629	4,789,030	8,750	5,552,737	(158,344)	10,192,173
Unrestricted School Funds										
Assyrian Fund	0	6,812,291	20,000	0	6,832,291	0	5,729,803	20,000	0	5,749,803
Canford Partnership Fund	0	252,693	0	0	252,693	0	213,225	0	0	213,225
Designated Property Fund	31,621,974	0	0	0	31,621,974	25,066,311	0	0	0	25,066,311
	<u>31,621,974</u>	<u>7,064,984</u>	<u>20,000</u>	<u>0</u>	<u>38,706,958</u>	<u>25,066,311</u>	<u>5,943,028</u>	<u>20,000</u>	<u>0</u>	<u>31,029,339</u>
Restricted Funds										
Composition Fees Fund	0	962,148	(386,227)	(323,518)	252,403	0	1,158,313	(327,375)	(696,247)	134,691
Scholarship Bursary and Prize Fund	0	3,149,435	23,712	0	3,173,147	0	2,721,621	5,062	0	2,726,683
	<u>0</u>	<u>4,111,583</u>	<u>(362,515)</u>	<u>(323,518)</u>	<u>3,425,550</u>	<u>0</u>	<u>3,879,934</u>	<u>(322,313)</u>	<u>(696,247)</u>	<u>2,861,374</u>
	<u>36,399,299</u>	<u>11,185,317</u>	<u>5,524,764</u>	<u>(468,243)</u>	<u>52,641,137</u>	<u>29,855,341</u>	<u>9,831,712</u>	<u>5,250,424</u>	<u>(854,591)</u>	<u>44,082,886</u>

19. OPERATING LEASE COMMITMENTS

At 31 July 2021 the company's future minimum operating lease payments are as follows:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Within one year	78,441	78,441	74,204	74,204
Between 1 and 5 years	117,963	117,963	106,438	106,438

At 31 July 2021 the company's future minimum operating lease income is as follows:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Within one year	7,666	7,666	7,666	7,666
Between 1 and 5 years	38,330	38,330	38,330	38,330
Over 5 years	107,323	107,323	107,323	107,323

20. CAPITAL COMMITMENTS

Capital expenditure authorised and contracted for at the balance sheet date amounted to £4,710,796 (2020: £7,363,490)

21. PENSIONS

The Group operates two pension schemes: Teachers are enrolled in the Teachers' Pension Scheme and Support Staff are offered a Scottish Widows Group Personal Pension Plan. Staff who do not elect to join one of two schemes offered are swept up into the Scottish Widows scheme under auto-enrolment rules. There are a small number of Support Staff who are active members of a legacy pension scheme, which is no longer offered to new members; The Pensions Trust Growth Plan. The School is also responsible for paying a share of the pension costs for employees of the Allied School Agency Limited which provides company secretarial and other services to the School. The figures shown below include this liability.

Teachers Pensions

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 £1,144,500 (2020: £1,161,746) and at the year-end £133,903 (2020: £142,871) was accrued in respect of contributions to this scheme.

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

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

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

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

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. 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 the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The Pensions Trust Growth Plan

To fulfil the School's responsibility to the Allied Schools Agency Limited the company participates in this scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Overall Scheme Deficit Contributions: From 1 April 2019 to 31 January 2025: £11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)

Company Deficit Contributions: From 1 April 2016 to 30 September 2028: £5,549 per annum (payable monthly and increasing by 3% each on 1st April). The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

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

PRESENT VALUES OF PROVISION

31-Jul-21 31-Jul-20
(£000s) (£000s)

Present value of provision

20 25

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

Period Ending 31-Jul-21 31-Jul-20
(£000s) (£000s)

Provision at start of period

25 30

Unwinding of the discount factor (interest expense)

0 0

Deficit contribution paid

(5) (5)

Remeasurements - impact of any change in assumptions

0 0

Remeasurements - amendments to the contribution schedule

0 0

Provision at end of period

20 25

INCOME AND EXPENDITURE IMPACT

Period Ending 31-Jul-21 31-Jul-20
(£000s) (£000s)

Interest expense

0 0

Remeasurements - impact of any change in assumptions

0 0

Remeasurements - amendments to the contribution schedule

0 0

Contributions paid in respect of future service*

0 0

Costs recognised in income and expenditure account

0 0

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS

	31-Jul-21	31-Jul-20
	% per annum	% per annum
Rate of discount	0.57	0.60

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

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

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31-Jul-21 (£000s)	31-Jul-20 (£000s)
Year 1	5	5
Year 2	6	6
Year 3	6	6
Year 4	3	6
Year 5	0	3
Year 6	0	0

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

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

22. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2020	Cashflows	New Finance Leases	Fair Value Movements	Foreign Exchange Movements	Other Non Cash Movements	31 July 2021
Cash	10,515,472	(4,712,689)	0	0	0	0	5,802,783
Composition fees	(1,321,844)	630,428	0	0	0	(18,827)	(710,244)
Finance lease obligation	(3,357)	2,824	0	0	0	0	(533)
	<u>9,190,271</u>	<u>(4,079,437)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(18,827)</u>	<u>5,092,007</u>

CANFORD SCHOOL LIMITED

England & Wales - Charity number 306315

Accounts

CANFORD SCHOOL LIMITED
(Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

Registered Company No: 00190956
Registered Charity No: 306315

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DIRECTORS AND OFFICERS**DIRECTORS**

Chairman	David Levin BEcon MA FRSA
Vice-chairman	Michael Jeffries Dip Arch RIBA FICE FRSA
	Annette Anthony JD
	Mary Armitage CBE BSc MB ChB DM FRCP FRCPE
	Teresa Colaianni
	Barry Coupe BA DipArch RIBA
	Lieutenant General Sir Gary Coward KBE CB
	Robert Daubeney BA
	Philippa Dickins MA MBBS DCH DRCOG MRCPG
	Georgina Fozard MA Cantab MBBS MRCPsych
	Professor Mark French MA Oxon PhD
	Nicholas Holloway BA
	Stephen Le Bas FCA BA Hons
	Richard Nicholl BA PGCE
	Adam Richards BA
	Rev John Simmons
	James Stileman MA
	Annabel Thomas BA

Resigned 28 January 2020

OFFICERS

Headmaster	Ben Vessey MA MBA
Bursar	David J Brook OBE BSc MA CEng MRAS
Company Secretary	Michael Porter MSc BA
Registered Office	The Bursary Canford School Wimborne BH21 3AD
Solicitors	Harrison Clark Rickerbys Limited Ellenborough House, Wellington Street Cheltenham GL50 1YD
	Steele Raymond LLP Richmond Point, 43 Richmond Hill Bournemouth BH2 6LR
	Veale Wasbrough Vizards LLP Narrow Quay House, Narrow Quay Bristol BS1 4QA
Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

Bankers	Barclays Bank Plc Wytham Court 11 West Way, Botley Oxford OX2 0XP
Insurance Brokers	Marsh Limited Capital House 15 Perry Mount Road Haywards Heath RH16 3SY
Investment Advisors	Rathbone Brothers Plc 8 Finsbury Circus London EC2M 7AZ Ruffer LLP 80 Victoria Street, London SW1E 5JL

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the company will be held at 12 noon on Thursday 25 March 2021 at Canford School, Wimborne BH21 3AD.

In accordance with the Articles of Association Mr Jeffries, Mr Holloway, Mr Le Bas, Rev Simmons and Ms Thomas retire by rotation and, being eligible, offer themselves for re-election. For a third of the governors to be re-elected, required by the Articles of Association, Mr Daubeney, as the longest serving governor, retires by rotation and being eligible, offers himself for re-election.

DIRECTORS AND TRUSTEES' REPORT

FINANCIAL STATEMENTS

The directors present their annual report and audited financial statements for the year ended 31 July 2020. The directors have adopted the provisions of the Charities Statement of Recommended Practice (SORP) (Second Edition, effective 1 January 2019) based on Financial Reporting Standard (FRS) 102, in preparing the annual report and financial statements of the charity.

OBJECTS AND AIMS

Charitable Objects

The Charity's Object is to advance the education of boys and girls including but not limited to the provision of a senior school in or near Canford, Dorset and/or if thought desirable, in other parts of England or Wales, in accordance with the principles of the Church of England.

Public Benefit Aims and Intended Impact

In furtherance of this Object, Canford School's public benefit aim is to provide a first class independent education, through strong academic tuition and through developing wider sporting, artistic, cultural and social skills in all its pupils. This is intended to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

Canford has restricted and unrestricted funds for the development of the School's facilities as well as for scholarships, prizes and other educational purposes. The School provides bursaries for those without the means to support their child through school.

The Charity also has to maintain its heritage endowment, with its Grade I and II listed buildings and historic park and tree collection, which are all considered of national importance.

Canford views the social responsibilities it carries as an educational institution as being a central feature of our ethos, aims and actions. The '*Importance of Community*' is one of our core aims whereby we recognise '*the importance of community and the engendering of a deep rooted sense of social responsibility in the context of Canford's Christian origins and heritage*' alongside '*respecting the abilities, views and dignity of others throughout the school community and in the wider world*'.

This is not just a form of words but articulates an attitude and approach which guides and informs much of what we do within and beyond the school. Aside from activities within the school based educational programme which seek to raise awareness and understanding of issues and problems confronting the wider world, hundreds of our pupils and many of our staff are engaged in active charitable and community partnership work locally, regionally, nationally and internationally. It is beyond the scope of this report to outline all of the detail of this extensive activity, although some more information can be found on pages 7 and 8. This social engagement and interaction in a meaningful and sustained sense is very much part of the fabric of Canford's culture.

In the furtherance of these aims the Governors, as the charity trustees, have complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act. In addition, the Trustees act to promote the success of the school by: considering the likely consequences of any decision in the long term; looking at the interests of the company's employees; fostering relationships with pupils, parents, staff, suppliers and others; considering the impact of the Charity's operations on the community and the environment; by maintaining a reputation for high standards of business conduct; and acting fairly as between members of the company.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The School is a company limited by guarantee and each of its members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities. The School is a registered charity and is governed by its Articles of Association as most recently amended on 26th September 2013 by Special Resolution. Canford School is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On September 26th 2013 the Allied Schools signed a management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT.

The School has a subsidiary company, Cheneford Limited, which undertakes a range of trading activities including the letting of the School's sports facilities to the public. We also co-operate with many local charities in our on-going endeavours to widen public access to the schooling we provide, to optimise the educational use of our cultural and sporting facilities and to awaken in our pupils, in the public interest, an awareness of the social context of the all-round education they receive at Canford.

Governing Body

The Governors, who are also the directors and charity trustees, are responsible for the overall management and control of Canford School and meet three times a year. The work of detailed formulation and implementation of most of their policies is carried out by members of the Finance and Executive Committees, who usually meet a few weeks in advance of the full Governing Board. The Education and Safeguarding, Property, External Relations and Communication, and Awards sub-Committees perform detailed reviews in their specialist areas.

Governors are elected by the Governing Body, except that two trustees are nominated by the Martyrs Memorial and Church of England Trust if the total does not exceed 12, three if the number exceeds 12 but does not exceed 18, and four if the number exceeds 18. New governors are appointed by existing governors with input from the Headmaster and Bursar and care is taken to ensure that the relevant skills and experience are represented. Each new governor is provided with an information pack (handbook) and meets with key staff as part of an induction process. They are all encouraged to spend time at the School to experience lessons as the pupils do. All governors receive information on governor training update courses.

All governors have access to the meeting papers and minutes for all committee meetings, whether or not they are members of that committee. This ensures that they are informed about the issues being addressed by those committees but can also raise queries and monitor progress in a wide range of areas. The chairmen of the sub committees meet regularly with the School's lead for each committee area, thereby ensuring that they are fully briefed on issues and can provide advice, challenge and support as required.

Organisational Management

The day to day running of the School is delegated to the Headmaster, the Bursar and the Senior Leadership Team (SLT), which comprises of Deputy Head Academic, Deputy Head Pastoral, Deputy Head Co-Curricular and two Assistant Heads (Academic and Pupils). Strategic matters are discussed with the Senior Management Group (SMG), which comprises of the SLT plus the directors of Marketing, Admissions, Development, Human Resources, Finance and Estates, as well as the School Services Manager. Various educational management groups also operate to progress educational and pastoral matters.

Changes to the remuneration levels of key management personnel are made with reference to industry standards, such as the Baines Cutler benchmark reports. Remuneration changes for specific roles are made with reference to internal performance criteria and external role benchmarks, including salary surveys and use of a benchmarking agency as required.

The Headmaster and Bursar attend meetings of all the governors' committees.

STRATEGIC REPORT AND FUTURE PLANS

Canford's Governors recognise that the School must remain competitive, relevant and sustainable in a rapidly changing and increasingly uncertain environment in which there is no shortage of local and regional competitor schools. In looking to the future, Canford intends to maintain and enhance its profile and position as a premium independent school. The Governing Body is already implementing strategies that will enable the School to defend and grow its share of the prestige school boarding and day markets. The key to this will be attracting and retaining suitably able pupils by meeting or exceeding their and their parents' expectations for high academic results, a wide range of high-quality co-curricular facilities and for comfortable pupil accommodation. Our plans include a wide array of educational programmes to enhance the learning experience of our pupils and the provision of flexible, adaptable infrastructure in order to widen the gap between full capacity and the break-even point, allowing flexible and efficient operation with an appropriate level of spare capacity. This strategy is subject to regular reviews, particularly in light of the Covid-19 pandemic.

Vision and Mission Statements

Our Vision: 'Canford: a school community where all are inspired to explore, empowered to express and challenged to excel.'

Our Mission: 'To build a community of open minded people who are motivated to embrace learning in all its forms, and committed to making a difference to their own lives, and to the lives of others. Our exceptional education grants freedom to grow and creates opportunities for all to explore, to express and to excel.'

Our Values: 'Develop Purposeful engagement – Building a confident mindset develops positive life-long learning. We inspire members of our community to be curious and determined in pursuit of knowledge and opportunity.
Instil a Courageous Attitude – Being principled and strong, yet reflective and tolerant takes courage. We support members of our community to be bold and sensitive in expressing thoughts, words and deeds.
Promote Humble Ambition – Pursuing goals without arrogance or complacency brings meaningful success. We challenge members of our community to be energetic and resilient in pursuit of their goals but honest and grateful for fulfilment of them.
Encourage Gracious Leadership – Fulfilling a duty to guide and support others makes a difference. We urge members of our community to lead graciously and serve willingly for the greater good.'

Achievements and Performance

Our vision and values have played out each and every day over the past year in so many ways, not least in the way all have adapted and supported each other over the past months during the challenges of the Covid-19 pandemic.

During the Summer Term, our remote education programme saw the delivery of over 12,000 remote lessons and a wide range of activities and pastoral meetings. The quality of our remote educational provision was 'mentioned in dispatches' in a letter from a leading educationalist to the Education Select Committee at the end of June which stated '*I have been involved, for various reasons, in phoning headteachers both of state and independent schools, and the difference in 'offer' during this period can be enormous. Canford independent school is the best I have come across and if you want an example of what can be provided, I suggest you look at Canford.*' It has been very much a team and a community effort and the achievements of all are shared by everyone.

Academic and Enrichment

Our leaving Upper Sixth had always set the bar high and their future ambitions were no exception. Most are heading on to Higher Education. Of 160 UCAS applications submitted 578 offers have been received with 13 to Oxbridge, 433 to Russell Group universities and 63 to Sunday Times Top Twelve institutions such as Bath and St Andrews. However, increasingly our leavers are exploring a wider range of post school options, including a number of impressive dreams in the creative and performing arts and in the world of work.

Our significant enrichment programme is designed to change ways of thinking and engaging with a wide range of issues and perspectives. This year's Festival of Ideas saw 22 speakers over three days. The whole 6th Form was taken off timetable for the festival to engage fully with the theme of "Identity and Diversity" – part of an ongoing focus on key issues of inequality, ignorance and intolerance which face our society and the need to bring about changes in thought, culture and action. The need for such a focus has been brought into even sharper focus with the death of George Floyd and the advent of the Black Lives Matter movement, and we have a range of other initiatives in the planning stage to ensure that Canfordians head into the wider world with a clearer and stronger knowledge and sense of understanding of society and what has shaped it.

Festival Speaker highlights included Carol Murraine from Eastside Young Leaders talking about educational inequality and opportunity for young black children; Peter Tatchell on his career campaigning for Gay rights; Fiona Hathorn discussing women on boards; Alison

Branitsky discussing living with mental illness and Paul Whittaker, a musician who lost his hearing at birth, who had the entire 5th Form signing SClub7 within an hour on a dark Thursday night as part of his efforts to create an appreciation of how loss of key senses opens up other opportunities. Other enrichment activities saw over 20 Lower Sixth pupil-led "Ted Talks" delivered to fourth form scholars on a wide range of topics; 24 separate Tower Society discussion lunches; and hundreds of pupils involved in debating and numerous department book clubs.

All 147 Lower Sixth submitted an entry into the Baynham & C P Snow essay competitions. 13 were shortlisted to either win or receive special commendation. Entries were submitted to 23 separate external academic competitions with two first place winners. We have also seen the establishment of a modern languages' academic magazine "Hispanista" and a university interview exchange programme with local schools and the City of London Academy

As part of our remote programme provision for the Upper Sixth who suddenly found themselves with a significant gap in their focus following the cancellation of public exams, a superb College Programme was put in place. It included 25 external speakers focused on a range of issues and experiences including Peter Singer, Laura Bates, A C Grayling, Michael Tomlinson, Deanna Rodger, Marie-Christine Nibagwire and James Landale. Many of these talks were open to and attended by pupils in other year groups. There were 90 separate electives developing insight into and engagement with a stunning range of topics and over 200 separate Academic seminars.

Sport

The Christmas term saw Canford field 39 teams across 11 sports with 626 pupils representing the school in some form of competitive sport. The Easter term saw a similar number of teams across many different sports with similar participation levels. Over 20 different sports were offered over the two terms. The 1st XV rugby squad achieved 10th in the national rankings playing in a style and with an attitude which was very impressive. The U16 and 1st netball squads who showed incredible grit, talent and wonderful team spirit over the season and both teams secured 4th place nationally at the National Finals on the last sporting weekend before lockdown. The Summer term was fallow for obvious reasons but there was plenty of online physical activity, competition and focus using a range of innovative and creative concepts with inspiring messages from top sports stars such as Jonny Wilkinson and Kevin Peterson. There were many individual and team highlights at all levels across range of sports with significant county/ regional/ national representation but also commitment and courage across the lower teams representing school.

Drama

The Drama department staged 12 different events over the first two terms ranging from small scale pieces such as 'If You Want Something Done', devised and performed by pupils, to Chicago with 45 cast members and 17 crew. Cinderella; a Canford Pantomime, written by a shell pupil saw 13 students and 2 staff in the cast with 7 crew. The House Drama competition included 9 performances involving approximately over 130 pupils. The final production, Frankenstein with 17 cast and 6 crew was magnificent and was the final activity we saw in the theatre before lock down. Over 250 pupils have been involved in drama productions in some capacity, not counting those that made up the audience. During remote schooling we saw two small groups of pupils write, record and edit their own series of radio plays; 28 monologue presentations were recorded; pupils have had the opportunity to submit their own films; and 15 pupils have been engaged in script writing and/or set design programmes. The 'show must go on' mind set has been ever present despite the problems faced.

Music

28 live concerts were held this year. Alongside the many music lessons and much hard work which saw excellent outcomes on ABRSM exams there were four professional workshops including our annual link with The Britten Sinfonia. Once again, those Canford Values shone through during 'lockdown' as we were enthralled by 22 remote ensemble performances recorded remotely and assembled, some released 'standalone' which involved pupils from all years and staff. There were 6 'live', virtual concerts, and one pre-recorded informal concert to allow those in the Far East to take part. We also had 6 YouTube concert releases of previously recorded events, including 2 previously unheard concerts of the GCSE and A level compositions from this year. Over 120 pupils have performed music formally as part of an ensemble at some point during the year.

Outward Bound, CCF, Duke of Edinburgh and Trips

This year the Outward Bound programme has offered many opportunities for Canfordians to develop their character and skills. In D of E we currently have 29 working towards Bronze and 59 working on their Gold Award.

In the CCF programme, this was the first year we entered The Rifles Cup, a national cadet CCF and ACF competition, run in Surrey in

September 2019. In our first attempt at this competition, Canford returned victorious beating a large number of CCF and ACF units. The CCF Annual Inspection was one of final events before lockdown – and it was an incredible testament to the programme and crucial skills developed by those hundreds of Canfordians who take part in CCF. Canfordians are not confined to base - across all aspects of educational life we ran 135 trips including 10 overseas in first two terms.

Community Service and Public Benefit

Community partnership engagement is a crucial part of Canford's programme to develop greater social awareness and responsibility. The Independent Schools Council have a website called 'Schools Together' (<https://www.schoolstogether.org/>) which catalogues the independent-state school partnerships run termly by around 1200 ISC schools. Canford has 64 case studies included and 20 state school partnerships.

Community Service has involved 33 separate community placements involving over 300 pupils with a focus on ongoing partnership links such as the Northam City Reach, SHINE projects and support for state schools. The relationship with the Bourne Academy continues to thrive. Five Canford staff and four Canford parents serve as governors on The Bourne Academy Governing Body and there are regular reports on its work to the Canford Governing Body so that joint initiatives can be discussed and explored. During the year The Bourne Academy achieved a 'Good' rating under the new rigorous OFSTED regime. Canford Sixth Formers spent over 800 hours with pupils at The Bourne Academy working together on a variety of projects. Bourne Academy pupils attend future careers fairs and speaker events at Canford School and this year we will also be inviting pupils to attend the Annual Festival of Ideas. All Bourne Academy Teach First staff spend a week at Canford with the appropriate department and anyone doing a PGCE at Canford can do their teaching practice at The Bourne Academy.

The Shine scheme involving 'gifted and talented' pupils from three local primary schools, which feed into The Bourne Academy, continues. The City Reach scheme is thriving and 16 pupils and staff walked 16 miles in the Easter term to raise funds for the project. City Reach also visited at Christmas for lunch and a swim. Unfortunately, a planned trip to the Isle of Wight had to be cancelled due to the pandemic.

A full range of community projects ran prior to the pandemic lock down, including 100 hours spent performing musical concerts in a number of care homes; 49 pupils helped in local primary schools; 150 hours spent visiting patients in a local hospice; nine pupils taught local school children to swim in Canford's pool; and over 200 hours were spent helping in local charity shops. In total, nearly 9,000 volunteer hours were given by Canford Sixth Formers supporting local community projects.

During the lock down period, pupils made a number of videos showing, for example, craft activities and sports skills that were sent to local primary schools to use with their pupils. Other pupils wrote postcards to elderly members of our local community amongst. Staff delivered food parcels and cakes baked by Canford chefs to elderly local residents and care homes; donated food to the local food bank and assisted NHS field hospitals with laundry provision. Several staff and pupils telephoned isolated local residents.

Following the tragic death of a Sixth Form pupil in December 2015, a charitable trust was established to support various local needs and pupils continued to raise funds through a series of events.

Unfortunately, our Canford Partnership trips to India, Ghana and Argentina, plus a new trip to Cambodia, had to be cancelled this year.

Stakeholder Relationships

Canford exists as a community; our links with current and former pupils, parents and staff, as well as our community partners, are strong. Similarly, our relationships with suppliers are crucial to our success.

Over the last year, the School have used more than 50 suppliers, supporting our local, regional and national economy. We have improved our payment performance, in regards to paying within the agreed terms, and continue to focus on this. In particular, during the lock down period due to Covid-19, we ensured suppliers continued to be paid on time and provided flexibility when appropriate. We are grateful to our suppliers for their continued support for Canford.

Fundraising Performance

Canford undertakes fundraising activity to its supporters via fundraising events, sponsored events and direct mail. Email is used in line with the Fundraising Code of Practice set by the Fundraising Regulator. Our fundraising promise, which is available on our website alongside our privacy notice to reassure supporters of our approach, is:

“When you support you can be sure of the following:

- We will never sell your contact details to anyone
- If you ask us to change how we communicate with you, or stop, we will respect that
- We try hard to ensure no one ever feels pressurised to support our work
- All our activities are open, fair, honest and legal.”

Canford is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice. There were no complaints about fundraising activity during the year.

Total fundraising costs during the year including operating budget and salaries were £174K (2019: £217K). Event income (tickets purchased) partially offset some of the costs. Income from fundraising activities totalled £100K (2019: £687K). The Development Programme continues to seek to engage alumni, parents and friends of Canford as School benefactors. This can be through giving of time and expertise through volunteering; the giving of financial donations including one-off gifts, regular giving, or gifts of stocks, shares or art; and securing longer-term legacies.

There are three main areas of activity within the current Development Programme: (1) engaging the Canford Community, (2) encouraging and promoting volunteering, and (3) fundraising to increase access to a Canford education through the provision of pupil bursaries. Secondary fundraising priorities include funding capital and equipment projects.

Engaging the Canford Community involves supporting the many different volunteer-driven groups which themselves aim to benefit Canford, Canfordians and associated partner charities and organisations. The Development team provide support to the Old Canfordian Society (OCS), the Friends of Canford School, the Friends of Canford Music and the Friends of Canford Rowing. Events and monies raised by these groups are returned directly to benefit the education and enrichment of pupils and the Canford Community. Modernisation of the OCS is continuing, and developments will transform connections between OCs and facilitate better communication, knowledge and support of our alumni.

Volunteers to Canford give in a variety of ways. All school governors are volunteers and provide strategic oversight. Many others serve as alumni, sports or committee representatives. Alumni and parents provide careers advice to pupils providing mentoring, work experience or coming in to Canford to speak to pupils about their experiences. Other volunteer duties include supporting music at Canford, supporting sport at home and away fixtures and speaking at Canford events. During the year over 250 individuals provided their time and expertise free of charge to Canford. The Governing Body is very appreciative of this invaluable support.

Donations include cash gifts, regular gifts, bequests received and gifts-in-kind. The Development Office also supports the work of the Friends of Canford School (FCS), a parent and friends' group. This group continues to support educational enrichment at Canford, through the provision of grants to departments and clubs within the school. They also support external charities with whom Canford has an existing partnership, most notably the City Reach project in Southampton.

The fundraising board meets regularly. The third annual fundraising auction to support the Martin Marriott Foundation raised a significant amount for the Foundation in November 2019. Regular donors acquired through the 2019 Telethon are established and stewarded accordingly. The Case for Support on the website has been updated to include new testimonies from bursary pupils, state fundraising aims and provide an accessible method for making online donations. Our fundraising focus has changed in light of Covid-19 and engagement has been of primary importance. The new strategic plan for 2019-2024 is complete with an action plan re-drafted following Covid-19.

Employee Engagement and Employment Policy

Governors communicate with employees through a variety of channels. Both governors and employees sit on the Joint Consultative Committee where matters relating to pay, benefits and working conditions are discussed. Governors and employees also sit on the Health and Safety Committee. Governors write to employees to explain the impact of significant decisions, such as pay reviews and the strategic direction of the School. Any significant decisions taken during governors' meetings are assessed for the impact they will have on staff, with the governors aware that the School cannot be successful without an engaged, motivated staff body. In particular, the governors provided employees with a number of specific reassurances during the Covid-19 lockdown which were unanimously appreciated by staff.

For information on the relationship between governors and management, see section 'Structure, Governance and Management'.

Canford School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial performance of the school.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Current pupil numbers, and considerable future interest in the School, give us confidence that we will be at full capacity for the foreseeable future. This is a result of our continued resolve to deliver a top quality education, supported by talented staff in an inspiring environment – features that are now synonymous with Canford School.

The School's financial policy is to maintain total fee income at a level sufficient to generate a surplus over time to meet the objectives of the School's strategic plan, allowing for investment in the school. This will be achieved through a mixture of operating cash flow and fund raising. As a charity the parents of our pupils have the assurance that all the income of the school must be applied for educational purposes.

In preparing its budget for this year the School recognised the need to continue to invest in high quality staff and to invest in the School's fabric to ensure that both continue to support the educational mission.

Financial review summary	2020	2019
School fees receivable	£17,421K	£19,804K
Fundraising income	£100K	£687K
All other income	£2,324K	£1,966K
Provision of education	£(19,015)K	£(19,138)K
Other costs	£790K	£(842)K
Net income	£40K	£2,478K

Operational financial performance improved this year during the first two terms, principally due to high pupil numbers and careful management of costs. However, the Covid-19 pandemic necessitated a move to remote teaching and a reduction in fees charged, reducing school fee income considerably. Whilst income from the Government's Coronavirus Job Retention Scheme (CJRS) mitigated the impact, the continuation of high-quality remote education meant that the majority of costs, being teaching staff, could not be covered under the CJRS. The amount raised through fundraising was lower, due to a bequest in the prior year, and investments saw losses. The operating surplus (general funds) as a percentage of net fee income was 0.7% (2019: 11.3%).

Total gross fee income for the year was 9.7% lower than last year (2019: 6.1%). The Statement of Financial Activities shows the School's Loss Before Transfer of Funds to be £0.5M (2019: surplus of £2.5M). The principal reasons for this reduction, compared to the prior year, are the reduction in school fees receivable (£2.4M) due to Covid-19 fee reductions; the lack of any significant fundraising income (£0.6M); partially offset by increased receipts from the CJRS (£0.8M). Careful cost control was exercised throughout the year, particularly during remote education, on charitable activity expenditure to ensure that resources were focussed on pupil outcomes.

The overall cost of the School's capital expenditure in this financial year amounted to £4.1M (2019: £1.8M), which included the strategic capital works programme (infrastructure upgrades £1.1M, new Library £0.6M, new Boarding House £0.8M and new Outdoor Education Centre £0.9M). Other capital expenditure included continued reinvestment into the fabric of the school. Investing in additional flexible capacity and improved core facilities will ensure Canford's future sustainability and there is a clear imperative to complete the strategic building plans which are essential to support future sustainability and success. The economic environment and effects of Covid-19 will demand caution, therefore, whilst planning work for subsequent phases of the capital programme will continue, the decision for any construction to begin will be preceded by a wholesale review of demand and requirements. All projects will remain subject to the usual governance and approval processes. Given the investment in capital expenditure there was a reduction in cash of £1.4M (2019: £2.1M).

Overall the Trustees accepted this financial result, given the economic circumstances of the past year, and are reviewing the level of surplus required to meet the objective of providing sufficient income for the School's strategic plan` objectives.

Reserves Policy

The beneficiaries of Canford School are its pupils; any reserves held must ultimately be for their benefit. Governors have determined that Canford should not hold excessive reserves, money that could otherwise be used for the benefit of pupils. Equally, insufficient reserves, in the event of a crisis, may mean that pupils experience undue disruption to their education.

Given the current economic climate, political climate and the Covid-19 pandemic, or in the event of a crisis, trustees have reaffirmed their commitment for pupils to be able to complete the current academic year as a minimum. This strikes a balance between unduly tying up funds and minimising disruption in a crisis such as unplanned closure. To ensure this, the level of general reserves held will be equivalent to the sum of cash liabilities in the longest period in the academic year with no fee income, approximately £6M. This has been tested

against a number of scenarios to confirm the suitability of this level of reserves.

Whilst restricted funds fall outside the definition of free reserves, some restricted funds are maintained principally for the award of bursaries and the advance payment of school fees. Designated funds are also held, in addition to the reserves above, for the purposes of matching the investment made in the fabric of the school, to fund the school's partnership activities and to provide bursaries.

At the year end the school held total funds of £44.1M, of which £2.9M was held in restricted funds principally for the award of bursaries and the advance payment of school fees. The trustees have designated a further £31.0M for the following purposes:

- a) to match the investment it has made over the years in the fabric of the school estate and is not therefore freely available £25.1M
- b) to set aside funds to support the school's partnership activities £0.2M; and
- c) to set aside funds that are invested for the provision of bursary support £5.7M.

After these designations, and the value of fixed assets not represented by the property fund, the free reserves of the school are £10.2M (2019: £11.3M) which the trustees consider exceed the reserves policy objective. This excess will be used to fund capital projects for the charity's beneficiaries, with at least £8m capital expenditure planned in 20/21 (on projects started prior to the Covid-19 lock down). Trustees monitor reserve levels on a regular basis, considering the working capital management of the school and the desire to continually improve its facilities.

Investment Policy and Objectives

Canford School holds investments in three portfolios with the prime objective to preserve and grow the capital value of funds, whilst generating sufficient income to meet the current commitments of the School. This is achieved through a balanced approach to income and asset growth and appropriate risk diversification. The policy recognises that there will be differing investment styles required for some of the restricted funds.

The school uses external professional discretionary fund managers to achieve the investment objectives, which may be a single firm or several firms. The performance of these managers is reviewed regularly by the Investment Sub-committee of the Finance Committee as is the overall allocation of assets by type and manager. During the year, following a tender process, Rathbone Brothers PLC were appointed to manage the investment portfolio from February 2020, with all funds transferred from Ruffer LLP. Rathbone Brothers have discretionary management powers. In 2020 a loss of 3.8% (2019: 1.1% gain) was seen across the funds. Post-year end, the first three months of the year have seen a gain of 2.9%

The largest portfolio is a fund for the award of scholarships and bursaries. This fund comprises the Assyrian Fund and Canford Partnership Fund. The investment policy is to maximise long-term total return in such a way as to permit the regular award of scholarships and bursaries while maintaining or increasing the value of the fund in real terms. The second portfolio comprises various funds restricted by the donors for the provision of scholarships, bursaries and prizes. The Composition Fees Scheme for advance payment of fees, the third portfolio, were invested with the aim of preserving the capital and achieving a return over a period of five years sufficient to fund the School's liabilities under the scheme.

The company's Articles of Association empower it to invest the monies of the company not immediately required, as it thinks fit.

Grant Making Policy

This year, the value of scholarships, grants, prizes and other awards made to the School's pupils was £768K (2019: £845K). The Governors' policy is to make these awards based on the individual's educational potential, subject to the particular conditions imposed by the original donor where an award is made from restricted funds. In addition, means-tested bursary awards totalling £1,172K (2019: £958K) were provided. £157K (2019: £384K) of the bursaries awarded were funded from investments – the remainder being funded from fees income. The policy for awarding bursaries is to broaden access to the school for prospective pupils and to relieve hardship where a current pupil's education and future prospects would otherwise be at risk. Awards representing 90% or more of the fees went to 23 pupils (2019: 16). The availability of all such awards for fee assistance, together with the terms and conditions for each kind of award, is advertised on our website. In the year the Governors reaffirmed their plan to increase the funding available for means tested fee assistance through fundraising.

Energy and Carbon Performance

For the first time, we are reporting the School's energy and carbon use. This is an area which receives an ever-increasing focus in the School. During the year, several actions were taken to reduce the School's environmental impact. In November 2019, a new contract for renewable electricity was put in place, meaning the vast majority of the school's electricity is from renewable sources. Based on the

latest Energy Savings Opportunity Scheme (ESOS) report, a number of buildings were converted to LED lighting in order to reduce energy consumption. A pupil-led campaign resulted in reductions in plastic waste, using non-disposable water bottles, and food waste, through improved reporting that highlighted the issue. These efforts resulted in the school being awarded Silver status under the Eco-Schools programme.

For all Canford's major capital projects, early consideration is given to heat generation options for the building, including the investigation of low and zero carbon technologies. Each option is evaluated on its likely reduction of carbon emissions, along with the practicalities of the location, likely impact on the setting and surrounding grounds, along with technical and cost considerations.

The new Boarding House will have a building management system to optimise hot water heating efficiencies and ventilation will either be natural or use high efficiency plate heat exchangers, where required. All lighting will be based on low energy LED technology, with daylight and motion sensors. The new Library will use a similar LED lighting system and is designed to have a high air tightness rating along with a high efficiency heating system.

It has not been possible to determine CO₂ emissions from activities; neither has it been possible to gather data on the full range of the School's energy consumption. However, the details below provide a benchmark for future years in order to improve both the reporting and performance of the Schools' energy and carbon use, including the use of an intensity ratio

	Consumption	Notes
Electricity	1,730,850 kWh	All School buildings and houses where the school is responsible for electricity costs
Gas	5,478,691 kWh	All School buildings and houses where the school is responsible for gas costs
Transport fuel	18,250 litres	Diesel fuel for minibuses and car; future reports to include other vehicle usage

Risk Management

The Board of Governors is responsible for the management of the risks faced by the School. Risks are identified and reviewed by the School's leadership team and separated into functional risk areas. The Governors' functional sub-committees then review their risk areas on a termly basis, implementing measures as appropriate to mitigate their effect. The most significant risks are reviewed by the Governing Body each term. Through the different elements of this process the Governors are satisfied that the major risks to the School have been identified and have been reasonably mitigated with key controls.

The Governors consider the major risks to the School to be:

- The inability to deliver high quality education and / or charge sufficient fees to sustain the school due to the Covid-19 outbreak.
- Competition from other schools could adversely affect pupil numbers.
- Significant disruption to school activities from power outages, fire or the failure of key computer hardware or software.
- Pupils significantly underachieve their potential.
- Pressure on fees from a challenging economic outlook and / or rising cost base could affect the affordability of Canford's fees, including uncertainty in the wake of the UK voting to leave the European Union.
- A lack of readily available financial reserves might limit the School's ability to respond to unexpected catastrophic events.
- Staff costs rise at unsustainable levels given the increasing level of employer pension contributions and the National Living Wage.
- A road traffic accident or similar incident leads to injury or death, on or off school premises.

The key controls include:

- A full reopening risk assessment, to mitigate the effects of Covid-19, was undertaken. This includes social distancing measures, enhanced cleaning regimes and the use of face coverings, as well as many other measures. This risk assessment is published on the School's website.
- Strategic risk assessment, planning, budgeting and management accounting, focussing funds on critical areas of infrastructure.
- Formal written policies.
- Risk assessments for individual activities and departments.
- Vetting procedures as required by law for the protection of vulnerable people.
- Clear Terms of Reference for all Committees and appropriate membership.
- Clear organisational structure, lines of reporting and authority limits.
- Formal agenda and minutes to support decisions of all Committee and Governing Body activities.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors and Trustees' Report, incorporating the strategic report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Directors are required to:

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

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

So far as each of the Directors is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company and group's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

Haysmacintyre LLP have expressed their willingness to continue as auditors to Canford School Limited.

This report was approved by the Board on 27 November 2020 and signed on its behalf by:



David R Levin
Director/Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANFORD SCHOOL LIMITED

Opinion

We have audited the financial statements of Canford School Limited for the year ended 31 July 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2020 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Conclusions relating to going concern

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors and Trustees' Report (which incorporates the strategic report) 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 have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

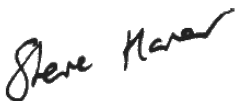
In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors and Trustees' Report (which incorporates the strategic report).

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

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company 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.

Use of our report

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



Steven Harper (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 18 February 2021

CONSOLIDATED AND CHARITY BALANCE SHEETS

CANFORD SCHOOL LIMITED AS AT 31 JULY 2020

COMPANY REGISTERED NO: 190956

	Notes	Group		Charity	
		July 2020 £	July 2019 £	July 2020 £	July 2019 £
FIXED ASSETS					
Cost		43,434,211	39,890,009	43,286,716	39,742,514
Depreciation		(13,578,870)	(12,507,976)	(13,451,903)	(12,393,244)
Tangible Fixed Assets	8	<u>29,855,341</u>	<u>27,382,033</u>	<u>29,834,813</u>	<u>27,349,270</u>
INVESTMENTS					
Investment in subsidiary undertaking	9	0	0	100	100
Investment for composition fees	10	1,158,313	1,809,068	1,158,313	1,809,068
Restricted investments	11	2,721,621	2,944,776	2,721,621	2,944,776
Other investments	11	5,951,778	6,267,520	5,951,778	6,267,520
		<u>9,831,712</u>	<u>11,021,364</u>	<u>9,831,812</u>	<u>11,021,464</u>
CURRENT ASSETS					
Stocks	12	110,078	147,257	11,595	30,670
Debtors	13	671,669	675,260	700,781	800,309
Cash at bank and in hand		10,515,472	12,000,438	10,360,897	11,847,915
		<u>11,297,219</u>	<u>12,822,955</u>	<u>11,073,273</u>	<u>12,678,894</u>
CREDITORS: amounts falling due within one year	14	(6,046,795)	(5,587,742)	(5,813,690)	(5,425,569)
NET CURRENT ASSETS		<u>5,250,424</u>	<u>7,235,213</u>	<u>5,259,583</u>	<u>7,253,325</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>44,937,477</u>	<u>45,638,610</u>	<u>44,926,208</u>	<u>45,624,059</u>
CREDITORS: amounts falling due after more than one year	15	(854,591)	(1,070,954)	(854,044)	(1,067,125)
NET ASSETS		<u>44,082,886</u>	<u>44,567,656</u>	<u>44,072,164</u>	<u>44,556,934</u>
UNRESTRICTED FUNDS					
General fund		10,192,173	11,346,042	10,181,451	11,335,320
Designated funds:					
Property fund		25,066,311	23,789,385	25,066,311	23,789,385
Assyrian Fund		5,749,803	6,033,464	5,749,803	6,033,464
Canford Partnership fund		213,225	225,305	213,225	225,305
RESTRICTED FUNDS		<u>2,861,374</u>	<u>3,173,460</u>	<u>2,861,374</u>	<u>3,173,460</u>
TOTAL FUNDS	17	<u>44,082,886</u>	<u>44,567,656</u>	<u>44,072,164</u>	<u>44,556,934</u>

The loss of the parent charitable company before consolidation was £484,770 (2019: surplus of £2,470,896).

The financial statements were approved and authorised for issue by the Board of Directors on 27 November 2020 and were signed on its behalf by:



David R Levin
Chairman



Stephen Le Bas
Chairman of Finance Committee

The notes on pages 20 to 36 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2020

	Notes	2020 £	2019 £
Net movement in funds		(484,770)	2,470,896
Investment income receivable		(175,761)	(214,221)
(Gains)\losses on investments		<u>524,533</u>	<u>7,091</u>
Operating surplus for the year		(135,998)	2,263,766
Depreciation		1,369,236	1,392,146
(Profit)\loss on disposal of fixed assets		211,068	(8,437)
Amortisation of lease granted over land		(7,666)	(7,666)
Discount given on Composition fees		15,071	22,106
Decrease \ (increase) in stocks		37,179	17,399
(Increase)\decrease in debtors		3,591	55,520
(Decrease)\increase in creditors		787,922	99,362
Net cash inflow from operating activities		<u>2,280,403</u>	<u>3,834,196</u>
Investing			
Investment income received		175,761	214,221
Purchase of tangible fixed assets		(4,184,115)	(1,626,123)
Proceeds from sale of tangible fixed assets		3,808	14,499
Net Sale\ (Purchase) of investments		81,805	(236,043)
Net movement in composition fee investments		<u>583,314</u>	<u>131,267</u>
Net cashflow from capital expenditure and financial investments		(3,339,427)	(1,502,179)
Net cash inflow/(outflow) before financing		<u>(1,059,024)</u>	<u>2,332,017</u>
Financing			
Composition fees received		439,695	770,753
Composition fee payments		(863,359)	(957,006)
Lessee's payments for the reduction of the outstanding liability relating to a finance lease		<u>(2,278)</u>	<u>(1,563)</u>
Net cashflow from financing		(425,942)	(187,816)
Increase\ (Decrease) in cash in the year	22	<u>(1,484,966)</u>	<u>2,144,201</u>
Cash and cash equivalents at the start of the year		12,000,438	9,856,237
Cash and cash equivalents at the end of the year		10,515,472	12,000,438

The notes on pages 20 to 36 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES

a) *General information*

The Charity is a private company limited by guarantee, incorporated in England and Wales (company number 190956) and a charity registered in England and Wales (charity number 306315). The Charity's registered office address is The Bursary, Canford School, Wimborne, Dorset BH21 3AD.

b) *Basis of accounting*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Canford School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). Financial statements are prepared in pounds sterling rounded to the nearest pound.

These financial statements consolidate the results of the charity and its wholly owned subsidiary Cheneford Limited. In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Canford School Limited.

The Trustees have reviewed the appropriateness of adopting the going concern basis of accounting in preparing the annual financial statements to assess whether the charity was viable in accordance with the new requirement of the UK Corporate Governance Code. The assessment included a review of the budget and principal risks facing the charity, their potential impact, how they were being managed and a review as to the appropriate period for the assessment. This assessment included the short- and medium-term risks associated with Covid-19. The Trustees are confident that there is a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due over the one-year period of the assessment.

c) *Significant judgements and sources estimation uncertainty*

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Charity's accounting policies. The key judgements that have been applied by management relate to:

- Items covered above in Basis of accounting, such as determining the charity is a going concern, and
- Estimates regarding pensions liabilities have been made and are covered in Note 21.

d) *Income and expenditure*

School fees and operating expenses are included in the financial statements on the accruals basis. Fees receivable are stated after deducting allowance, scholarships and other remissions granted by the school. Entrance and registration fees are credited to income in the year in which they are received. All income and expenditure included in the financial statements is from continuing operations.

Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to the management estimates of time spent or space occupied, as appropriate. VAT is included with the item of expenditure to which it relates.

Governance costs comprise the cost of running the company, including strategic planning for its future development, external audit, and all the costs of complying with constitutional and statutory requirements, such as the cost of governor and committee meetings and preparing financial statements.

e) *Termination payments*

Termination payments are accounted for in the year in which the commitment is made. This applies to pay in lieu of notice, redundancy payments and payments under compromise agreements.

f) *Donations*

Donations of tangible fixed assets are capitalised, and a matching gift in kind is accounted for as a donation within the Statement of Financial Activities. Other donations are accounted for within the Statement of Financial Activities and are recognised when the school is entitled to the receipt.

g) Repairs and maintenance

Repairs and maintenance expenditure is charged as an operating expense in the year in which it is incurred net of any grants receivable.

h) Investments

The investments are stated at market value, less any provision for permanent diminution in value. It is the company's policy to keep valuation up to date such that when investments are sold there is no gain or loss arising. As a result, the Statement of Financial Activities only includes those unrealised gains or losses arising from the revaluation of the investment portfolio throughout the year.

The school also holds an investment at cost in its subsidiary, Cheneford Limited, shown in Note 9.

i) Tangible fixed assets and depreciation*Freehold land and buildings*

Expenditure relating to the acquisition of and extensions to freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less depreciation and any provision for impairment.

No depreciation is charged on freehold land. Leases granted over land are amortised over the term of the lease. Land and buildings are reviewed annually for impairment in accordance with FRS 102.

Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Donations of tangible fixed assets are capitalised at their cash value or at estimated cash value if received in kind. Depreciation is provided on tangible fixed assets so as to write off their cost, less estimated residual value, by equal instalments over the expected useful lives of the assets concerned. Assets with a cost of more than £5,000 are capitalised. The estimated useful lives are considered to be as follows:

Freehold buildings	-	Up to 50 years
Property improvements	-	5 – 25 years
Plant and equipment	-	7 – 20 years
Computer equipment	-	4 – 7 years
Furniture, fixtures and fittings	-	10 – 20 years
Motor vehicles	-	4 Years

j) Composition fees

Composition fees represent payments in advance in respect of school fees for current and future pupils. These are recorded in the School's balance sheet as a liability (representing the fees received in advance from parents) and assets (being the investments managed by Rathbone Brothers PLC). A transfer to the revenue account is made each term in respect of school fees which are then due.

k) Stocks

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

l) Assets acquired under finance leases

Assets acquired under finance leases, which confer rights and obligations similar to those attached to owned assets are capitalised and included under tangible fixed assets in the balance sheet and are depreciated over the shorter of the lease term and their useful lives.

The capital elements of finance lease obligations are recorded as liabilities while the interest elements are charged to the Statement of Finance Activities over the primary lease period, to produce a constant rate of charge on the balance of capital repayments outstanding.

m) Operating leases

Assets used by the school under operating leases are not capitalised. The costs associated with their rental are charged on a straight-line basis over the lease term, even if the payments are not made on such basis.

n) Pensions

The School's professional teaching staff are members of a Superannuation Scheme operated by the Department for Education and

Skills. This is a multi-employer defined benefits scheme and individual schools are not able to identify their share of the underlying assets and liabilities of the scheme. The results for the year are stated after charging the relevant employer's contributions to this scheme.

Other staff are members of a defined contribution scheme. Further information and the basis of accounting is given in Note 21.

o) Taxation

The School is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

p) Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

q) Government grants

Government grants are accounted for on an accruals basis.

2. FEES

	2020	2019
	£	£
Gross School Fees	19,813,741	21,944,462
Less: scholarships, bursaries, grants and allowances	(2,549,475)	(2,523,732)
	<hr/>	<hr/>
	17,264,266	19,420,730
Add: scholarships funded from Assyrian Fund and from Scholarship Bursary and Prize Fund	156,830	383,682
	<hr/>	<hr/>
	17,421,096	19,804,412

3. INCOME FROM SUBSIDIARY'S TRADING ACTIVITIES

The company owns 99% of the issued share capital of Cheneford Limited, a company registered in England, (Company number: 2694274). The company lets the facilities of the school, including a golf course, for use by the public and various organisations. The subsidiary's net profit is paid to Canford under a Deed of Covenant.

The subsidiary's trading results for the year, as extracted from the audited financial statements, are summarised below:

	2020	2019
	£	£
Turnover	608,414	920,776
Cost of Sales	(539,407)	(776,399)
Gross Profit	<u>69,007</u>	<u>144,377</u>
Administration expenses	(21,319)	(30,491)
Other operating income	0	0
Operating profit	<u>47,688</u>	<u>113,886</u>
Interest receivable	107	124
Interest payable	(1,004)	(1,214)
Net profit	<u><u>46,791</u></u>	<u><u>112,796</u></u>

Turnover includes £29,407 (2019: £118,944) supplied to the School. Costs include contributions to the overheads of the School totalling £159,072 (2019: £244,476). These intercompany transactions are excluded from the consolidated figures shown on the SOFA and in note 6.

At 31 July 2020 there was a balance of £53,052 (2019: £171,526) owed by Cheneford to Canford School Limited and £3,180 (2019: £338) owed by Canford School Limited to Cheneford Limited.

The subsidiary's balance sheet as at 31 July 2020 as extracted from the audited financial statements is summarised below:

	2020	2019
	£	£
Fixed assets	20,528	32,763
Current assets	280,179	315,926
Less current liabilities	(289,338)	(334,038)
Long term liabilities	(547)	(3,829)
Net Assets	<u>10,822</u>	<u>10,822</u>
Called up share capital	100	100
Profit and loss account	10,722	10,722
	<u><u>10,822</u></u>	<u><u>10,822</u></u>

4. OTHER INCOME

	2020	2019
	£	£
Other educational charitable activities		
Fee income for extra subjects	320,906	309,745
Entrance and registration fees	68,035	81,269
Courses and sub lettings	35,101	44,942
	<u>424,042</u>	<u>435,956</u>
Other ancillary trading income		
Ancillary income	87,207	124,693
Insurance commission	0	0
	<u>87,207</u>	<u>124,693</u>
Other income		
Other operational income	420	10,034
Amortisation of lease granted over land	7,666	7,666
CJRS claims	844,592	0
	<u>852,678</u>	<u>17,700</u>

5. INVESTMENT INCOME

	General	Restricted	2020	General	Restricted	2019
	Funds	Funds	Total	Funds	Funds	Total
	£	£	£	£	£	£
Investment income	59,608	41,787	101,395	70,581	51,838	122,419
Interest received	74,366	0	74,366	91,802	0	91,802
	<u>133,974</u>	<u>41,787</u>	<u>175,761</u>	<u>162,383</u>	<u>51,838</u>	<u>214,221</u>

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs £	Other costs £	Depreciation £	2020 Total £	Staff costs £	Other costs £	Depreciation £	2019 Total £
Costs of generating funds:								
Fundraising	110,062	63,984	0	174,046	118,872	98,183	0	217,055
Trading costs of subsidiary	137,387	244,770	12,235	394,392	151,965	286,499	14,662	453,126
Finance costs	0	221,327	0	221,327	0	171,698	0	171,698
	<u>247,449</u>	<u>530,081</u>	<u>12,235</u>	<u>789,765</u>	<u>270,837</u>	<u>556,380</u>	<u>14,662</u>	<u>841,879</u>
Charitable Activities								
Provision of education								
-Teaching	7,252,660	729,832	0	7,982,492	6,568,167	666,695	0	7,234,862
-Welfare	3,026,958	790,281	0	3,817,239	2,859,261	1,063,472	0	3,922,733
-Premises	1,294,397	1,853,538	1,357,001	4,504,937	1,196,717	2,124,018	1,377,485	4,698,220
-Support costs	1,749,838	728,024	0	2,477,862	1,895,177	909,694	0	2,804,871
Governance	0	64,205	0	64,205	0	51,871	0	51,871
	<u>13,323,853</u>	<u>4,165,880</u>	<u>1,357,001</u>	<u>18,846,735</u>	<u>12,519,322</u>	<u>4,815,750</u>	<u>1,377,485</u>	<u>18,712,557</u>
Grants, awards and prizes	0	168,513	0	168,513	0	425,857	0	425,857
	<u>13,323,853</u>	<u>4,334,393</u>	<u>1,357,001</u>	<u>19,015,248</u>	<u>12,519,322</u>	<u>5,241,607</u>	<u>1,377,485</u>	<u>19,138,414</u>
Total Expenditure	<u>13,571,302</u>	<u>4,864,474</u>	<u>1,369,236</u>	<u>19,805,013</u>	<u>12,790,159</u>	<u>5,797,987</u>	<u>1,392,147</u>	<u>19,980,292</u>

All support costs relate to the provision of education. Support staff costs include the salaries of the Headmaster, Finance, Human Resources, IT, Marketing and Admissions. Other support costs include computer equipment, photocopying equipment, software licences professional fees and the apprenticeship levy.

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Charitable activities include:				
Depreciation on owned assets	1,369,236	1,392,146	1,357,001	1,377,485
Operating leases	68,973	85,240	68,973	85,240
Finance costs include				
Bad debts expense	122,901	38,943	119,292	33,260
Governance costs include				
Auditors remuneration for				
Audit services	17,790	19,220	14,640	16,170
Other service	0	0	0	0

7. STAFF COSTS

	2020 £	2019 £
Total staff costs were as follows:		
Wages and salaries	10,867,894	10,321,746
Social security costs	986,788	945,640
Pension contributions	1,716,620	1,522,773
	<u>13,571,302</u>	<u>12,790,159</u>

The governors received no remuneration during the year (2019: £nil). No related party transactions occurred during the year (2019: £nil). Two trustees have a child in the school paid at standard rates. Two trustees have children / grandchildren who receive merit-

based scholarships. The related trustees were not involved in the decisions to make these awards.

An aggregate amount of £2,3030 was reimbursed to 5 governors during the year, in respect of travel expenses (2019: £2,681 to 3 governors).

	2020	2019
	No.	No.
Staff numbers		
The number of employees in the year were:	486	468
The number of employees whose emoluments exceeded £60,000 were		
£60,001 to £70,000	18	20
£70,001 to £80,000	4	3
£80,001 to £90,000	3	0
£90,001 to £100,000	0	1
£110,001 to £120,000	1	0
£170,001 to £180,000	0	1
£180,001 to £190,000	1	0

The employer pension contributions paid for the above higher-paid staff were £383,390 (2019: £275,794). £325,774 (2019: £224,346) was paid to the Teachers' Pension Scheme, a defined benefit scheme, and £57,616 (2019: £51,448) to other schemes.

There are a number of key management personnel in the School including the Senior Management Team and the Support Staff Senior Management Team. The total amount of remuneration, benefits (excluding those listed below) and pensions paid to this group of individuals was £1,642,209 (2019: £1,629,066).

In addition to the payments contained in the bandings above, the School provides fee remission to teaching and some senior staff typical for the independent school sector and accommodation (or reimbursement for own accommodation) to staff who are entitled to accommodation by virtue of their role.

Pension contributions and commitments

Teaching staff are eligible to contribute to the Teachers' Pension Scheme. Support staff are eligible to contribute to a personal pension plan, which is a defined contribution scheme administered by Scottish Widows. All schemes permit staff to make additional voluntary contributions.

Further details relating to these pension schemes are set out in note 21.

	2020	2019
	£	£
Pension contributions		
Total employer contributions incurred during the year were:		
Teaching staff	1,081,898	747,295
Support staff	634,722	775,478
	<u>1,716,620</u>	<u>1,522,773</u>

	2020	2019
	£	£
Redundancy & Termination Payments		
made in the year totalled	74,270	56,134

8. TANGIBLE FIXED ASSETS – GROUP

	Freehold property	Plant & equipment	Computer equipment	Furniture, fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£
Historic cost						
Opening - 1st August	32,291,154	3,846,747	1,825,396	1,729,154	197,558	39,890,009
Transfers	0	0	0	0	0	0
Additions	2,197,258	1,401,843	88,623	369,696	0	4,057,420
Disposals	(467,310)	(16,299)	(207)	(29,402)	0	(513,218)
Closing - 31st July	34,021,102	5,232,291	1,913,812	2,069,448	197,558	43,434,211
Depreciation						
Opening - 1st August	8,501,770	1,833,587	1,289,621	703,238	179,760	12,507,976
Transfers	0	0	0	0	0	0
Charge in year	711,987	376,771	140,971	129,141	10,366	1,369,236
Disposals	(258,965)	(16,299)	(82)	(22,996)	0	(298,342)
Closing - 31st July	8,954,792	2,194,059	1,430,510	809,383	190,126	13,578,870
Net Book Value						
Opening - 1st August	23,789,384	2,013,160	535,775	1,025,916	17,798	27,382,033
Closing - 31st July	25,066,310	3,038,232	483,302	1,260,065	7,432	29,855,341

8. TANGIBLE FIXED ASSETS – CHARITY

	Freehold property	Plant & equipment	Computer equipment	Furniture, fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£
Historic cost						
Opening - 1st August	32,291,154	3,710,341	1,814,307	1,729,154	197,558	39,742,514
Transfers	0	0	0	0	0	0
Additions	2,197,258	1,401,843	88,623	369,696	0	4,057,420
Disposals	(467,310)	(16,299)	(207)	(29,402)	0	(513,218)
Closing - 31st July	34,021,102	5,095,885	1,902,723	2,069,448	197,558	43,286,716
Depreciation						
Opening - 1st August	8,501,770	1,729,944	1,278,532	703,238	179,760	12,393,244
Transfers	0	0	0	0	0	0
Charge in year	711,987	364,536	140,971	129,141	10,367	1,357,002
Disposals	(258,966)	(16,299)	(82)	(22,996)	0	(298,343)
Closing - 31st July	8,954,791	2,078,181	1,419,421	809,383	190,127	13,451,903
Net Book Value						
Opening - 1st August	23,789,384	1,980,397	535,775	1,025,916	17,798	27,349,270
Closing - 31st July	25,066,311	3,017,704	483,302	1,260,065	7,431	29,834,813

9. INVESTMENTS

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Investment in subsidiary undertaking	-	-	100	100

10. COMPOSITION FEES

	2020	2019
	£	£
At 1 August 2019	1,944,150	2,134,007
Composition fees received	439,695	770,753
Income arising from investments	(45,092)	61,738
Management fees and similar charges	(11,847)	(20,179)
Applied to school fees	(863,359)	(957,006)
Net Movement in the year	<u>(480,603)</u>	<u>(144,694)</u>
Total liability as at 31 July 2020	1,463,547	1,989,313
Unrealised gain/(loss) on investments	(7,012)	(45,163)
At 31 July 2020	<u>1,456,535</u>	<u>1,944,150</u>
Represented by:		
Investment with Rathbones (2019 Ruffer)	1,158,313	1,809,068
Cash at bank	298,222	135,082
Interest Receivable	0	0
	<u>1,456,535</u>	<u>1,944,150</u>
Amounts falling due within one year	625,597	833,630
Amounts falling due after one and within five years	696,247	896,806
Amount falling due after five years		
	<u>1,321,844</u>	<u>1,730,436</u>
Composition Fees Reserve	134,691	213,714
	<u>1,456,535</u>	<u>1,944,150</u>

The investments are managed by Rathbone Brothers PLC in accordance with an investment policy established by the school as a trustee. The surplus of funds invested over liabilities has been recognised and is shown as a restricted reserve.

	2020	2019
	£	£
Investments representing Composition Fees Funds		
Investments representing restricted funds at cost	1,165,325	1,854,231
	<u>1,158,313</u>	<u>1,809,068</u>
Market value of assets representing restricted funds	1,158,313	1,809,068
	<u>1,158,313</u>	<u>1,809,068</u>
The funds are invested by Rathbones (2019 Ruffer)		
UK equities	422,301	165,609
Overseas equities	261,582	569,187
Index linked	217,497	662,671
Other	217,421	304,737
Cash and commitments	39,512	106,864
	<u>1,158,313</u>	<u>1,809,068</u>

11. OTHER INVESTMENTS

	2020	2019
	£	£
a) Assyrian Fund		
Cost of assets representing School Funds	5,965,675	6,455,939
	<u>5,943,028</u>	<u>6,258,770</u>
Market value of assets representing School Funds	5,943,028	6,258,770
	<u>5,943,028</u>	<u>6,258,770</u>
The funds are invested by Rathbones (2019 Ruffer)		
	2020	2019
	Total	Total
	£	£
UK equities	1,761,050	576,160
Overseas equities	2,069,625	1,975,558
Index linked	516,403	2,318,561
Other	1,059,734	1,039,621
Cash and commitments	536,216	348,870
	<u>5,943,028</u>	<u>6,258,770</u>
b) Other Assets held as Investments		
Market value of assets representing School Funds	8,750	8,750
	<u>8,750</u>	<u>8,750</u>
Total Other Investments	<u>5,951,778</u>	<u>6,267,520</u>

	2020	2019
	£	£
c) Restricted Funds - Scholarship, Bursaries and Prize Fund		
Investments representing restricted funds at cost	2,763,968	2,966,572
Market value of assets representing restricted funds	2,721,621	2,944,776
The funds are invested by Rathbones (2019 Ruffer)		
	2020	2019
	Total	Total
	£	£
UK equities	829,318	253,508
Overseas equities	950,230	880,465
Index linked	103,206	1,034,377
Other	219,117	476,595
Cash and commitments	619,750	299,831
	<u>2,721,621</u>	<u>2,944,776</u>

The investments are managed by Rathbones Investment Management Ltd (from February 2020, taken over from Ruffer LLP) in accordance with an investment policy established by the School as trustee. Notes 17 and 18 show the funds to which these investments relate.

12. STOCKS

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Goods for resale	110,078	147,257	11,595	30,670

The replacement cost of stocks is not considered to be materially different from their historical costs.

13. DEBTORS

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Debtors in respect of school fee account	69,306	177,250	69,306	177,250
Amounts owed by subsidiary undertaking	0	0	53,052	171,526
Other debtors	224,135	74,579	203,410	31,882
Prepayments and accrued income	378,228	423,431	375,013	419,651
	<u>671,669</u>	<u>675,260</u>	<u>700,781</u>	<u>800,309</u>

14. CREDITORS: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
School fees paid on account	2,642,312	2,171,038	2,642,312	2,171,038
Composition fees (see note 10)	625,597	833,630	625,597	833,630
Trade creditors	548,186	692,373	535,641	677,154
Amounts owed to subsidiary undertaking	0	0	3,180	338
Other creditors	564,354	398,001	458,249	311,161
Taxation & social security	272,763	274,979	262,733	271,054
Finance lease obligations	2,810	1,806	0	0
Accruals and deferred income	1,390,773	1,215,915	1,285,978	1,161,194
	<u>6,046,795</u>	<u>5,587,742</u>	<u>5,813,690</u>	<u>5,425,569</u>

15. CREDITORS: amounts falling due after more than one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Composition fees due 2 - 5 years (see note 10)	696,247	896,806	696,247	896,806
Composition fees due more than 5 years (see note 10)	0	0	0	0
Deferred Income due 2 - 5 years	30,664	30,664	30,664	30,664
Deferred Income more than 5 years	107,324	114,990	107,324	114,990
Finance lease obligations due 2 - 5 years	547	3,829	0	0
Finance lease obligations more than 5 years	0	0	0	0
Pension Scheme Deficit 2 - 5 years (see note 21)	19,809	21,665	19,809	21,665
Pension Scheme Deficit more than 5 years (see note 21)	0	3,000	0	3,000
	<u>854,591</u>	<u>1,070,954</u>	<u>854,044</u>	<u>1,067,125</u>

The Deferred Income relates to a lease granted over land and is amortised over the life of the lease.

16. MOVEMENT IN TOTAL DEFERRED INCOME

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
As at 1st August	227,060	242,113	184,580	193,196
New Deferred Income	91,569	78,836	21	36,355
Released to SOFA	(81,407)	(93,889)	(38,926)	(44,971)
As at 31st July	<u>237,222</u>	<u>227,060</u>	<u>145,675</u>	<u>184,580</u>

17. FUNDS

	1 August 2018	Income	Expenditure	Gain/(Loss) on Investment Assets	Transfer Between Funds	1 August 2019	Income	Expenditure	Gain/(Loss) on Investment Assets	Transfer Between Funds	31 July 2020
	£	£	£	£	£	£	£	£	£	£	£
Unrestricted Funds											
Assyrian Fund	6,030,993	67,901	(55,160)	(10,270)	0	6,033,464	57,540	(46,000)	(295,201)	0	5,749,803
Canford Partnership Fund	242,453	2,680	(18,625)	(1,203)	0	225,305	2,069	(1,678)	(12,471)	0	213,225
Designated Property Fund	23,841,778	0	0	0	(52,393)	23,789,385	0	0	0	1,276,926	25,066,311
	30,115,224	70,581	(73,785)	(11,473)	(52,393)	30,048,154	59,609	(47,678)	(307,672)	1,276,926	31,029,339
General Fund	9,026,896	21,242,262	(18,986,231)	0	52,393	11,335,320	19,278,257	(19,155,200)	0	(1,276,926)	10,181,451
Total Unrestricted School Funds	39,142,120	21,312,843	(19,060,016)	(11,473)	0	41,383,474	19,337,866	(19,202,878)	(307,672)	0	41,210,790
Restricted Funds											
Composition Fees Fund	239,422	791,906	(813,038)	(4,577)	0	213,713	455,031	(466,612)	(67,441)	0	134,691
Scholarship Bursary and Prize Fund	2,704,495	679,604	(433,311)	8,959	0	2,959,747	98,414	(182,058)	(149,420)	0	2,726,683
Total Restricted School Funds	2,943,917	1,471,510	(1,246,349)	4,382	0	3,173,460	553,445	(648,670)	(216,861)	0	2,861,374
Total Charity Funds	42,086,037	22,784,353	(20,306,365)	(7,091)	0	44,556,934	19,891,311	(19,851,548)	(524,533)	0	44,072,164
Subsidiary Reserves	10,723	920,900	(920,900)	0	0	10,723	628,432	(628,432)	0	0	10,723
	42,096,760	23,705,253	(21,227,265)	(7,091)	0	44,567,657	20,519,743	(20,479,980)	(524,533)	0	44,082,886

The total of the Income and Expenditure in each year above matches the Net Income before transfers and investments gains/(losses) on the SOFA.

The cost of scholarships in the year from the Assyrian Fund and the Scholarship, Bursary and Prize Funds are included within the total for "scholarships, bursaries, grants and allowances" in note 2.

Purpose of funds

Unrestricted Funds

Assyrian Fund	This is designated for annual scholarship and bursary awards to students.
Canford Partnership Fund	This is designated for work carried out by pupils on trips to orphanages in countries such as Argentina, Ghana and India.
Designated Property Fund	This is designated to match the value of the investment made over the years in the fabric of School buildings.
General Fund	General reserves are available to the group. Governors monitor this fund on a regular basis, considering the working capital management of the School and the desire to continually improve facilities.

Restricted Funds

Composition Fees Fund	This is restricted to the advance payment of fees, and represents funds received in respect of school fees for current and future pupils.
Scholarship Bursary and Prize Fund	This is restricted to terms set out by donors for the provision of scholarships, bursaries and prizes.

Transfers between funds

£1,276,926 was transferred to the designated property fund from the general fund to match the movement in net book value of freehold land and buildings.

18. ALLOCATION OF NET ASSETS TO FUNDS

	Fixed assets	Investments	Other net assets/ (liabilities)	Long term liabilities	2020 Total	Fixed assets	Investments	Other net assets/ (liabilities)	Long term liabilities	2019 Total
	£	£	£	£	£	£	£	£	£	£
Unrestricted General Fund	4,789,030	8,750	5,552,737	(158,344)	10,192,173	3,592,648	8,751	7,918,791	(174,148)	11,346,042
Unrestricted School Funds										
Assyrian Fund	0	5,729,803	20,000	0	5,749,803	0	6,033,464	0	0	6,033,464
Canford Partnership Fund	0	213,225	0	0	213,225	0	225,305	0	0	225,305
Designated Property Fund	25,066,311	0	0	0	25,066,311	23,789,385	0	0	0	23,789,385
	25,066,311	5,943,028	20,000	0	31,029,339	23,789,385	6,258,769	0	0	30,048,154
Restricted Funds										
Composition Fees Fund	0	1,158,313	(327,375)	(696,247)	134,691	0	1,809,068	(698,549)	(896,806)	213,713
Scholarship Bursary and Prize Fund	0	2,721,621	5,062	0	2,726,683	0	2,944,776	14,971	0	2,959,747
	0	3,879,934	(322,313)	(696,247)	2,861,374	0	4,753,844	(683,578)	(896,806)	3,173,460
	29,855,341	9,831,712	5,250,424	(854,591)	44,082,886	27,382,033	11,021,364	7,235,213	(1,070,954)	44,567,656

19. OPERATING LEASE COMMITMENTS

At 31 July 2020 the company's future minimum operating lease payments are as follows:

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Within one year	78,441	78,490	74,204	77,959
Between 1 and 5 years	117,963	148,593	106,438	148,593

At 31 July 2020 the company's future minimum operating lease income is as follows:

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Within one year	7,666	7,666	7,666	7,666
Between 1 and 5 years	38,330	38,330	38,330	38,330
Over 5 years	107,323	114,989	107,323	114,989

20. CAPITAL COMMITMENTS

Capital expenditure authorised and contracted for at the balance sheet date amounted to £7,363,490 (2019: £189,571).

21. PENSIONS

The Group operates two pension schemes: Teachers are enrolled in the Teachers' Pension Scheme and Support Staff are offered a Scottish Widows Group Personal Pension Plan. Staff who do not elect to join one of two schemes offered are swept up into the Scottish Widows scheme under auto-enrolment rules. The School is also responsible for paying a share of the pension costs for employees of the Allied School Agency Limited which provides company secretarial and other services to the School through The Pensions Trust Growth Plan. The figures shown below include this liability.

Teachers Pensions

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 £1,161,746 (2019: £796,226).

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020 and closed to responses on 11 October 2020.

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 the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

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

The Pensions Trust Growth Plan

To fulfil the School's responsibility to the Allied Schools Agency Limited the company participates in this multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Overall Scheme Deficit Contributions

From 1 April 2019 to 31 January 2025: £11,343,000 per annum (payable monthly and increasing by 3% each on 1st April).

Company Deficit Contributions

From 1 April 2016 to 30 September 2028: £5,234 per annum (payable monthly and increasing by 3% each on 1st April).

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

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

PRESENT VALUES OF PROVISION

	31-Jul-20	31-Jul-19
	(£000s)	(£000s)
Present value of provision	25	30

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period	Period
	Ending	Ending
	31-Jul-20	31-Jul-19
	(£000s)	(£000s)
Provision at start of period	30	47
Unwinding of the discount factor (interest expense)	0	1
Deficit contribution paid	(5)	(6)
Remeasurements - impact of any change in assumptions	0	1
Remeasurements - amendments to the contribution schedule	0	(13)
Provision at end of period	25	30

INCOME AND EXPENDITURE IMPACT

	Period	Period
	Ending	Ending
	31-Jul-20	31-Jul-19
	(£000s)	(£000s)
Interest expense	0	1
Remeasurements - impact of any change in assumptions	0	1
Remeasurements - amendments to the contribution schedule	0	(13)
Contributions paid in respect of future service*	0	0
Costs recognised in income and expenditure account	0	(11)

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS

	31-Jul-20	31-Jul-19
	% per	% per
	annum	annum
Rate of discount	0.60	1.00

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan

contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

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

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31-Jul-20 (£000s)	31-Jul-19 (£000s)
Year 1	5	5
Year 2	6	5
Year 3	6	6
Year 4	6	6
Year 5	3	6
Year 6	0	3
Year 7	0	0
Year 8	0	0
Year 9	0	0
Year 10	0	0

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

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

22. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2019	Cashflows	New Finance Leases	Fair Value Movements	Foreign Exchange Movements	Other Non Cash Movements	31 July 2020
Cash	12,000,438	(1,484,966)	0	0	0	0	10,515,472
Composition fees	(1,730,437)	423,666	0	0	0	(15,071)	(1,321,842)
Finance lease obligation	(5,635)	2,278	0	0	0	0	(3,357)
	<u>10,264,366</u>	<u>(1,059,022)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(15,071)</u>	<u>9,190,273</u>