

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 5<sup>th</sup> 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 6<sup>th</sup> 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 6<sup>th</sup> 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 Baynham Essay Competition also took place in October 2022. The competition sees every member of Lower 6<sup>th</sup> 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 5<sup>th</sup> 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 100<sup>th</sup> 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 1<sup>st</sup> 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 4<sup>th</sup> 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 4<sup>th</sup> 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 6<sup>th</sup> 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 4<sup>th</sup> form cadets and 6<sup>th</sup> 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...

#### *5<sup>th</sup> 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 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 6<sup>th</sup> 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 CO<sub>2</sub>e per pupil reducing by 17% in 2023.

	Energy type	Original unit	2023 Budget Year CO <sub>2</sub> kg	2022 Budget Year CO <sub>2</sub> 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 CO <sub>2</sub> e 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 CO<sub>2</sub> 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we 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 STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure account)

Note	2023				2022			
	General Funds £	Designated Funds £	Restricted Funds £	Total 2023 £	General Funds £	Designated Funds £	Restricted Funds £	Total 2022 £
<b>INCOME FROM</b>								
<b>Income from charitable activities</b>								
School fees receivable	22,148,298	0	0	22,148,298	20,986,249	0	0	20,986,249
Other educational income	467,365	0	0	467,365	462,468	0	0	462,468
Other ancillary trading income	161,692	0	0	161,692	147,041	0	0	147,041
	<b>22,777,355</b>	<b>0</b>	<b>0</b>	<b>22,777,355</b>	<b>21,595,758</b>	<b>0</b>	<b>0</b>	<b>21,595,758</b>
<b>Other trading activities</b>								
Fundraising	47,376	0	351,829	399,205	17,689	0	178,667	196,356
Trading company	1,001,869	0	0	1,001,869	934,654	0	0	934,654
Rents and school lets	402,087	0	0	402,087	346,141	0	0	346,141
Income from Investments	111,960	162,154	80,425	354,539	19,508	137,432	83,022	239,962
Other income	(25,074)	0	0	(25,074)	10,280	0	0	10,280
<b>Total Income</b>	<b>24,315,573</b>	<b>162,154</b>	<b>432,254</b>	<b>24,909,981</b>	<b>22,924,030</b>	<b>137,432</b>	<b>261,689</b>	<b>23,323,151</b>
<b>EXPENDITURE ON</b>								
<b>Expenditure on raising funds</b>	<b>1,254,504</b>	<b>28,333</b>	<b>178,258</b>	<b>1,461,095</b>	<b>1,227,262</b>	<b>29,541</b>	<b>22,796</b>	<b>1,279,599</b>
<b>Expenditure on Charitable activities</b>	<b>21,274,899</b>	<b>5,000</b>	<b>158,799</b>	<b>21,438,698</b>	<b>19,635,882</b>	<b>(5,000)</b>	<b>284,033</b>	<b>19,914,915</b>
<b>Total Expenditure</b>	<b>22,529,403</b>	<b>33,333</b>	<b>337,057</b>	<b>22,899,793</b>	<b>20,863,144</b>	<b>24,541</b>	<b>306,829</b>	<b>21,194,514</b>
<b>NET INCOME before transfers and investments gains/(losses)</b>	<b>1,786,170</b>	<b>128,821</b>	<b>95,197</b>	<b>2,010,188</b>	<b>2,060,886</b>	<b>112,891</b>	<b>(45,140)</b>	<b>2,128,637</b>
<b>OPERATING SURPLUS before investment gains/(losses)</b>								
	1,738,794	128,821	(256,632)	1,610,983	2,043,197	112,891	(223,807)	1,932,281
Net gains/(losses) on Investments	0	(112,510)	(53,677)	(166,187)	0	(266,578)	(99,879)	(366,457)
<b>FUNDRAISING INCOME</b>	<b>47,376</b>	<b>0</b>	<b>351,829</b>	<b>399,205</b>	<b>17,689</b>	<b>0</b>	<b>178,667</b>	<b>196,356</b>
<b>Net Income</b>	<b>1,786,170</b>	<b>16,311</b>	<b>41,520</b>	<b>1,844,001</b>	<b>2,060,886</b>	<b>(153,687)</b>	<b>(145,019)</b>	<b>1,762,180</b>
Transfers between funds	(3,780,502)	3,780,502	(210,477)	(210,477)	(1,354,121)	1,354,121	0	0
<b>NET MOVEMENT IN FUNDS</b>	<b>(1,994,332)</b>	<b>3,796,813</b>	<b>(168,957)</b>	<b>1,633,524</b>	<b>706,765</b>	<b>1,200,434</b>	<b>(145,019)</b>	<b>1,762,180</b>
Fund balance brought forward at 1 August	11,215,394	39,907,392	3,280,531	54,403,317	10,508,629	38,706,958	3,425,550	52,641,137
Balance carried forward at 31 July	<b>9,221,062</b>	<b>43,704,205</b>	<b>3,111,574</b>	<b>56,036,841</b>	<b>11,215,394</b>	<b>39,907,392</b>	<b>3,280,531</b>	<b>54,403,317</b>

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 23 to 39 form an integral part of these financial statements.

## 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	<u>6,956,358</u>	<u>6,940,047</u>	<u>6,956,358</u>	<u>6,940,047</u>
		<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		<u>5,855,971</u>	<u>4,536,650</u>	<u>5,636,612</u>	<u>4,040,456</u>
		<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	<u>(6,873,953)</u>	<u>(6,834,722)</u>	<u>(6,828,174)</u>	<u>(6,665,765)</u>
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	<u>(115,734)</u>	<u>(226,413)</u>	<u>(115,735)</u>	<u>(226,413)</u>
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)
<b>Net cash inflow from operating activities</b>	<u>2,626,734</u>	<u>3,279,244</u>
<b>Investing</b>		
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>
<b>Net cashflow from capital expenditure and financial investments</b>	<u>(1,020,828)</u>	<u>(4,113,982)</u>
<b>Net cash inflow/(outflow) before financing</b>	<u>1,605,906</u>	<u>(834,738)</u>
<b>Financing</b>		
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)
<b>Increase\ (Decrease) in cash in the year</b>	<u><u>1,319,321</u></u>	<u><u>(1,266,133)</u></u>
<b>Cash and cash equivalents at the start of the year</b>	4,536,650	5,802,783
<b>Cash and cash equivalents at the end of the year</b>	5,855,971	4,536,650

Note 22

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/> 21,788,298	<hr/> 20,707,249
Add: scholarships funded from Assyrian Fund and from Scholarship Bursary and Prize Fund	360,000	279,000
	<hr/> <hr/> 22,148,298	<hr/> <hr/> 20,986,249

## 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)
<b>Gross Profit</b>	<b>314,565</b>	<b>379,129</b>
Administration expenses	(182,908)	(147,441)
Other operating income	0	0
<b>Operating profit</b>	<b>131,657</b>	<b>231,688</b>
Interest receivable	3,226	146
Interest payable	0	(14)
<b>Net profit</b>	<b>134,883</b>	<b>231,820</b>

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
<b>Net Assets</b>	<b>8,564</b>	<b>8,565</b>
Called up share capital	100	100
Profit and loss account	8,465	8,465
	<b>8,565</b>	<b>8,565</b>

#### 4. OTHER INCOME

	2023	2022
	£	£
<b>Other educational charitable activities</b>		
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
	<b>467,365</b>	<b>462,468</b>

**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
	£	£	£	£
<b>Charitable activities include:</b>				
Depreciation on owned assets	1,793,115	1,700,074	1,787,136	1,696,400
Operating leases	0	78,507	0	78,507
<b>Finance costs include</b>				
Bad debts expense	84,118	77,703	67,161	65,701
<b>Governance costs include</b>				
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.
<b>Staff numbers</b>		
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
	£	£
<b>Pension contributions</b>		
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
	£	£
<b>Redundancy &amp; Termination Payments</b>		
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
	£	£	£	£	£	£
<b>Historic cost</b>						
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>
<b>Depreciation</b>						
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>
<b>Net Book Value</b>						
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 & fittings	Motor vehicles	Total
	£	£	£	£	£	£
<b>Historic cost</b>						
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	47,807,023	6,511,050	1,571,155	4,241,078	398,636	60,528,942
<b>Depreciation</b>						
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	11,050,426	3,311,475	1,340,148	1,453,059	294,898	17,450,006
<b>Net Book Value</b>						
Opening - 1st August	32,976,096	3,366,997	365,780	2,757,749	154,008	39,620,630
Closing - 31st July	36,756,597	3,199,575	231,007	2,788,019	103,738	43,078,936

**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	(525,442)	(431,050)
Total liability as at 31 July 2023	105,415	531,598
Unrealised gain/(loss) on investments	0	(6,156)
At 31 July 2023	105,415	525,442



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	<u>0</u>	<u>8,635</u>
	<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>

## 11. OTHER INVESTMENTS

	2023 £	2022 £
<b>a) Assyrian Fund</b>		
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 Total £	2022 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
	6,947,608	6,931,297
	2023 £	
<b>Reconciliation of Movement in Fund</b>		
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	6,947,608	
<b>b) Other Assets held as Investments</b>		
Market value of assets representing School Funds	8,750	8,750
<b>Total Other Investments</b>	<b>6,956,358</b>	<b>6,940,047</b>
<b>c) Restricted Funds - Scholarship, Bursaries and Prize Fund</b>		
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 Total £	2022 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	<u>138,224</u>	<u>116,812</u>	<u>23,551</u>	<u>25,648</u>

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
	£	£	£	£	£	£	£	£	£	£	£
<b>Unrestricted Funds</b>											
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
<b>Restricted Funds</b>											
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
<b>Unrestricted School Funds</b>										
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
<b>Restricted Funds</b>										
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 1<sup>st</sup> 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  
5.98 3.15

Rate of discount



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>