

THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

England & Wales · Charity number 312727

Details

Other names	THE CAVENDISH SCHOOL EDUCATIONAL TRUST LIMITED, CAVENDISH SCHOOL, THE CAVENDISH SCHOOL
Status	Registered
Legal form	Charitable company
Company number	00987480
Registered	1970-11-17
Register	View on the Charity Commission register

Contact

Address	The Cavendish School 31 Inverness Street London NW1 7HB
Phone	02074851958
Email	secretary@cavendish-school.co.uk
Website	www.cavendishschool.co.uk

Activities

Objects: TO CARRY ON THE CAVENDISH SCHOOL, TO PROMOTE THE ROMAN CATHOLIC FAITH AND ROMAN CATHOLIC CHARITABLE INSTITUTIONS AND IN PARTICULAR TO EXPAND AND DEVELOP THE CAVENDISH SCHOOL TO PROVIDE EDUCATION FOR CHILDREN.

Activities: Teaching 3-11 year old children

Classification

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

Geography

- Area of benefit: LONDON
- Camden

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£3,988,090	£3,882,928	£5,614,066	48
2024-08-31	£3,858,486	£3,674,453	£5,508,904	48
2023-08-31	£3,911,984	£3,661,756	£5,324,875	54
2022-08-31	£3,621,863	£3,459,706	£5,074,647	53
2021-08-31	£3,373,554	£3,283,845	£4,912,490	52

Trustees

Name	Role	Appointed
Alice Gotto		2016-06-06
Elham Saudi		2022-09-26
Ersilia Molnar		2020-09-21
Gisele Waterman		2024-06-17
Glenda FONTAINE		2020-09-21
Graeme McCafferty		2024-09-23
Hasanul Hoque		2024-12-02
Mark Webster		2019-09-23
Sara Bettison		2019-09-23
Sarah Cunnane		2024-06-17

THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

England & Wales - Charity number 312727

Accounts

REGISTERED COMPANY NUMBER: 00987480 (England and Wales)
REGISTERED CHARITY NUMBER: 312727

REVISED

Report of the Trustees and
Financial Statements for the Year Ended 31 August 2025
for
The Cavendish School Charitable Trust
Limited

Brewers Chartered Accountants
Unit 3
Birtley Courtyard
Bramley
Surrey
GU5 0LA

The Cavendish School Charitable Trust
Limited

Contents of the REVISED Financial Statements
for the Year Ended 31 August 2025

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The Cavendish School Charitable Trust
Limited

REVISED Report of the Trustees
for the Year Ended 31 August 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2025. The trustees have adopted the provisions of 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) (effective 1 January 2019).

The Governors (who are also directors of The Cavendish School Charitable Trust for the purposes of company law and trustees for the purposes of charity law) present their statutory report together with the financial statements of The Cavendish School Charitable Trust Limited (company registration number 987480 (England and Wales)) (the "charitable company") for the year ended 31 August 2024.

The report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 16 to 31 of the attached financial statements and comply with the charitable company's memorandum and articles of association, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Legal status

The charitable company is constituted as a company limited by guarantee and not having a share capital. The members, who are also Governors, are liable to contribute an amount not exceeding £1 each in the event of winding up.

The charitable company was incorporated on 20 August 1970 by Memorandum of Association.

OBJECTIVES AND ACTIVITIES

Principal aims and objects

The principal aims and objects of the charitable company are the advancement and promotion of education and, in particular, the running of The Cavendish School in Camden Town, London (the "school").

The aim of Cavendish School

To be a place where girls dare and become spirited, versatile achievers.

The Cavendish School's approach to education, development and relationships are focussed around our girls being spirited, versatile achievers. We strive for every girl to feel secure, supported and challenged to become confident lifelong learners who believe in self and community empowerment.

These will be achieved through:

- Encouraging kindness, resilience and the development of each girl's voice in an inclusive and diverse community.
- Promoting excellent teaching and learning.
- Encompassing a kaleidoscopic and inspiring curricular and co-curricular programme.

OBJECTIVES AND ACTIVITIES

Public benefit

The Charities Act 2006 made changes which affect the school, principally removing the presumption in law that education is for public benefit. The effect of this is a requirement that educational charities demonstrate the public benefit they provide. The Charity Commission has provided guidelines on the changes together with an analysis of the law affecting charities. These documents have been considered by the Governors, who are confident that the charitable company is operating in the interest of the public. Furthermore, the object of the charitable company is the advancement and promotion of education, specifically the running of the Cavendish School for, but not exclusively for, children of the Roman Catholic faith, which is a charitable purpose within the meaning of the Charities Act 2011.

This report is designed to meet the Charity Commission's requirement to describe the public benefit provided by the charitable company. The paragraphs below describe the various ways in which the Governors believe that the charitable company provides public benefit.

- The major public benefit the school provides is a rich and diverse education, without recourse to the public purse and a strong ethos of a positive contribution to our local community. Much of the curriculum taught follows the areas prescribed by law for state schools, on the basis it is considered essential for a successful society. Consequently, its provision is to benefit the public.
- The school is open to all and Governors aim to make it as affordable as reasonably possible, consistent with the aim of providing a high-quality education in a small school environment.
- During the last year, the school awarded bursaries to 15 pupils which covered 10% to 100% of their fees.
- The school also has a Bursary Fund from which awards were made at the discretion of the Governors. The Fund and the school's Bursary Policy were advertised on the school's website.
- During the last year, the school also granted a hardship award to one pupil which covered 40% of fees for one term.
- The Head also operates a fund to assist pupils from less well-off families with support for educational assessment, music lessons, residential trips and uniform.
- As part of the commitment to promoting education the school also provides training for teachers of around £14,000 for the year. Providing teachers with additional skills, who in turn will use these skills at The Cavendish School or other schools, is for the benefit of the wider public.
- We work in partnership with maintained schools with their pupils attending our Anti-Bullying Week, a Christmas show, a samba and mask-making workshop, and competing in our sports tournaments eg. The Cavendish School Football tournament. In the year ahead, our Co-curricular and Partnerships Co-ordinator is looking to further expand our partnership programme by working with more local schools to organise additional events.
- We also provide work experience opportunities to school-aged pupils.
- Since May 2022, a Ukrainian group has been using the school's premises for its regular meetings that inform, support and advocate for refugee families in Camden. Children play while adults and their hosts are helped with medical, job and housing advice.
- The Cavendish also has a long-standing collaboration with the Institute of Education, the education school of University College London, which specialises in postgraduate study and research in the field of education. Students are usually offered work placements during the school year, providing opportunities to observe, make assessments, assist and teach, complete tasks and engage in reflective discussion. In addition, they are provided with advice and support in relation to the planning, preparation and assessment of children and the management of behaviour. Our Senior Deputy Head has also attended events for the Institute of Education to assist with recruiting new student teachers.
- Our school staff will also be working with other schools as part of an "Experience Day" to gain insights and share good practice. This will, hopefully, also provide an opportunity for other schools to learn from our school's practice.

OBJECTIVES AND ACTIVITIES

- As part of the educational goal of good citizenship, the school's pupils and their families are encouraged and enabled to take an interest in local and national issues. As a practical consequence of this, the school's pupils raised funds for a range of local and national charities during the year.

We estimate that the value of these actions is approximately £190,000, equivalent to around 5% of the total revenues of the school.

STRATEGIC REPORT

Results for the year

Income for the year was £3,988,090 (2024 - £3,858,486), including £3,628,877 (2024 - £3,602,566) in respect of gross school fees and £166,515 (2024 - £118,443) in respect of total bursaries. Expenditure was £3,882,928 (2024 - £3,674,453). Expenditure includes £2,632,322 (2024 - £2,603,379) in respect of staff costs; £13,067 (2024 - £13,955) for interest on the bank loans and £143,933 (2024 - £144,175) in respect of depreciation charges.

The net income for the year was £105,162 (2024 - £184,033).

Reserves policy

The Governors have examined the requirement for free reserves (also referred to as the general fund), i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Governors consider that, given the nature of the school's work, the level of free reserves should be equivalent to the termly expenditure at any one time. Based on current expenditure levels this should be in the region of £1,200,000. The Governors believe that this level of reserves would provide sufficient flexibility to respond to unforeseen emergencies whilst specific action plans are implemented. In addition, the school retains a healthy cash reserve that is capable of meeting anticipated future liabilities.

Financial position

The balance sheet shows total funds of £5,614,066 (2024 - £5,508,904).

The tangible fixed assets fund of £3,679,470 (2024 - £3,679,470) represents the net book value of the school's tangible fixed assets less the related borrowings.

General funds of the school at 31 August 2025 are £1,763,781 (2024 - £1,684,654) and the Head's Discretionary fund was £91 (2024 - £4,838).

Overall, the Governors consider the affairs of the school to be satisfactory but they are aware of the need to monitor its resources closely; the financial and political issues facing independent schools; and the need to constantly monitor budgets and forecasts.

STRATEGIC REPORT

Summary

The 2024/2025 financial year saw the school continue to perform well against a challenging sector backdrop.

From 1 January 2025, Value Added Tax (VAT) was applied to school fees at the standard rate. The school implemented staged billing and clear communication to help families plan for the change. While VAT remains a significant affordability headwind across the sector, enrolment remained resilient. The VAT regime affords only limited input VAT recovery for the school, as salaries represent the majority of expenditure.

London's demographic headwinds - including lower birth rates and greater family mobility - and heightened competition across independent primaries continued through 2025. Despite this, the school's reputation, academic standards, and co-curricular breadth supported strong pupil retention and healthy enquiry levels for 2026 entry.

From April 2025, the removal of charitable mandatory business rates relief created a further structural cost increase. This has been incorporated into forward budgets alongside assumptions on wage growth and supplier costs.

The 2025 pay environment, including the maintained-sector award implemented in September 2025, placed upward pressure on independent-sector salaries. However, disciplined procurement, timetable efficiencies, and effective energy management kept non-pay expenditure within budget.

Cash levels remained robust throughout the year, with the school maintaining at least one term's expenditure in liquid reserves. The school continues to prioritise liquidity and covenant headroom while investing meaningfully in safeguarding, curriculum delivery, digital infrastructure, and estate maintenance.

The Board remains focused on prudent, scenario-based financial planning. Stress testing covers pupil number sensitivities, fee affordability, wage settlements, and regulatory change. The school's strong cash position, careful cost management, and sustained parent confidence underpin the going-concern assessment.

Acknowledgement

The Governors would like to express their thanks to those Cavendish leavers who generously donated their deposits to the school's Playground Project Fund.

STRATEGIC REPORT

Future plans

The school has continued to do well in the face of strong financial headwinds, notably the introduction of VAT on school fees in January 2025. Strong leadership from the Head and prudent financial management by the Bursar have meant the school has retained its strong position, and feedback from parents remains consistently excellent.

Pupil numbers remained largely steady over the academic year, dropping only slightly (from 192 in September 2024 to 189 in September 2025, with an average of 192 over the year). This was considerably more than had been anticipated in the annual budget, resulting in a larger-than-expected surplus.

The Governors were very pleased that no families decided to withdraw their children as a direct result of the imposition of VAT. However, they remain very aware of the continuing financial challenges facing the school, including the fact that this year's Year 6 cohort, who will be leaving the school in 2026, is a large one. The low number of registrations at the Nursery level continues to be a concern, but the number of registrations for Reception is higher than last year which is positive. Once again, the school saw an encouraging number of joiners in the older years over the course of the year, from both the state sector and other independent schools. These included several from a local prep school which closed, with parents choosing the Cavendish over numerous other possible options, citing the sympathetic and supportive approach taken by the school when they found themselves in an unexpected and very difficult situation.

The Governors are therefore confident of meeting the going concern assumption given the school's maintenance of a healthy level of reserves as a result of prudent financial management, despite these ongoing challenges being faced by the independent sector.

The Governors remain acutely aware of the need for marketing initiatives to attract potential parents. A marketing consultancy's service was employed in April in order to provide granular information to the school about the demographic of its parent body, both current and potential. This information will be used to inform a marketing strategy during late 2025/early 2026. The school continues to broaden its use of social media to reach as wide an audience as possible and is planning to create an alumni network to further enhance its marketing opportunities.

The school continues to provide a broad curriculum and a wide variety of enrichment opportunities for its pupils, with numerous opportunities for sports, music and clubs.

This year's 11+ results were the best the school has ever achieved, with pupils gaining places at some of the most academic senior schools. The school's focus remains on matching pupils with the right school for them, so that each one can thrive in an environment to which they are suited and where they will be happy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The Board of Governors is responsible for setting aims and agreeing on a strategy for the school, recruiting and assessing senior management and for ensuring frameworks exist to meet legal, financial and regulatory obligations. Management of the school is the responsibility of the Head and the leadership team.

The school has a rolling programme for reviewing procedures and policies. All are reviewed at least once every three years or more frequently should changes in legislation or circumstance require.

The Governors would like to express their thanks to the Head, Senior Leadership Team and the entire staff for their hard work during the year, for the progress that has been made in the school during the period. The Governors also thank the parents and carers who contribute so willingly and generously to the life of the school and all the officers of the Friends of the Cavendish (see later).

None of the Governors received any remuneration in respect of their services as governors during the year (2024 - £nil).

No out-of-pocket expenses were reimbursed to three Governors during the year (2024 - £nil).

Two (2024 - three) Governors who are also parents had children attending the school during the financial year. Fees paid by the Governors are the same as fees paid by others. At the year-end, the School was owed £nil (2024 - £nil) by any Governor.

The school has purchased insurance to protect the school from loss arising from the neglect or defaults of its Governors. The insurance premium payable by the school during the year totalled £1,178 (2024 - £1,178) and provides cover of up to a maximum of £2 million.

Appointment of Governors and training procedures

New Governors are elected by a consensus of existing Governors and may serve for a period of three years before being required to stand for re-election.

The Governors have put in place a system whereby individual Governors have nominated links with individual teachers and curriculum areas to enhance the links between Governors and the teaching staff and with those with the responsibility for the Early Years Foundation Stage (E.Y.F.S.), safeguarding, health and safety and compliance.

The Governors are members of the Association of Governing Bodies of Independent Schools. The Governors are offered the opportunity to attend seminars and conferences and regular training to maintain their expertise in governance issues.

Key management personnel

The Governors consider that they, together with the Head and the Senior Leadership Team, comprise the key management of the charity in charge of directing and controlling, running and operating the school on a day-to-day basis.

The remuneration of key management personnel is set by the Finance and General Purposes Committee acting as the Pay Review Committee and is confirmed by the Governing Body. Note is taken of market conditions, national and local pay scales and levels of performance.

The Head and the Bursar have annual reviews where their targets are agreed upon/reviewed with Governors. The rest of the Senior Leadership Team has biennial performance reviews where their targets are agreed upon/reviewed with the Head.

The Senior Leadership Team consists of:

T Lombard	Head
C Moore	Senior Deputy Head (Strategy & Operations)
J Hodgson	Deputy Head (Pastoral) & Designated Safeguarding Lead
S Chen Cooper	Bursar & Clerk to the Governors
K Dignan	Head of HR & Compliance

The Cavendish School Charitable Trust
Limited

REVISED Report of the Trustees
for the Year Ended 31 August 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Committees

The general school governance continued with regular Board and sub-committee meetings.

The composition of the sub-committees for this year was as follows:

Education

S Bettison

G Fontaine

K Hake (resigned 16 June 2025)

M Webster (Chair)

Finance & General Purposes

B Crystal (Chair, resigned 3 July 2025)

S Cunnane (appointed 25 March 2025)

H Hoque (appointed 2 December 2025)

E Molnar (Chair, appointed 3 July 2025)

G Waterman (appointed 17 June 2024)

The two Co-Chairs of Governors are ex-officio members of both committees.

Working with other organisations

Friends of the Cavendish

The Governors reiterate their gratitude to the Friends of the Cavendish for their support during the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

In line with the requirement for Governors to undertake a risk assessment exercise and report on the same in their annual report, the Governors have looked at the risks the school currently faces and have reviewed the measures already in place, or needing to be put in place, to deal with them. The Governors have identified six main areas where risks may occur:

- Strategic
- Operational
- Financial
- Regulatory
- Cyber
- Political and economic

Strategic considers the long-term health of the school. It is concerned with areas such as pupil numbers, staff recruitment and retention, quality of management, financial management and identification of changes to the school environment.

Operational looks at the risks inherent in the school's activities including the operation of its school - reputational, communication with parents, training, the suitability of teaching resources and buildings, maintenance, health and safety, safeguarding of children, disaster planning, etc.

Along with all other organisations which work with children, the Governors recognise the absolute necessity of ensuring the protection and safety of all those the school serves. This means that all staff, including peripatetic staff, have to undergo a check with the Disclosure and Barring Service (previously the Criminal Records Bureau) and other extensive pre-recruitment checks. In addition to this, all staff receive child protection training which is updated a minimum of once per year. Additionally, there is a designated Governor assigned to safeguarding children, Governors themselves undertake annual safeguarding training and a safeguarding report is presented at every full board meeting.

The safeguarding policy aims to outline the role that The Cavendish School has, the procedure that staff should follow and the guidance issued on pupil protection generally. All staff must ensure that the needs and safety of the pupils are at the forefront of their practice. In their day-to-day contact with individual pupils, teachers and other staff are particularly well placed to observe outward signs of abuse, changes in behaviour or failure to thrive.

Financial risks include those relating to budgetary control, fraud and money laundering, bribery, spending, accounting, borrowing policies, etc. and the need to ensure adequate cash flow coverage and reserves to meet future needs.

Long-term forecasting of pupil numbers continues to be difficult and Governors are mindful of the continuing need to raise the profile of the school, maintain and further enhance good working practices and continue to achieve an Excellent grading in inspections. The Senior Leadership Team, overseen by Governors, works with an Admissions and Marketing Officer to oversee marketing strategies and ensure that they are aligned with the key strategic aims:

1. To develop the business model.
2. To improve the quality of provision.
3. To develop structures to support the plan.

Regulatory looks at the effects of government policies, the consequences of new laws and regulations, the likely effects of political change etc.

Cyber risks include those relating to online fraud which is increasingly common in the independent schools sector.

Governors ensure heightened awareness and capability among staff via regular phishing training and increased security measures including two factor authentication and the purchase of end point detection and response software and cyber insurance.

The Cavendish School Charitable Trust
Limited

REVISED Report of the Trustees
for the Year Ended 31 August 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Political and economic risks include those relating to both national political and international events and their impact on the United Kingdom economy.

Governors are mindful of the significant impact that the introduction of Value Added Tax (VAT) on independent school fees may have on affordability for parents. In response, they have taken proactive steps to mitigate potential consequences by driving greater operational and financial efficiency across the school and continuing to prioritise prudent financial management.

Activities, specific objectives and relevant policies

Activities and specific objectives

The principal activity of the charitable company in the year under review was the running of The Cavendish School, which was originally established to provide a Catholic education for girls aged between three and eleven with sibling boys to age seven, and has committed to all girls education since 2018.

Volunteers

The Governors would like to thank all the parents for their much-valued contribution to the school community. Parents have participated in activities such as fundraising for local and international charities, uniform sales and educational visits as well as sharing the benefits of their professional expertise.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00987480 (England and Wales)

Registered Charity number
312727

Registered office
31 Inverness Street
London
NW1 7HB

Trustees
Governors

S Bettison
B Crystal (Chair of Finance and General Purposes Committee, resigned 3 July 2025)
S Cunnane
G Fontaine
A M Gotto (Co-Chair of Governors)
K Hake (resigned 16 June 2025)
H Hoque (appointed 2 December 2024)
G McCafferty (appointed 23 September 2024)
E Molnar (Chair of Finance and General Purposes Committee, appointed 3 July 2025)
A Pangonis (resigned 16 June 2025)
N Rushton (Co-Chair of Governors)
E Saudi
G Waterman
M Webster

Company Secretary
S Chen Cooper

The Cavendish School Charitable Trust
Limited

REVISED Report of the Trustees
for the Year Ended 31 August 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors
Brewers Chartered Accountants
Unit 3
Birtley Courtyard
Bramley
Surrey
GU5 0LA

Solicitors
Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

HCR Legal LLP
Ellenborough House
Wellington Street
Cheltenham
GL50 1YD

Burser and Clerk to the Governors
S Chen Cooper

Head
T Lombard

Website
www.cavendishschool.co.uk

Telephone
020 7485 1958

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Cavendish School Charitable Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Cavendish School Charitable Trust
Limited

REVISED Report of the Trustees
for the Year Ended 31 August 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees 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

The auditors, Brewers Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 20 February 2026 and signed on the board's behalf by:

A M Gotto

A M Gotto (Feb 20, 2026 18:32:13 GMT)

A M Gotto - Trustee

Report of the Independent Auditors to the Members of
The Cavendish School Charitable Trust
Limited

Opinion

We have audited the revised financial statements of The Cavendish School Charitable Trust Limited (the 'charitable company') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the revised 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 (United Kingdom Generally Accepted Accounting Practice). These revised financial statements replace the original financial statements approved by the trustees on 2 December 2025.

The revised financial statements have been prepared in accordance with The Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date the original financial statements were approved.

In our opinion the financial statements:

- give a true and fair view, seen as at the date the original financial statements were approved, of the state of the charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice seen as at the date the original financial statements were approved; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008.

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 Auditors' responsibilities for the audit of the revised financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the revised 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Emphasis of matter - Revision of Report of the Trustees

We draw attention to the notes of the revised financial statements, which describes that some of the narrative in the report of the Trustees has been updated.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the revised financial statements and our Report of the Independent Auditors thereon.

Our opinion on the revised 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 revised financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the revised 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 this gives rise to a material misstatement in the revised financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report of the Independent Auditors to the Members of
The Cavendish School Charitable Trust
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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 revised Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the revised Report of the Trustees has been prepared in accordance with applicable legal requirements.

In our opinion, the original financial statements for the year ended 31 August 2025 failed to comply with the requirements of in the respects identified by the trustees in note 1 to the revised financial statements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the revised Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the revised 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

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the revised 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 revised financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the revised financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of
The Cavendish School Charitable Trust
Limited

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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. These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit. Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustees meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud. No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

We are also required to report whether in our opinion the original financial statements failed to comply with the requirements of the Companies Act 2006 in the respects identified by the trustees. The audit of revised financial statements includes the performance of procedures to assess whether the revisions made by the trustees are appropriate and have been properly made.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with the Companies (Revision of Defective Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Skilton ACA (Senior Statutory Auditor)
for and on behalf of Brewers Chartered Accountants
Unit 3
Birtley Courtyard
Bramley
Surrey
GU5 0LA

20 February 2026

The Cavendish School Charitable Trust
Limited

Statement of Financial Activities
for the Year Ended 31 August 2025

	Notes	Unrestricted funds £	Restricted fund £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	4	97	56,268	56,365	23,683
Charitable activities	7				
General		3,729,326	-	3,729,326	3,738,915
Other trading activities	5	90,997	-	90,997	30,398
Investment income	6	111,402	-	111,402	65,490
Total		<u>3,931,822</u>	<u>56,268</u>	<u>3,988,090</u>	<u>3,858,486</u>
EXPENDITURE ON					
Raising funds	8	13,067	-	13,067	13,955
Charitable activities	9				
Teaching		2,298,709	21,486	2,320,195	2,350,356
Welfare		217,220	-	217,220	224,837
Premises and Estates		558,970	4,000	562,970	423,821
Administration		754,237	-	754,237	645,224
Governance		15,239	-	15,239	16,260
Total		<u>3,857,442</u>	<u>25,486</u>	<u>3,882,928</u>	<u>3,674,453</u>
NET INCOME		74,380	30,782	105,162	184,033
RECONCILIATION OF FUNDS					
Total funds brought forward		5,452,921	55,983	5,508,904	5,324,871
TOTAL FUNDS CARRIED FORWARD		<u><u>5,527,301</u></u>	<u><u>86,765</u></u>	<u><u>5,614,066</u></u>	<u><u>5,508,904</u></u>

The notes form part of these financial statements

The Cavendish School Charitable Trust
Limited

Balance Sheet
31 August 2025

	Notes	Unrestricted funds £	Restricted fund £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible assets	14	3,848,848	-	3,848,848	3,938,942
CURRENT ASSETS					
Debtors	15	971,410	-	971,410	143,013
Cash at bank and in hand		3,028,315	86,765	3,115,080	4,182,825
		<u>3,999,725</u>	<u>86,765</u>	<u>4,086,490</u>	<u>4,325,838</u>
CREDITORS					
Amounts falling due within one year	16	(1,672,114)	-	(1,672,114)	(2,046,605)
		<u>2,327,611</u>	<u>86,765</u>	<u>2,414,376</u>	<u>2,279,233</u>
NET CURRENT ASSETS					
		<u>2,327,611</u>	<u>86,765</u>	<u>2,414,376</u>	<u>2,279,233</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>6,176,459</u>	<u>86,765</u>	<u>6,263,224</u>	<u>6,218,175</u>
CREDITORS					
Amounts falling due after more than one year	17	(649,158)	-	(649,158)	(709,271)
		<u>5,527,301</u>	<u>86,765</u>	<u>5,614,066</u>	<u>5,508,904</u>
NET ASSETS					
		<u>5,527,301</u>	<u>86,765</u>	<u>5,614,066</u>	<u>5,508,904</u>
FUNDS					
Unrestricted funds	19			5,527,301	5,452,921
Restricted funds				86,765	55,983
				<u>5,614,066</u>	<u>5,508,904</u>
TOTAL FUNDS					
				<u>5,614,066</u>	<u>5,508,904</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20 February 2026 and were signed on its behalf by:

A M Gotto

A M Gotto (Feb 20, 2026 18:32:13 GMT)

A M Gotto - Trustee

N J Rushton

N Rushton (Feb 20, 2026 14:00:06 GMT)

N J Rushton - Trustee

The notes form part of these financial statements

The Cavendish School Charitable Trust
Limited

Cash Flow Statement
for the Year Ended 31 August 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	(1,030,297)	1,490,974
Interest paid		(13,067)	(13,955)
		<u>(1,043,364)</u>	<u>1,477,019</u>
Net cash (used in)/provided by operating activities			
Cash flows from investing activities			
Purchase of tangible fixed assets		(53,839)	(9,200)
Interest received		111,402	65,490
		<u>57,563</u>	<u>56,290</u>
Net cash provided by investing activities			
Cash flows from financing activities			
Loan repayments in year		(81,944)	(78,685)
		<u>(81,944)</u>	<u>(78,685)</u>
Net cash used in financing activities			
Change in cash and cash equivalents in the reporting period			
		<u>(1,067,745)</u>	<u>1,454,624</u>
Cash and cash equivalents at the beginning of the reporting period		4,182,825	2,728,201
		<u>4,182,825</u>	<u>2,728,201</u>
Cash and cash equivalents at the end of the reporting period		<u>3,115,080</u>	<u>4,182,825</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 August 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income for the reporting period (as per the Statement of Financial Activities)	105,162	184,033
Adjustments for:		
Depreciation charges	143,933	144,179
Interest received	(111,402)	(65,490)
Interest paid	13,067	13,955
Increase in debtors	(828,397)	(19,651)
(Decrease)/increase in creditors	(352,660)	1,233,948
	<u>(1,030,297)</u>	<u>1,490,974</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.24 £	Cash flow £	At 31.8.25 £
Net cash			
Cash at bank and in hand	4,182,825	(1,067,745)	3,115,080
	<u>4,182,825</u>	<u>(1,067,745)</u>	<u>3,115,080</u>
Debt			
Debts falling due within 1 year	(81,944)	33,931	(48,013)
Debts falling due after 1 year	(253,121)	48,013	(205,108)
	<u>(335,065)</u>	<u>81,944</u>	<u>(253,121)</u>
Total	<u>3,847,760</u>	<u>(985,801)</u>	<u>2,861,959</u>

1. REVISED FINANCIAL STATEMENTS

The financial statements for the year ended 31 August 2025 have been revised.

They

- replace the original financial statements;
- are now the statutory financial statements;
- are prepared as they were at the date of the original financial statements and not as at the date of revision and accordingly do not deal with events between those dates.

Some narrative on the Report of the Trustees required updating.

The amendments were only narrative and have no significant consequences.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Cavendish School Charitable Trust Limited is a company limited by guarantee with registered number 987480, incorporated and domiciled in England and Wales. Its registered office is The Cavendish School, 31 Inverness Street, London, NW1 7HB.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The school is dependent on pupils applying to it and on parents to pay their fees. Long term forecasting of pupil numbers is difficult but work continues to raise the profile of the school and to maintain and enhance the relationships with parents, feeder schools and nurseries and destination schools. The school has produced forecasts for at least 12 months from the date of approval of these financial statements which show that the school will have sufficient funds to continue operating as a going concern.

As such the School can expect to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. However, there can be no certainty in relation to these matters.

On this basis the Governors have concluded that the School is a going concern. The financial statements do not include any adjustments that would result from the School not being able to meet its liabilities as they fall due.

Company limited by guarantee

The company is limited by guarantee, the guarantors at the present time being the Governors, to the extent of £1 each.

Fees receivable and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school.

Donations and fund accounting

2. ACCOUNTING POLICIES - continued

Going concern

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments - permanent or expendable according to the nature of the restriction.

Expenditure

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the school to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and includes any attributable VAT which cannot be recovered. All expenses are allocated or apportioned to the applicable expenditure headings. Expenditure on charitable activities comprises expenditure on the provision of education.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

Teaching costs

The cost of teaching and support staff salaries, including pension and national insurance costs, books, other tuition expenses and IT support.

Tangible fixed assets and depreciation

All fixed assets are used in direct furtherance of the school's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date.

Assets that are expected to have a useful economic life of less than one year and cost less than £2,000 are not capitalised and are written off in the year of purchase.

Freehold property is depreciated at a rate of 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic lives to the school. Certain improvements to property are depreciated on a straight-line basis in order to write off the costs over a period of fifteen years.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Furniture and general

office equipment	- 10 years	10% - 20% per annum based on cost
Computer and IT	- 3 years	33.3% per annum based on cost
Piano	- 30 years	3.33% per annum based on cost

The cost of freehold property represents the historical value recorded in the books of £5,849,407. The board are of the opinion that the current value of the school's land and building is substantially in excess of the figure shown in the financial statements. The buildings have an insured value of £13,225,000 (2024: £13,225,000).

Taxation

The charity is exempt from corporation tax on its charitable activities.

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

Pension costs and other post-retirement benefits

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of the salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

From 1 September, the school put in place a defined contribution scheme with AVIVA for the teaching staff.

The school also pays contributions into a Group Personal Pension Scheme for Support staff. The Scheme is a defined contribution pension scheme. The assets of the Scheme are held separately from those of the School in an independently administered fund. The Pension Scheme charge represents contributions payable by the school in accordance with the rules of the Scheme.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 14, 15 and 16 for the debtor and creditor notes.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

In the opinion of the Council of Management, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives;

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property, plant and equipment and note 1.8 for the useful economic lives for each class of asset.

4. DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations & grants	<u>56,365</u>	<u>23,683</u>

Included within the above is an amount of £56,268 (2024: £21,298) which relates to restricted income.

5. OTHER TRADING ACTIVITIES

	2025	2024
	£	£
Rent & lettings	35,670	28,965
Other income	<u>55,327</u>	<u>1,433</u>
	<u>90,997</u>	<u>30,398</u>

6. INVESTMENT INCOME

	2025	2024
	£	£
Deposit account interest	<u>111,402</u>	<u>65,490</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2025

7. INCOME FROM CHARITABLE ACTIVITIES

		2025	2024
	Activity	£	£
School fees	General	3,461,186	3,477,699
Other educational income	General	268,140	261,216
		<u>3,729,326</u>	<u>3,738,915</u>

Included within the above is an amount of £527 (2024: £6,423) which is supported by restricted income.

8. RAISING FUNDS

Investment management costs	2025	2024
	£	£
Interest payable and similar charges	<u>13,067</u>	<u>13,955</u>

9. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Teaching	2,320,195
Welfare	217,220
Premises and Estates	562,970
Administration	754,237
Governance	15,239
	<u>3,869,861</u>

Included within the above is an amount of £20,109 (2024: £9,762) relating to restricted expenditure.

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.8.25	31.8.24
	£	£
Depreciation - owned assets	143,933	144,175
Audit fees	<u>13,230</u>	<u>14,352</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2025 nor for the year ended 31 August 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2025 nor for the year ended 31 August 2024.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2025

12. STAFF COSTS

	2025 £	2024 £
Wages and salaries	2,095,174	2,092,710
Social security costs	252,828	229,013
Other pension costs	221,199	223,958
	<u>2,569,201</u>	<u>2,545,681</u>

The average monthly number of employees during the year was as follows:

	2025	2024
Teaching	38	39
Support	9	9
	<u>47</u>	<u>48</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	2024
£60,001 - £70,000	1	4
£80,001 - £90,000	2	-
£100,001 - £110,000	-	1
£120,001 - £180,000	2	1
	<u>5</u>	<u>6</u>

Pension contributions for the year amounted to £69,592 (2024: £71,021) for the above employees.

Key management personnel include the Governors and the senior executives which are made up of 5 members of the Senior Leadership Team including the head and the bursar. The total pay and benefits received by management personnel were £567,779 (2024: £597,392).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2,385	21,298	23,683
Charitable activities			
General	3,732,492	6,423	3,738,915
Other trading activities	30,398	-	30,398
Investment income	65,490	-	65,490
Total	<u>3,830,765</u>	<u>27,721</u>	<u>3,858,486</u>
EXPENDITURE ON			
Raising funds	13,955	-	13,955
Charitable activities			
Teaching	2,340,594	9,762	2,350,356
Welfare	224,837	-	224,837
Premises and Estates	423,821	-	423,821
Administration	645,224	-	645,224

Notes to the Financial Statements - continued
for the Year Ended 31 August 2025

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
Governance	16,260	-	16,260
Total	<u>3,664,691</u>	<u>9,762</u>	<u>3,674,453</u>
NET INCOME	166,074	17,959	184,033
Transfers between funds	6,423	(6,423)	-
Net movement in funds	<u>172,497</u>	<u>11,536</u>	<u>184,033</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	5,280,424	44,447	5,324,871
TOTAL FUNDS CARRIED FORWARD	<u><u>5,452,921</u></u>	<u><u>55,983</u></u>	<u><u>5,508,904</u></u>

14. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 September 2024	5,660,297	17,718	406,389	6,084,404
Additions	16,620	-	37,219	53,839
Disposals	(404,372)	-	(239,054)	(643,426)
At 31 August 2025	<u>5,272,545</u>	<u>17,718</u>	<u>204,554</u>	<u>5,494,817</u>
DEPRECIATION				
At 1 September 2024	1,795,905	17,718	331,839	2,145,462
Charge for year	107,664	-	36,269	143,933
Eliminated on disposal	(404,372)	-	(239,054)	(643,426)
At 31 August 2025	<u>1,499,197</u>	<u>17,718</u>	<u>129,054</u>	<u>1,645,969</u>
NET BOOK VALUE				
At 31 August 2025	<u><u>3,773,348</u></u>	<u><u>-</u></u>	<u><u>75,500</u></u>	<u><u>3,848,848</u></u>
At 31 August 2024	<u><u>3,864,392</u></u>	<u><u>-</u></u>	<u><u>74,550</u></u>	<u><u>3,938,942</u></u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade debtors	740,738	22,114
Prepayments and accrued income	230,672	120,899
	<u><u>971,410</u></u>	<u><u>143,013</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2025

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Bank loans and overdrafts (see note 18)	48,013	81,944
Trade creditors	193,690	38,007
Social security and other taxes	206,776	53,948
Other creditors	211	31,392
Fees in advance	1,135,694	1,777,884
Accrued expenses	13,230	14,230
School fee deposits	74,500	49,200
	<u>1,672,114</u>	<u>2,046,605</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Bank loans (see note 18)	205,108	253,121
School fee deposits	444,050	456,150
	<u>649,158</u>	<u>709,271</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2025	2024
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>48,013</u>	<u>81,944</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>37,365</u>	<u>48,013</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>122,943</u>	<u>117,463</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	44,800	87,645

The bank loans are secured by first and second fixed charges over the freehold property situated at 31 Inverness Street, NW1 7HB (previously referred to as 179 Arlington Road, London NW1 7EY).

19. MOVEMENT IN FUNDS

	At 1.9.24 £	Net movement in funds £	At 31.8.25 £
Unrestricted funds			
General fund	1,684,654	79,127	1,763,781
Tangible Fixed Asset fund	3,679,470	-	3,679,470
Head's discretionary fund	4,838	(4,747)	91
Hardship Funds	83,959	-	83,959
	<u>5,452,921</u>	<u>74,380</u>	<u>5,527,301</u>
Restricted funds			
Restricted fund	55,983	30,782	86,765
	<u>5,508,904</u>	<u>105,162</u>	<u>5,614,066</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,931,822	(3,852,695)	79,127
Head's discretionary fund	-	(4,747)	(4,747)
	<u>3,931,822</u>	<u>(3,857,442)</u>	<u>74,380</u>
Restricted funds			
Restricted fund	56,268	(25,486)	30,782
	<u>3,988,090</u>	<u>(3,882,928)</u>	<u>105,162</u>

Comparatives for movement in funds

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
Unrestricted funds				
General fund	1,530,861	166,667	(12,874)	1,684,654
Tangible Fixed Asset fund	3,660,173	-	19,297	3,679,470
Head's discretionary fund	5,431	(593)	-	4,838
Hardship Funds	83,959	-	-	83,959
	<u>5,280,424</u>	<u>166,074</u>	<u>6,423</u>	<u>5,452,921</u>
Restricted funds				
Restricted fund	44,447	17,959	(6,423)	55,983
	<u>5,324,871</u>	<u>184,033</u>	<u>-</u>	<u>5,508,904</u>

19. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,828,380	(3,661,713)	166,667
Head's discretionary fund	2,385	(2,978)	(593)
	<u>3,830,765</u>	<u>(3,664,691)</u>	<u>166,074</u>
Restricted funds			
Restricted fund	27,721	(9,762)	17,959
	<u>27,721</u>	<u>(9,762)</u>	<u>17,959</u>
TOTAL FUNDS	<u><u>3,858,486</u></u>	<u><u>(3,674,453)</u></u>	<u><u>184,033</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.25 £
Unrestricted funds				
General fund	1,530,861	245,794	(12,874)	1,763,781
Tangible Fixed Asset fund	3,660,173	-	19,297	3,679,470
Head's discretionary fund	5,431	(5,340)	-	91
Hardship Funds	83,959	-	-	83,959
	<u>5,280,424</u>	<u>240,454</u>	<u>6,423</u>	<u>5,527,301</u>
Restricted funds				
Restricted fund	44,447	48,741	(6,423)	86,765
	<u>44,447</u>	<u>48,741</u>	<u>(6,423)</u>	<u>86,765</u>
TOTAL FUNDS	<u><u>5,324,871</u></u>	<u><u>289,195</u></u>	<u><u>-</u></u>	<u><u>5,614,066</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	7,760,202	(7,514,408)	245,794
Head's discretionary fund	2,385	(7,725)	(5,340)
	<u>7,762,587</u>	<u>(7,522,133)</u>	<u>240,454</u>
Restricted funds			
Restricted fund	83,989	(35,248)	48,741
	<u>83,989</u>	<u>(35,248)</u>	<u>48,741</u>
TOTAL FUNDS	<u><u>7,846,576</u></u>	<u><u>(7,557,381)</u></u>	<u><u>289,195</u></u>

Restricted funds

The restricted funds of the school include income comprising donations, grants and other income received on trust to be used for bursaries, Early Years support and dedicated classroom assistant support.

19. MOVEMENT IN FUNDS - continued

Unrestricted funds

The tangible fixed assets fund represents the net book value of the school's tangible fixed assets less the related loans. A decision was made to separate this fund from the general fund of the school in recognition of the fact that the tangible fixed assets are essential to the day to day work of the school and as a such their value should not be regarded as funds that would be realisable with ease in order to meet future contingencies.

A transfer occurs each year from the tangible fixed assets fund to the unrestricted funds for the depreciation element of the fixed assets.

There has been a transfer from the restricted funds for monies which have been spent in the unrestricted funds.

Designated Fund

The Head's Discretionary Fund is funded by donations from parents and used at the discretion of the Head in order to assist the development and welfare of individual pupils.

20. RELATED PARTY DISCLOSURES

Two (2024: three) Governors who are also parents had children attending the school during the financial year. Fees paid by the Governors are the same as fees paid by others.

The school has purchased insurance to protect the school from loss arising from the neglect or defaults of its Governors. The insurance premium payable by the school during the year totalled £1,178 (2024: £1,178) and provides cover of up to a maximum of £2 million.

During the year no governors were awarded gifts (2024: £nil) for the assistance. During the year two parents who were Governors donated £2,028 to the School's new Playground Project (2024: £nil to the School's Bursary Fund).











Cavendish School - YE 31.08.25 Revised (20.02.26)

Final Audit Report

2026-02-20

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By:	Jonathan Skilton (jskilton@bg-brewers.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA1ArqtTt9XeSSWKN7GbAhQLr7wWgZPUr0

"Cavendish School - YE 31.08.25 Revised (20.02.26)" History

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THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

England & Wales - Charity number 312727

Accounts

REGISTERED COMPANY NUMBER: 00987480 (England and Wales)
REGISTERED CHARITY NUMBER: 312727

**Report of the Trustees and
Financial Statements for the Year Ended 31 August 2024**
for
**The Cavendish School Charitable Trust
Limited**

Brewers Chartered Accountants
Bourne House
Queen Street
Gomshall
Surrey
GU5 9LY

**The Cavendish School Charitable Trust
Limited**

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for the Year Ended 31 August 2024**

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**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2024. The trustees have adopted the provisions of 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) (effective 1 January 2019).

The Governors (who are also directors of The Cavendish School Charitable Trust for the purposes of company law and trustees for the purposes of charity law) present their statutory report together with the financial statements of The Cavendish School Charitable Trust Limited (company registration number 987480 (England and Wales)) (the "charitable company") for the year ended 31 August 2024.

The report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 16 to 30 of the attached financial statements and comply with the charitable company's memorandum and articles of association, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Legal status

The charitable company is constituted as a company limited by guarantee and not having a share capital. The members, who are also Governors, are liable to contribute an amount not exceeding £1 each in the event of winding up.

The charitable company was incorporated on 20 August 1970 by Memorandum of Association.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

OBJECTIVES AND ACTIVITIES

Principal aims and objects

The principal aims and objects of the charitable company are the advancement and promotion of education and, in particular, the running of The Cavendish School in Camden Town, London (the "school").

Mission

We aim to provide:

- A non-selective, high-quality, caring and diverse learning environment that promotes and respects a learning partnership between home, school and the wider community, making the most of what London has to offer.
- An educational approach that is always centred on and sensitive to the individual needs of pupils and supports them to become resilient, confident, positive, flexible and independent learners. Our pupils are prepared for the future.
- A broad, balanced, stimulating and challenging curriculum with enriching extra-curricular opportunities so that pupils can reach their full potential in all areas of their learning and development.
- A welcoming, nurturing, vibrant, safe and sustainable learning environment.
- An excellent preparation for pupils to move confidently to the next stage of their learning with the opportunity to develop the skills, knowledge and understanding to become positive and confident lifelong learners and role models.
- An environment that celebrates and builds on our original foundation of Catholic values and welcomes those from all faiths and none.

Through:

- Appointment, recruitment and development of a skilled and empathetic teaching and support staff of the highest calibre.
- Effective leadership and management that can provide a strategic vision for the school.

We see ourselves as a caring, inclusive, non-selective community of individuals who enjoy working together to support and appreciate each other's personal development and love of learning. We are committed to providing equality of opportunity.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

OBJECTIVES AND ACTIVITIES

Public benefit

The Charities Act 2006 made changes which affect the school, principally removing the presumption in law that education is for public benefit. The effect of this is a requirement that educational charities demonstrate the public benefit they provide. The Charity Commission has provided guidelines on the changes together with an analysis of the law affecting charities. These documents have been considered by the Governors, who are confident that the charitable company is operating in the interest of the public. Furthermore, the object of the charitable company is the advancement and promotion of education, specifically the running of the Cavendish School for, but not exclusively for, children of the Roman Catholic faith, which is a charitable purpose within the meaning of the Charities Act 2011.

This report is designed to meet the Charity Commission's requirement to describe the public benefit provided by the charitable company. The paragraphs below describe the various ways in which the Governors believe that the charitable company provides public benefit.

- The major public benefit the school provides is a rich and diverse education, without recourse to the public purse and a strong ethos of a positive contribution to our local community. Much of the curriculum taught follows the areas prescribed by law for state schools, on the basis it is considered essential for a successful society. Consequently, its provision is to benefit the public.
- The school is open to all and Governors aim to make it as affordable as reasonably possible, consistent with the aim of providing a high-quality education in a small school environment.
- During the last year, the school awarded bursaries to 12 pupils which covered 25% to 100% of their fees.
- The school also has a Bursary Fund from which awards were made at the discretion of the Governors. The Fund and the school's Bursary Policy were advertised on the school's website.
- During the last year, the school also granted a hardship award to one pupil which covered 75% to 100% of fees.
- The Head also operates a fund to assist pupils from less well-off families with support for educational assessment, music lessons, residential trips and uniform.
- As part of the commitment to promoting education the school also provides training for teachers of around £16,000 for the year. Providing teachers with additional skills, who in turn will use these skills at The Cavendish School or other schools, is for the benefit of the wider public.
- We work in partnership with maintained schools with their pupils attending our Anti-Bullying Week, STEAM week Royal Institution Science in Schools event and Careers Week with parent presenters, samba and mask-making workshop, and competing in our sports tournaments eg. The Cavendish School Football tournament. In the year ahead, our Co-curricular and Partnerships Co-ordinator is looking to further expand our partnership programme by working with local schools to create music and dance learning opportunities.
- We also provide work experience opportunities to school-aged pupils.
- Since May 2022, a Ukrainian group has been using the school's premises for its regular meetings that inform, support and advocate for refugee families in Camden. Children play while adults and their hosts are helped with medical, job and housing advice.
- The Cavendish also has a long-standing collaboration with the Institute of Education, the education school of University College London, which specialises in postgraduate study and research in the field of education. Students are usually offered work placements during the school year, providing opportunities to observe, make assessments, assist and teach, complete tasks and to engage in reflective discussion. In addition, they are provided with advice and support in relation to the planning, preparation and assessment of children and the management of behaviour.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

OBJECTIVES AND ACTIVITIES

- As part of the educational goal of good citizenship, the school's pupils and their families are encouraged and enabled to take an interest in local and national issues. As a practical consequence of this, the school's pupils raised funds for a range of local and national charities during the year.

We estimate that the value of these actions is approximately £140,000, equivalent to around 4% of the total revenues of the school.

STRATEGIC REPORT

Results for the year

Income for the year was £3,858,486 (2023 - £3,911,984), including £3,602,566 (2023 - £3,640,638) in respect of gross school fees and £118,443 (2023 - £61,742) in respect of total bursaries. Expenditure was £3,674,453 (2023 - £3,661,756). Expenditure includes £2,603,379 (2023 - £2,584,940) in respect of staff costs; £13,955 (2023 - £18,830) for interest on the bank loans and £144,178 (2023 - £161,336) in respect of depreciation charges.

The net income for the year was £184,033 (2023 - £250,228).

Reserves policy

The Governors have examined the requirement for free reserves (also referred to as the general fund), i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Governors consider that, given the nature of the school's work, the level of free reserves should be equivalent to the termly expenditure at any one time. Based on current expenditure levels this should be in the region of £1,200,000. The Governors believe that this level of reserves would provide sufficient flexibility to respond to unforeseen emergencies whilst specific action plans are implemented. In addition, the school retains a healthy cash reserve that is capable of meeting anticipated future liabilities.

Financial position

The balance sheet shows total funds of £5,508,904 (2023 - £5,324,875).

The tangible fixed assets fund of £3,679,470 (2023 - £3,660,173) represents the net book value of the school's tangible fixed assets less the related borrowings.

General funds of the school at 31 August 2024 are £1,684,654 (2023 £1,530,866) and the Head's Discretionary fund was £4,838 (2023 - £5,430).

Overall, the Governors consider the affairs of the school to be satisfactory but they are aware of the need to monitor its resources closely; the financial and political issues facing independent schools; and the need to constantly monitor budgets and forecasts.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

STRATEGIC REPORT

Summary

The 2023/2024 financial year saw a small decline in trading conditions for the school. The School ended the year with a surplus of £184k and a cash balance of £4.2m. Income decreased by 1% year-on-year. This was primarily driven by a smaller-than-budgeted decrease in average pupil numbers from 215 to 201, largely offset by a 7.1% increase in fees. Costs increased marginally by 0.5% as natural staff turnover offset inflation in salaries. This focussed cost control prevented excess staffing levels and costs, whilst ensuring that staffing levels supported continued delivery of the School's strong educational and extra-curricular offering. This enabled the School to continue to deliver a surplus despite a small decline in income.

Whilst inflation abated during 2023/24, further strong increases in salaries in the maintained sector have continued to drive salaries up across all schools, above the current rate of inflation. This pattern continued through the summer of 2024 with the Government accepting the School Teachers' Review Body recommended pay award of 5.5% for maintained schools. This is likely to have an impact on staffing costs for the School in 2024/25, with upwards pressure on staff salaries across the independent sector.

Increased cost of living pressures continue to present challenges for the School. However, the more material risk now comes from the Government's announced changes to VAT. From 30 October 2024, school fees for school terms starting on or after 1 January 2025 will be taxable at the standard rate of VAT of 20%. This represents a material risk for the School as it puts significant financial pressure on parents. This change was anticipated in the election manifesto of the Labour Party and will have been influencing financial decision-making of parents for some time. The final details of the implementation of VAT, as to scope, timing and other elements, are likely to be clearer after The Autumn Budget on 30 October 2024. The changes to VAT have already put pressure on pupil numbers at most independent schools, and will continue to do so, as some parents (and prospective parents) may consider alternative options to fee-paying schools. The charging of VAT on fees may enable the School to reclaim a small amount of VAT that the School pays on goods and services, but this is not expected to be material given that its largest expenditure is on staff salaries.

The proposed removal of business rate relief for charities from April 2025 continues to represent a significant future headwind at an estimated additional cost of £180k a year.

Cash levels are continuously monitored, and the School ensures at least a term's worth of expenditures is readily available. As noted, the School's cash balance has increased materially in the year to August 2024. Part of this increase is due to take-up of the School's option to prepay three terms of 2024/25 fees. In the last two financial years, the year end balance sheet position of Fees in Advance was c.£1.1m, constituting payments made by parents in advance of the Autumn term to follow as per the usual fee invoice timings. As at year end 2023/24, the equivalent Fees in Advance stood at £1.8m due to take-up of the prepayment option.

The Board remains focused on managing these challenges and maintaining a disciplined and prudent approach to financial management. The Board is very conscious of the risks to pupil numbers across the sector and is considering a number of scenarios as it plans for the years ahead. The School is fortunate to have material cash reserves as this period of uncertainty continues.

Acknowledgement

The Governors would like to express their thanks to those Cavendish leavers who generously donated their deposits to the school's Bursary Fund.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

STRATEGIC REPORT

Future plans

The School has continued to thrive under the Head's strong and energetic leadership. Many of the new ideas and processes she has developed have established themselves successfully and parental feedback is excellent, as evidenced by the outstanding 2024 Independent Schools Inspectorate's inspection report in which the school was awarded Excellent in all categories.

The School had a good year in 2023/2024, with pupil numbers better than those anticipated in the annual budget leading to a larger than expected surplus. In September 2024, numbers are slightly down on September 2023 (191 vs 193) but this is due in part to a large Year 6 cohort leaving in 2024. The Governors were encouraged that the number of non-Year 6 leavers over the course of the year was a lot lower than in the previous year. In addition, the current Year 6 cohort, which will leave in summer 2025, is considerably smaller than last year's cohort.

However, the Governors are very aware of the ever-increasing challenges facing the School. The bringing forward of the imposition of VAT on fees to January 2025 was a disappointing development due to its significant impact on parents. The School offered parents the option to prepay 2024/25 fees and were encouraged that 45% of the parent body chose to do so. Being acutely aware of the need to continue to manage the School's finances prudently, the Governors have committed to parents to reduce the fees by only the amount of VAT that is conservatively estimated to be reclaimable by the School.

The lower number of registrations at the Nursery and Reception levels, due in part to falling birth rates, is a continuing concern, although inquiries have seen an increase at the start of the academic year. However, the School saw an encouraging number of joiners in older years over the last academic year and the Governors are optimistic that it can take advantage of parents either deciding to leave the state sector or to leave other independent schools with which they are not satisfied.

Therefore, and despite these ongoing challenges, the Governors are confident of meeting the going concern assumption given the School's healthy level of reserves due to prudent financial management.

As part of its marketing efforts, the School is broadening its use of social media for marketing purposes and tracking more precisely where parents are first hearing of the school. The Governors are very aware of the need for the School to exploit all marketing opportunities and maximise the School's online presence as part of the strategy to meet the financial challenges head-on.

The School will continue to offer its broad and balanced curriculum and to provide numerous enrichment opportunities for pupils, including a wide variety of during and after-school clubs and opportunities to play team sports and make music.

The Head continues her strong relationships with the heads of a broad range of secondary schools and the School achieved its best ever results in this year's 11+ exams. The School's focus is always on its commitment to matching Year 6 girls to the secondary school which is best for them and where they will be able to thrive and be happy.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The Board of Governors is responsible for setting aims and agreeing on a strategy for the school, recruiting and assessing senior management and for ensuring frameworks exist to meet legal, financial and regulatory obligations. Management of the school is the responsibility of the Head and the leadership team.

The school has a rolling programme for reviewing procedures and policies. All are reviewed at least once every three years or more frequently should changes in legislation or circumstance require.

The Governors would like to express their thanks to the Head, Senior Leadership Team and the entire staff for their hard work during the year, for the progress that has been made in the school during the period. The Governors also thank the parents and carers who contribute so willingly and generously to the life of the school and all the officers of the Friends of the Cavendish (see later).

None of the Governors received any remuneration in respect of their services as governors during the year (2023 - £nil).

No out-of-pocket expenses were reimbursed to three Governors during the year (2023 - £nil).

Three (2023 - four) Governors who are also parents had children attending the school during the financial year. Fees paid by the Governors are the same as fees paid by others. At the year-end, the School was owed £nil (2023: £nil) by any Governor.

The school has purchased insurance to protect the school from loss arising from the neglect or defaults of its Governors. The insurance premium payable by the school during the year totalled £1,178 (2023 - £1,122) and provides cover of up to a maximum of £2 million.

Appointment of Governors and training procedures

New Governors are elected by a consensus of existing Governors and may serve for a period of three years before being required to stand for re-election.

The Governors have put in place a system whereby individual Governors have nominated links with individual teachers and curriculum areas to enhance the links between Governors and the teaching staff and with those with the responsibility for the Early Years Foundation Stage (E.Y.F.S.), safeguarding, health and safety and compliance.

The Governors are members of the Association of Governing Bodies of Independent Schools. The Governors are offered the opportunity to attend seminars and conferences and regular training to maintain their expertise in governance issues.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management personnel

The Governors consider that they, together with the Head and the Senior Leadership Team, comprise the key management of the charity in charge of directing and controlling, running and operating the school on a day-to-day basis.

The remuneration of key management personnel is set by the Finance and General Purposes Committee acting as the Pay Review Committee and is confirmed by the Governing Body. Note is taken of market conditions, national and local pay scales and levels of performance.

The Head and the Bursar have annual reviews where their targets are agreed upon/reviewed with Governors. The rest of the Senior Leadership Team has biennial performance reviews where their targets are agreed upon/reviewed with the Head.

The Senior Leadership Team consists of:

T Lombard	Head
C Moore	Senior Deputy Head (Strategy & Operations)
H Edwards	Deputy Head (Academic)
J Hodgson	Deputy Head (Pastoral)
S Chen Cooper	Bursar & Clerk to the Governors
K Dignan	Head of HR & Compliance

Committees

The general school governance continued with regular Board and sub-committee meetings.

The composition of the sub-committees for this year was as follows:

Education

S Bettison
G Fontaine
K Hake
A Tsoi (resigned 13 March 2024)
M Webster (Chair)

Finance & General Purposes

B Crystal (Chair)
E Molnar
D Phillips (resigned 19 September 2023)
G Waterman (appointed 17 June 2024)

The two Co-Chairs of Governors are ex-officio members of both committees.

Working with other organisations

Friends of the Cavendish

The Governors reiterate their gratitude to the Friends of the Cavendish for their support during the year.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

In line with the requirement for Governors to undertake a risk assessment exercise and report on the same in their annual report, the Governors have looked at the risks the school currently faces and have reviewed the measures already in place, or needing to be put in place, to deal with them. The Governors have identified six main areas where risks may occur:

- Strategic
- Operational
- Financial
- Regulatory
- Cyber
- Political and economic

Strategic considers the long-term health of the school. It is concerned with areas such as pupil numbers, staff recruitment and retention, quality of management, financial management and identification of changes to the school environment.

Operational looks at the risks inherent in the school's activities including the operation of its school - reputational, communication with parents, training, the suitability of teaching resources and buildings, maintenance, health and safety, safeguarding of children, disaster planning, etc.

Along with all other organisations which work with children, the Governors recognise the absolute necessity of ensuring the protection and safety of all those the school serves. This means that all staff, including peripatetic staff, have to undergo a check with the Disclosure and Barring Service (previously the Criminal Records Bureau) and other extensive pre-recruitment checks. In addition to this, all staff receive child protection training which is updated a minimum of once per year. Additionally, there is a designated Governor assigned to safeguarding children, Governors themselves undertake annual safeguarding training and a safeguarding report is presented at every full board meeting.

The safeguarding policy aims to outline the role that The Cavendish School has, the procedure that staff should follow and the guidance issued on pupil protection generally. All staff must ensure that the needs and safety of the pupils are at the forefront of their practice. In their day-to-day contact with individual pupils, teachers and other staff are particularly well placed to observe outward signs of abuse, changes in behaviour or failure to thrive.

Financial risks include those relating to budgetary control, fraud and money laundering, bribery, spending, accounting, borrowing policies, etc. and the need to ensure adequate cash flow coverage and reserves to meet future needs.

Long-term forecasting of pupil numbers continues to be difficult and Governors are mindful of the continuing need to raise the profile of the school, maintain and further enhance good working practices and continue to achieve an Excellent grading in inspections. The Senior Leadership Team, overseen by Governors, works with an Admissions and Marketing Officer to oversee marketing strategies and ensure that they are aligned with the key strategic aims:

1. To develop the business model.
2. To improve the quality of provision.
3. To develop structures to support the plan.

Regulatory looks at the effects of government policies, the consequences of new laws and regulations, the likely effects of political change etc.

Cyber risks include those relating to online fraud which is increasingly common in the independent schools sector.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governors ensure heightened awareness and capability among staff via regular phishing training and increased security measures including two factor authentication and the purchase of end point detection and response software and cyber insurance.

Political and economic risks include those relating to both national political and international events and their impact on the United Kingdom economy.

Governors are mindful of the effects of the cost of living crisis on parents and the school and the need to ensure increased operational and financial efficiency. They are also aware of announced changes on the political horizon and have developed a strategic response to changes in the tax treatment of independent schools.

Activities, specific objectives and relevant policies

Activities and specific objectives

The principal activity of the charitable company in the year under review was the running of The Cavendish School, which was originally established to provide a Catholic education for girls aged between three and eleven with sibling boys to age seven, and has committed to all girls education since 2018.

Volunteers

The Governors would like to thank all the parents for their much-valued contribution to the school community. Parents have participated in activities such as fundraising for local and international charities, uniform sales and educational visits as well as sharing the benefits of their professional expertise.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00987480 (England and Wales)

Registered Charity number

312727

Registered office

31 Inverness Street
London
NW1 7HB

Trustees

Governors

S Bettison
B Crystal (Chair of Finance and General Purposes Committee)
S Cunnane (appointed 17 June 2024)
G Fontaine
A M Gotto (Co-Chair of Governors)
K Hake
G McCafferty (appointed 23 September 2024)
E Molnar
A Pangonis
D Phillips (resigned 19 September 2023)
N Rushton (Co-Chair of Governors)
E Saudi
A Tsoi (resigned 13 March 2024)
G Waterman (appointed 17 June 2024)
M Webster

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary

S Chen Cooper

Auditors

Brewers Chartered Accountants
Bourne House
Queen Street
Gomshall
Surrey
GU5 9LY

Solicitors

Harrison Clark Rickerbys Ltd
Ellenborough House
Wellington Street
Cheltenham
GL50 1YD

Burser and Clerk to the Governors

S Chen Cooper

Head

T Lombard

Website

www.cavendishschool.co.uk

Telephone

020 7485 1958

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Cavendish School Charitable Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees 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

The auditors, Brewers Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 2 December 2024 and signed on the board's behalf by:

Alice Gotto

Alice Gotto (Dec 2, 2024 11:45 GMT)

.....
A M Gotto – Co-Chair of Governors

Nicola Rushton

Nicola Rushton (Dec 2, 2024 11:21 GMT)

.....
N J Rushton – Co-Chair of Governors

**Report of the Independent Auditors to the Members of
The Cavendish School Charitable Trust
Limited**

Opinion

We have audited the financial statements of The Cavendish School Charitable Trust Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of The Cavendish School Charitable Trust Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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. These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit. Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustees meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud. No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

**Report of the Independent Auditors to the Members of
The Cavendish School Charitable Trust
Limited**

Use of our report

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



Andrew Skilton ACA (Senior Statutory Auditor)
for and on behalf of Brewers Chartered Accountants
Bourne House
Queen Street
Gomshall
Surrey
GU5 9LY

Date: 2 December 2024

**The Cavendish School Charitable Trust
Limited**

**Statement of Financial Activities
for the Year Ended 31 August 2024**

	Notes	Unrestricted funds £	Restricted fund £	31.8.24 Total funds £	31.8.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	2,385	21,298	23,683	25,619
Charitable activities					
General	6	3,732,492	6,423	3,738,915	3,807,533
Other trading activities	4	30,398	-	30,398	28,273
Investment income	5	65,490	-	65,490	50,558
Total		<u>3,830,765</u>	<u>27,721</u>	<u>3,858,486</u>	<u>3,911,983</u>
EXPENDITURE ON					
Raising funds	7	13,955	-	13,955	18,830
Charitable activities					
Teaching	8	2,340,594	9,762	2,350,356	2,384,179
Welfare		224,837	-	224,837	205,636
Premises and Estates		423,821	-	423,821	446,254
Administration		645,224	-	645,224	587,721
Governance		16,260	-	16,260	19,139
Total		<u>3,664,691</u>	<u>9,762</u>	<u>3,674,453</u>	<u>3,661,759</u>
NET INCOME					
Transfers between funds	18	166,074	17,959	184,033	250,224
		<u>6,423</u>	<u>(6,423)</u>	<u>-</u>	<u>-</u>
Net movement in funds		172,497	11,536	184,033	250,224
RECONCILIATION OF FUNDS					
Total funds brought forward		5,280,424	44,447	5,324,871	5,074,647
TOTAL FUNDS CARRIED FORWARD		<u>5,452,921</u>	<u>55,983</u>	<u>5,508,904</u>	<u>5,324,871</u>

The notes form part of these financial statements

**The Cavendish School Charitable Trust
Limited**

**Balance Sheet
31 August 2024**

	Notes	Unrestricted funds £	Restricted fund £	31.8.24 Total funds £	31.8.23 Total funds £
FIXED ASSETS					
Tangible assets	13	3,938,942	-	3,938,942	4,073,920
CURRENT ASSETS					
Debtors	14	143,013	-	143,013	123,362
Cash at bank and in hand		4,126,842	55,983	4,182,825	2,728,201
		4,269,855	55,983	4,325,838	2,851,563
CREDITORS					
Amounts falling due within one year	15	(2,046,605)	-	(2,046,605)	(826,497)
NET CURRENT ASSETS		2,223,250	55,983	2,279,233	2,025,066
TOTAL ASSETS LESS CURRENT LIABILITIES		6,162,192	55,983	6,218,175	6,098,986
CREDITORS					
Amounts falling due after more than one year	16	(709,271)	-	(709,271)	(774,115)
NET ASSETS		5,452,921	55,983	5,508,904	5,324,871
FUNDS	18				
Unrestricted funds				5,452,921	5,280,424
Restricted funds				55,983	44,447
TOTAL FUNDS				5,508,904	5,324,871

The financial statements were approved by the Board of Trustees and authorised for issue on 2 December 2024 and were signed on its behalf by:

Alice Gotto
A M Gotto – Co-Chair of Governors

Nicola Rushton
N J Rushton – Co-Chair of Governors

The notes form part of these financial statements

**The Cavendish School Charitable Trust
Limited**

**Cash Flow Statement
for the Year Ended 31 August 2024**

	Notes	31.8.24 £	31.8.23 £
Cash flows from operating activities			
Cash generated from operations	1	1,490,974	250,740
Interest paid		<u>(13,955)</u>	<u>(18,830)</u>
Net cash provided by operating activities		<u>1,477,019</u>	<u>231,910</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(9,200)	(65,720)
Interest received		<u>65,490</u>	<u>50,558</u>
Net cash provided by/(used in) investing activities		<u>56,290</u>	<u>(15,162)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(78,685)</u>	<u>(75,589)</u>
Net cash used in financing activities		<u>(78,685)</u>	<u>(75,589)</u>
Change in cash and cash equivalents in the reporting period			
		1,454,624	141,159
Cash and cash equivalents at the beginning of the reporting period		<u>2,728,201</u>	<u>2,587,042</u>
Cash and cash equivalents at the end of the reporting period		<u>4,182,825</u>	<u>2,728,201</u>

The notes form part of these financial statements

**The Cavendish School Charitable Trust
Limited**

**Notes to the Cash Flow Statement
for the Year Ended 31 August 2024**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.8.24	31.8.23
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	184,033	250,224
Adjustments for:		
Depreciation charges	144,179	161,336
Interest received	(65,490)	(50,558)
Interest paid	13,955	18,830
Increase in debtors	(19,651)	(9,985)
Increase/(decrease) in creditors	<u>1,233,948</u>	<u>(119,107)</u>
Net cash provided by operations	<u>1,490,974</u>	<u>250,740</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.23	Cash flow	At 31.8.24
	£	£	£
Net cash			
Cash at bank and in hand	<u>2,728,201</u>	<u>1,454,624</u>	<u>4,182,825</u>
	<u>2,728,201</u>	<u>1,454,624</u>	<u>4,182,825</u>
Debt			
Debts falling due within 1 year	(78,684)	(3,260)	(81,944)
Debts falling due after 1 year	<u>(335,065)</u>	<u>81,944</u>	<u>(253,121)</u>
	<u>(413,749)</u>	<u>78,684</u>	<u>(335,065)</u>
Total	<u>2,314,452</u>	<u>1,533,308</u>	<u>3,847,760</u>

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements
for the Year Ended 31 August 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Cavendish School Charitable Trust Limited is a company limited by guarantee with registered number 987480, incorporated and domiciled in England and Wales. Its registered office is The Cavendish School, 31 Inverness Street, London, NW1 7HB.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The school is dependent on pupils applying to it and on parents to pay their fees. Long term forecasting of pupil numbers is difficult but work continues to raise the profile of the school and to maintain and enhance the relationships with parents, feeder schools and nurseries and destination schools. The school has produced forecasts for at least 12 months from the date of approval of these financial statements which show that the school will have sufficient funds to continue operating as a going concern.

As such the School can expect to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. However, there can be no certainty in relation to these matters.

On this basis the Governors have concluded that the School is a going concern. The financial statements do not include any adjustments that would result from the School not being able to meet its liabilities as they fall due.

Company limited by guarantee

The company is limited by guarantee, the guarantors at the present time being the Governors, to the extent of £1 each.

Fees receivable and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school.

Donations and fund accounting

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments - permanent or expendable according to the nature of the restriction.

Expenditure

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent.

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the school to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and includes any attributable VAT which cannot be recovered. All expenses are allocated or apportioned to the applicable expenditure headings. Expenditure on charitable activities comprises expenditure on the provision of education.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

Teaching costs

The cost of teaching and support staff salaries, including pension and national insurance costs, books, other tuition expenses and IT support.

Tangible fixed assets and depreciation

All fixed assets are used in direct furtherance of the school's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date.

Assets that are expected to have a useful economic life of less than one year and cost less than £2,000 are not capitalised and are written off in the year of purchase.

Freehold property is depreciated at a rate of 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic lives to the school. Certain improvements to property are depreciated on a straight-line basis in order to write off the costs over a period of fifteen years.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Furniture and general		
office equipment	- 10 years	10% - 20% per annum based on cost
Computer and IT	- 3 years	33.3% per annum based on cost
Piano	- 30 years	3.33% per annum based on cost

The cost of freehold property represents the historical value recorded in the books of £5,849,407. The board are of the opinion that the current value of the school's land and building is substantially in excess of the figure shown in the financial statements. The buildings have an insured value of £13,225,000 (2023: £18,824,715).

Taxation

The charity is exempt from corporation tax on its charitable activities.

Hire purchase and leasing commitments

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of the salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

From 1 September, the school put in place a defined contribution scheme with AVIVA for the teaching staff.

The school also pays contributions into a Group Personal Pension Scheme for Support staff. The Scheme is a defined contribution pension scheme. The assets of the Scheme are held separately from those of the School in an independently administered fund. The Pension Scheme charge represents contributions payable by the school in accordance with the rules of the Scheme.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 14, 15 and 16 for the debtor and creditor notes.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Actual results may differ from these estimates.

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

In the opinion of the Council of Management, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives;

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY - continued

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property, plant and equipment and note 1.8 for the useful economic lives for each class of asset.

3. DONATIONS AND LEGACIES

	31.8.24	31.8.23
	£	£
Donations & grants	<u>23,683</u>	<u>25,619</u>

Included within the above is an amount of £21,298 (2023: £16,362) which relates to restricted income.

4. OTHER TRADING ACTIVITIES

	31.8.24	31.8.23
	£	£
Rent & lettings	28,965	25,166
Other income	<u>1,433</u>	<u>3,107</u>
	<u>30,398</u>	<u>28,273</u>

5. INVESTMENT INCOME

	31.8.24	31.8.23
	£	£
Deposit account interest	<u>65,490</u>	<u>50,558</u>

6. INCOME FROM CHARITABLE ACTIVITIES

		31.8.24	31.8.23
		£	£
School fees	Activity General	3,477,699	3,578,896
Other educational income	General	<u>261,216</u>	<u>228,637</u>
		<u>3,738,915</u>	<u>3,807,533</u>

Included within the above is an amount of £6,423 (2023: £3,634) which is supported by restricted income.

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

7. RAISING FUNDS

Investment management costs

	31.8.24	31.8.23
	£	£
Interest payable and similar charges	<u>13,955</u>	<u>18,830</u>

8. CHARITABLE ACTIVITIES COSTS

		Direct Costs £
Teaching		2,350,356
Welfare		224,837
Premises and Estates Administration		423,821
Governance		645,224
		<u>16,260</u>
		<u>3,660,498</u>

Included within the above is an amount of £9,762 (2023: £12,600) relating to restricted expenditure.

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.8.24	31.8.23
	£	£
Depreciation - owned assets	144,178	161,336
Hire of plant and machinery	449,680	401,805
Other operating leases	199,975	228,269
Audit fees	<u>14,352</u>	<u>14,080</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2024 nor for the year ended 31 August 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2024 nor for the year ended 31 August 2023.

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

11. STAFF COSTS

	31.8.24	31.8.23
	£	£
Wages and salaries	2,092,710	2,100,962
Social security costs	229,013	230,060
Other pension costs	223,958	225,794
	<u>2,545,681</u>	<u>2,556,816</u>

The average monthly number of employees during the year was as follows:

	31.8.24	31.8.23
Teaching	39	45
Support	<u>9</u>	<u>9</u>
	<u>48</u>	<u>54</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.8.24	31.8.23
£60,001 - £70,000	4	1
£70,001 - £80,000	-	1
£100,001 - £110,000	1	1
£120,001 - £140,000	<u>1</u>	<u>1</u>
	<u>6</u>	<u>4</u>

Pension contributions for the year amounted to £71,021 (2023: £59,837) for the above employees.

Key management personnel include the Governors and the senior executives which are made up of 5 members of the Senior Leadership Team including the head and the bursar. The total pay and benefits received by management personnel were £597,392 (2023: £544,724).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	9,257	16,362	25,619
Charitable activities			
General	3,803,899	3,634	3,807,533
Other trading activities	28,273	-	28,273
Investment income	<u>50,558</u>	<u>-</u>	<u>50,558</u>
Total	<u>3,891,987</u>	<u>19,996</u>	<u>3,911,983</u>
EXPENDITURE ON			
Raising funds	18,830	-	18,830

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
Charitable activities			
Teaching	2,371,579	12,600	2,384,179
Welfare	205,636	-	205,636
Premises and Estates	446,254	-	446,254
Administration	587,721	-	587,721
Governance	<u>19,139</u>	<u>-</u>	<u>19,139</u>
Total	<u>3,649,159</u>	<u>12,600</u>	<u>3,661,759</u>
NET INCOME	242,828	7,396	250,224
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>5,037,596</u>	<u>37,051</u>	<u>5,074,647</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>5,280,424</u></u>	<u><u>44,447</u></u>	<u><u>5,324,871</u></u>

13. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 September 2023	<u>5,660,297</u>	<u>17,718</u>	<u>397,189</u>	<u>6,075,204</u>
Additions	<u>-</u>	<u>-</u>	<u>9,200</u>	<u>9,200</u>
At 31 August 2024	<u>5,660,297</u>	<u>17,718</u>	<u>406,389</u>	<u>6,084,404</u>
DEPRECIATION				
At 1 September 2023	<u>1,686,667</u>	<u>17,718</u>	<u>296,899</u>	<u>2,001,284</u>
Charge for year	<u>109,238</u>	<u>-</u>	<u>34,940</u>	<u>144,178</u>
At 31 August 2024	<u>1,795,905</u>	<u>17,718</u>	<u>331,839</u>	<u>2,145,462</u>
NET BOOK VALUE				
At 31 August 2024	<u><u>3,864,392</u></u>	<u><u>-</u></u>	<u><u>74,550</u></u>	<u><u>3,938,942</u></u>
At 31 August 2023	<u><u>3,973,630</u></u>	<u><u>-</u></u>	<u><u>100,290</u></u>	<u><u>4,073,920</u></u>

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.8.24	31.8.23
	£	£
Trade debtors	22,114	4,973
Prepayments and accrued income	120,899	118,389
	<u>143,013</u>	<u>123,362</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.8.24	31.8.23
	£	£
Bank loans and overdrafts (see note 17)	81,944	78,684
Trade creditors	38,007	76,931
Social security and other taxes	53,948	57,487
Other creditors	31,392	32,968
Fees in advance	1,777,884	473,888
Accrued expenses	14,230	35,039
School fee deposits	49,200	71,500
	<u>2,046,605</u>	<u>826,497</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	31.8.24	31.8.23
	£	£
Bank loans (see note 17)	253,121	335,065
School fee deposits	456,150	439,050
	<u>709,271</u>	<u>774,115</u>

17. LOANS

An analysis of the maturity of loans is given below:

	31.8.24	31.8.23
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>81,944</u>	<u>78,684</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>48,013</u>	<u>81,944</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>117,463</u>	<u>124,518</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	87,645	128,603

The bank loans are secured by first and second fixed charges over the freehold property situated at 31 Inverness Street, NW1 7HB (previously referred to as 179 Arlington Road, London NW1 7EY).

**The Cavendish School Charitable Trust
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**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

18. MOVEMENT IN FUNDS

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
Unrestricted funds				
General fund	1,530,861	166,667	(12,874)	1,684,654
Tangible Fixed Asset fund	3,660,173	-	19,297	3,679,470
Head's discretionary fund	5,431	(593)	-	4,838
Hardship Funds	83,959	-	-	83,959
	<u>5,280,424</u>	<u>166,074</u>	<u>6,423</u>	<u>5,452,921</u>
Restricted funds				
Restricted fund	44,447	17,959	(6,423)	55,983
	<u>44,447</u>	<u>17,959</u>	<u>(6,423)</u>	<u>55,983</u>
TOTAL FUNDS	<u><u>5,324,871</u></u>	<u><u>184,033</u></u>	<u><u>-</u></u>	<u><u>5,508,904</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,828,380	(3,661,713)	166,667
Head's discretionary fund	2,385	(2,978)	(593)
	<u>3,830,765</u>	<u>(3,664,691)</u>	<u>166,074</u>
Restricted funds			
Restricted fund	27,721	(9,762)	17,959
	<u>27,721</u>	<u>(9,762)</u>	<u>17,959</u>
TOTAL FUNDS	<u><u>3,858,486</u></u>	<u><u>(3,674,453)</u></u>	<u><u>184,033</u></u>

Comparatives for movement in funds

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
Unrestricted funds				
General fund	1,268,199	242,638	20,025	1,530,862
Tangible Fixed Asset fund	3,680,198	-	(20,025)	3,660,173
Head's discretionary fund	5,240	190	-	5,430
Hardship Funds	83,959	-	-	83,959
	<u>5,037,596</u>	<u>242,828</u>	<u>-</u>	<u>5,280,424</u>
Restricted funds				
Restricted fund	37,051	7,396	-	44,447
	<u>37,051</u>	<u>7,396</u>	<u>-</u>	<u>44,447</u>
TOTAL FUNDS	<u><u>5,074,647</u></u>	<u><u>250,224</u></u>	<u><u>-</u></u>	<u><u>5,324,871</u></u>

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,889,257	(3,646,619)	242,638
Head's discretionary fund	<u>2,730</u>	<u>(2,540)</u>	<u>190</u>
	3,891,987	(3,649,159)	242,828
Restricted funds			
Restricted fund	<u>19,996</u>	<u>(12,600)</u>	<u>7,396</u>
TOTAL FUNDS	<u><u>3,911,983</u></u>	<u><u>(3,661,759)</u></u>	<u><u>250,224</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
Unrestricted funds				
General fund	1,268,199	409,305	7,151	1,684,655
Tangible Fixed Asset fund	3,680,198	-	(728)	3,679,470
Head's discretionary fund	5,240	(403)	-	4,837
Hardship Funds	<u>83,959</u>	<u>-</u>	<u>-</u>	<u>83,959</u>
	5,037,596	408,902	6,423	5,452,921
Restricted funds				
Restricted fund	<u>37,051</u>	<u>25,355</u>	<u>(6,423)</u>	<u>55,983</u>
TOTAL FUNDS	<u><u>5,074,647</u></u>	<u><u>434,257</u></u>	<u><u>-</u></u>	<u><u>5,508,904</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	7,717,637	(7,308,332)	409,305
Head's discretionary fund	<u>5,115</u>	<u>(5,518)</u>	<u>(403)</u>
	7,722,752	(7,313,850)	408,902
Restricted funds			
Restricted fund	<u>47,717</u>	<u>(22,362)</u>	<u>25,355</u>
TOTAL FUNDS	<u><u>7,770,469</u></u>	<u><u>(7,336,212)</u></u>	<u><u>434,257</u></u>

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

18. MOVEMENT IN FUNDS - continued

Restricted funds

The restricted funds of the school include income comprising donations, grants and other income received on trust to be used for bursaries, Early Years support and dedicated classroom assistant support.

Unrestricted funds

The tangible fixed assets fund represents the net book value of the school's tangible fixed assets less the related loans. A decision was made to separate this fund from the general fund of the school in recognition of the fact that the tangible fixed assets are essential to the day to day work of the school and as such their value should not be regarded as funds that would be realisable with ease in order to meet future contingencies.

A transfer occurs each year from the tangible fixed assets fund to the unrestricted funds for the depreciation element of the fixed assets.

There has been a transfer from the restricted funds for monies which have been spent in the unrestricted funds.

Designated Fund

The Head's Discretionary Fund is funded by donations from parents and used at the discretion of the Head in order to assist the development and welfare of individual pupils.

19. RELATED PARTY DISCLOSURES

Three (2023: four) Governors who are also parents had children attending the school during the financial year. Fees paid by the Governors are the same as fees paid by others.

The school has purchased insurance to protect the school from loss arising from the neglect or defaults of its Governors. The insurance premium payable by the school during the year totalled £1,178 (2023: £1,020) and provides cover of up to a maximum of £2 million.

During the year no governors were awarded gifts (2023: £nil) for the assistance over the Summer Term. During the year the governors also donated £nil (2023: £nil) to the School's Bursary Fund.

**The Cavendish School Charitable Trust
Limited**

**Detailed Statement of Financial Activities
for the Year Ended 31 August 2024**

	31.8.24 £	31.8.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations & grants	23,683	25,619
Other trading activities		
Rent & lettings	28,965	25,166
Other income	1,433	<u>3,107</u>
	30,398	28,273
Investment income		
Deposit account interest	65,490	50,558
Charitable activities		
School fees	3,477,699	3,578,896
Other educational income	261,216	<u>228,637</u>
	3,738,915	<u>3,807,533</u>
Total incoming resources	3,858,486	3,911,983
EXPENDITURE		
Investment management costs		
Bank loan interest	13,955	18,830
Charitable activities		
Wages	2,092,710	2,100,962
Social security	229,013	230,060
Pensions	223,958	225,794
Direct costs	449,680	401,805
Property & equipment maintenance	199,975	228,269
Rates and water	60,052	47,701
Insurance	35,268	31,236
Light and heat	33,758	31,600
Telecommunications	8,513	8,158
Postage and stationery	21,495	7,672
Advertising	23,754	27,241
Sundries	2,231	1,544
Training	16,494	10,774
Security	3,090	3,019
Admin and office	40,176	42,199
IT	35,363	45,454
Legal & professional fees	26,437	21,754
Audit	14,352	16,351
Freehold property	109,238	122,028
Carried forward	3,625,557	3,603,621

This page does not form part of the statutory financial statements

**The Cavendish School Charitable Trust
Limited**

**Detailed Statement of Financial Activities
for the Year Ended 31 August 2024**

	31.8.24 £	31.8.23 £
Charitable activities		
Brought forward	3,625,557	3,603,621
Plant and machinery	3,156	2,132
Fixtures and fittings	31,785	37,176
	<u>3,660,498</u>	<u>3,642,929</u>
Total resources expended	<u>3,674,453</u>	<u>3,661,759</u>
Net income	<u>184,033</u>	<u>250,224</u>

REGISTERED COMPANY NUMBER: 00987480 (England and Wales)
REGISTERED CHARITY NUMBER: 312727

**Report of the Trustees and
Financial Statements for the Year Ended 31 August 2024
for
The Cavendish School Charitable Trust
Limited**

Brewers Chartered Accountants
Bourne House
Queen Street
Gomshall
Surrey
GU5 9LY

**The Cavendish School Charitable Trust
Limited**

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for the Year Ended 31 August 2024**

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**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2024. The trustees have adopted the provisions of 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) (effective 1 January 2019).

The Governors (who are also directors of The Cavendish School Charitable Trust for the purposes of company law and trustees for the purposes of charity law) present their statutory report together with the financial statements of The Cavendish School Charitable Trust Limited (company registration number 987480 (England and Wales)) (the "charitable company") for the year ended 31 August 2024.

The report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 16 to 30 of the attached financial statements and comply with the charitable company's memorandum and articles of association, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Legal status

The charitable company is constituted as a company limited by guarantee and not having a share capital. The members, who are also Governors, are liable to contribute an amount not exceeding £1 each in the event of winding up.

The charitable company was incorporated on 20 August 1970 by Memorandum of Association.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

OBJECTIVES AND ACTIVITIES

Principal aims and objects

The principal aims and objects of the charitable company are the advancement and promotion of education and, in particular, the running of The Cavendish School in Camden Town, London (the "school").

Mission

We aim to provide:

- A non-selective, high-quality, caring and diverse learning environment that promotes and respects a learning partnership between home, school and the wider community, making the most of what London has to offer.
- An educational approach that is always centred on and sensitive to the individual needs of pupils and supports them to become resilient, confident, positive, flexible and independent learners. Our pupils are prepared for the future.
- A broad, balanced, stimulating and challenging curriculum with enriching extra-curricular opportunities so that pupils can reach their full potential in all areas of their learning and development.
- A welcoming, nurturing, vibrant, safe and sustainable learning environment.
- An excellent preparation for pupils to move confidently to the next stage of their learning with the opportunity to develop the skills, knowledge and understanding to become positive and confident lifelong learners and role models.
- An environment that celebrates and builds on our original foundation of Catholic values and welcomes those from all faiths and none.

Through:

- Appointment, recruitment and development of a skilled and empathetic teaching and support staff of the highest calibre.
- Effective leadership and management that can provide a strategic vision for the school.

We see ourselves as a caring, inclusive, non-selective community of individuals who enjoy working together to support and appreciate each other's personal development and love of learning. We are committed to providing equality of opportunity.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

OBJECTIVES AND ACTIVITIES

Public benefit

The Charities Act 2006 made changes which affect the school, principally removing the presumption in law that education is for public benefit. The effect of this is a requirement that educational charities demonstrate the public benefit they provide. The Charity Commission has provided guidelines on the changes together with an analysis of the law affecting charities. These documents have been considered by the Governors, who are confident that the charitable company is operating in the interest of the public. Furthermore, the object of the charitable company is the advancement and promotion of education, specifically the running of the Cavendish School for, but not exclusively for, children of the Roman Catholic faith, which is a charitable purpose within the meaning of the Charities Act 2011.

This report is designed to meet the Charity Commission's requirement to describe the public benefit provided by the charitable company. The paragraphs below describe the various ways in which the Governors believe that the charitable company provides public benefit.

- The major public benefit the school provides is a rich and diverse education, without recourse to the public purse and a strong ethos of a positive contribution to our local community. Much of the curriculum taught follows the areas prescribed by law for state schools, on the basis it is considered essential for a successful society. Consequently, its provision is to benefit the public.
- The school is open to all and Governors aim to make it as affordable as reasonably possible, consistent with the aim of providing a high-quality education in a small school environment.
- During the last year, the school awarded bursaries to 12 pupils which covered 25% to 100% of their fees.
- The school also has a Bursary Fund from which awards were made at the discretion of the Governors. The Fund and the school's Bursary Policy were advertised on the school's website.
- During the last year, the school also granted a hardship award to one pupil which covered 75% to 100% of fees.
- The Head also operates a fund to assist pupils from less well-off families with support for educational assessment, music lessons, residential trips and uniform.
- As part of the commitment to promoting education the school also provides training for teachers of around £16,000 for the year. Providing teachers with additional skills, who in turn will use these skills at The Cavendish School or other schools, is for the benefit of the wider public.
- We work in partnership with maintained schools with their pupils attending our Anti-Bullying Week, STEAM week Royal Institution Science in Schools event and Careers Week with parent presenters, samba and mask-making workshop, and competing in our sports tournaments eg. The Cavendish School Football tournament. In the year ahead, our Co-curricular and Partnerships Co-ordinator is looking to further expand our partnership programme by working with local schools to create music and dance learning opportunities.
- We also provide work experience opportunities to school-aged pupils.
- Since May 2022, a Ukrainian group has been using the school's premises for its regular meetings that inform, support and advocate for refugee families in Camden. Children play while adults and their hosts are helped with medical, job and housing advice.
- The Cavendish also has a long-standing collaboration with the Institute of Education, the education school of University College London, which specialises in postgraduate study and research in the field of education. Students are usually offered work placements during the school year, providing opportunities to observe, make assessments, assist and teach, complete tasks and to engage in reflective discussion. In addition, they are provided with advice and support in relation to the planning, preparation and assessment of children and the management of behaviour.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

OBJECTIVES AND ACTIVITIES

- As part of the educational goal of good citizenship, the school's pupils and their families are encouraged and enabled to take an interest in local and national issues. As a practical consequence of this, the school's pupils raised funds for a range of local and national charities during the year.

We estimate that the value of these actions is approximately £140,000, equivalent to around 4% of the total revenues of the school.

STRATEGIC REPORT

Results for the year

Income for the year was £3,858,486 (2023 - £3,911,984), including £3,602,566 (2023 - £3,640,638) in respect of gross school fees and £118,443 (2023 - £61,742) in respect of total bursaries. Expenditure was £3,674,453 (2023 - £3,661,756). Expenditure includes £2,603,379 (2023 - £2,584,940) in respect of staff costs; £13,955 (2023 - £18,830) for interest on the bank loans and £144,178 (2023 - £161,336) in respect of depreciation charges.

The net income for the year was £184,033 (2023 - £250,228).

Reserves policy

The Governors have examined the requirement for free reserves (also referred to as the general fund), i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Governors consider that, given the nature of the school's work, the level of free reserves should be equivalent to the termly expenditure at any one time. Based on current expenditure levels this should be in the region of £1,200,000. The Governors believe that this level of reserves would provide sufficient flexibility to respond to unforeseen emergencies whilst specific action plans are implemented. In addition, the school retains a healthy cash reserve that is capable of meeting anticipated future liabilities.

Financial position

The balance sheet shows total funds of £5,508,904 (2023 - £5,324,875).

The tangible fixed assets fund of £3,679,470 (2023 - £3,660,173) represents the net book value of the school's tangible fixed assets less the related borrowings.

General funds of the school at 31 August 2024 are £1,684,654 (2023 £1,530,866) and the Head's Discretionary fund was £4,838 (2023 - £5,430).

Overall, the Governors consider the affairs of the school to be satisfactory but they are aware of the need to monitor its resources closely; the financial and political issues facing independent schools; and the need to constantly monitor budgets and forecasts.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

STRATEGIC REPORT

Summary

The 2023/2024 financial year saw a small decline in trading conditions for the school. The School ended the year with a surplus of £184k and a cash balance of £4.2m. Income decreased by 1% year-on-year. This was primarily driven by a smaller-than-budgeted decrease in average pupil numbers from 215 to 201, largely offset by a 7.1% increase in fees. Costs increased marginally by 0.5% as natural staff turnover offset inflation in salaries. This focussed cost control prevented excess staffing levels and costs, whilst ensuring that staffing levels supported continued delivery of the School's strong educational and extra-curricular offering. This enabled the School to continue to deliver a surplus despite a small decline in income.

Whilst inflation abated during 2023/24, further strong increases in salaries in the maintained sector have continued to drive salaries up across all schools, above the current rate of inflation. This pattern continued through the summer of 2024 with the Government accepting the School Teachers' Review Body recommended pay award of 5.5% for maintained schools. This is likely to have an impact on staffing costs for the School in 2024/25, with upwards pressure on staff salaries across the independent sector.

Increased cost of living pressures continue to present challenges for the School. However, the more material risk now comes from the Government's announced changes to VAT. From 30 October 2024, school fees for school terms starting on or after 1 January 2025 will be taxable at the standard rate of VAT of 20%. This represents a material risk for the School as it puts significant financial pressure on parents. This change was anticipated in the election manifesto of the Labour Party and will have been influencing financial decision-making of parents for some time. The final details of the implementation of VAT, as to scope, timing and other elements, are likely to be clearer after The Autumn Budget on 30 October 2024. The changes to VAT have already put pressure on pupil numbers at most independent schools, and will continue to do so, as some parents (and prospective parents) may consider alternative options to fee-paying schools. The charging of VAT on fees may enable the School to reclaim a small amount of VAT that the School pays on goods and services, but this is not expected to be material given that its largest expenditure is on staff salaries.

The proposed removal of business rate relief for charities from April 2025 continues to represent a significant future headwind at an estimated additional cost of £180k a year.

Cash levels are continuously monitored, and the School ensures at least a term's worth of expenditures is readily available. As noted, the School's cash balance has increased materially in the year to August 2024. Part of this increase is due to take-up of the School's option to prepay three terms of 2024/25 fees. In the last two financial years, the year end balance sheet position of Fees in Advance was c.£1.1m, constituting payments made by parents in advance of the Autumn term to follow as per the usual fee invoice timings. As at year end 2023/24, the equivalent Fees in Advance stood at £1.8m due to take-up of the prepayment option.

The Board remains focused on managing these challenges and maintaining a disciplined and prudent approach to financial management. The Board is very conscious of the risks to pupil numbers across the sector and is considering a number of scenarios as it plans for the years ahead. The School is fortunate to have material cash reserves as this period of uncertainty continues.

Acknowledgement

The Governors would like to express their thanks to those Cavendish leavers who generously donated their deposits to the school's Bursary Fund.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

STRATEGIC REPORT

Future plans

The School has continued to thrive under the Head's strong and energetic leadership. Many of the new ideas and processes she has developed have established themselves successfully and parental feedback is excellent, as evidenced by the outstanding 2024 Independent Schools Inspectorate's inspection report in which the school was awarded Excellent in all categories.

The School had a good year in 2023/2024, with pupil numbers better than those anticipated in the annual budget leading to a larger than expected surplus. In September 2024, numbers are slightly down on September 2023 (191 vs 193) but this is due in part to a large Year 6 cohort leaving in 2024. The Governors were encouraged that the number of non-Year 6 leavers over the course of the year was a lot lower than in the previous year. In addition, the current Year 6 cohort, which will leave in summer 2025, is considerably smaller than last year's cohort.

However, the Governors are very aware of the ever-increasing challenges facing the School. The bringing forward of the imposition of VAT on fees to January 2025 was a disappointing development due to its significant impact on parents. The School offered parents the option to prepay 2024/25 fees and were encouraged that 45% of the parent body chose to do so. Being acutely aware of the need to continue to manage the School's finances prudently, the Governors have committed to parents to reduce the fees by only the amount of VAT that is conservatively estimated to be reclaimable by the School.

The lower number of registrations at the Nursery and Reception levels, due in part to falling birth rates, is a continuing concern, although inquiries have seen an increase at the start of the academic year. However, the School saw an encouraging number of joiners in older years over the last academic year and the Governors are optimistic that it can take advantage of parents either deciding to leave the state sector or to leave other independent schools with which they are not satisfied.

Therefore, and despite these ongoing challenges, the Governors are confident of meeting the going concern assumption given the School's healthy level of reserves due to prudent financial management.

As part of its marketing efforts, the School is broadening its use of social media for marketing purposes and tracking more precisely where parents are first hearing of the school. The Governors are very aware of the need for the School to exploit all marketing opportunities and maximise the School's online presence as part of the strategy to meet the financial challenges head-on.

The School will continue to offer its broad and balanced curriculum and to provide numerous enrichment opportunities for pupils, including a wide variety of during and after-school clubs and opportunities to play team sports and make music.

The Head continues her strong relationships with the heads of a broad range of secondary schools and the School achieved its best ever results in this year's 11+ exams. The School's focus is always on its commitment to matching Year 6 girls to the secondary school which is best for them and where they will be able to thrive and be happy.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The Board of Governors is responsible for setting aims and agreeing on a strategy for the school, recruiting and assessing senior management and for ensuring frameworks exist to meet legal, financial and regulatory obligations. Management of the school is the responsibility of the Head and the leadership team.

The school has a rolling programme for reviewing procedures and policies. All are reviewed at least once every three years or more frequently should changes in legislation or circumstance require.

The Governors would like to express their thanks to the Head, Senior Leadership Team and the entire staff for their hard work during the year, for the progress that has been made in the school during the period. The Governors also thank the parents and carers who contribute so willingly and generously to the life of the school and all the officers of the Friends of the Cavendish (see later).

None of the Governors received any remuneration in respect of their services as governors during the year (2023 - £nil).

No out-of-pocket expenses were reimbursed to three Governors during the year (2023 - £nil).

Three (2023 - four) Governors who are also parents had children attending the school during the financial year. Fees paid by the Governors are the same as fees paid by others. At the year-end, the School was owed £nil (2023: £nil) by any Governor.

The school has purchased insurance to protect the school from loss arising from the neglect or defaults of its Governors. The insurance premium payable by the school during the year totalled £1,178 (2023 - £1,122) and provides cover of up to a maximum of £2 million.

Appointment of Governors and training procedures

New Governors are elected by a consensus of existing Governors and may serve for a period of three years before being required to stand for re-election.

The Governors have put in place a system whereby individual Governors have nominated links with individual teachers and curriculum areas to enhance the links between Governors and the teaching staff and with those with the responsibility for the Early Years Foundation Stage (E.Y.F.S.), safeguarding, health and safety and compliance.

The Governors are members of the Association of Governing Bodies of Independent Schools. The Governors are offered the opportunity to attend seminars and conferences and regular training to maintain their expertise in governance issues.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management personnel

The Governors consider that they, together with the Head and the Senior Leadership Team, comprise the key management of the charity in charge of directing and controlling, running and operating the school on a day-to-day basis.

The remuneration of key management personnel is set by the Finance and General Purposes Committee acting as the Pay Review Committee and is confirmed by the Governing Body. Note is taken of market conditions, national and local pay scales and levels of performance.

The Head and the Bursar have annual reviews where their targets are agreed upon/reviewed with Governors. The rest of the Senior Leadership Team has biennial performance reviews where their targets are agreed upon/reviewed with the Head.

The Senior Leadership Team consists of:

T Lombard	Head
C Moore	Senior Deputy Head (Strategy & Operations)
H Edwards	Deputy Head (Academic)
J Hodgson	Deputy Head (Pastoral)
S Chen Cooper	Bursar & Clerk to the Governors
K Dignan	Head of HR & Compliance

Committees

The general school governance continued with regular Board and sub-committee meetings.

The composition of the sub-committees for this year was as follows:

Education

S Bettison
G Fontaine
K Hake
A Tsoi (resigned 13 March 2024)
M Webster (Chair)

Finance & General Purposes

B Crystal (Chair)
E Molnar
D Phillips (resigned 19 September 2023)
G Waterman (appointed 17 June 2024)

The two Co-Chairs of Governors are ex-officio members of both committees.

Working with other organisations

Friends of the Cavendish

The Governors reiterate their gratitude to the Friends of the Cavendish for their support during the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

In line with the requirement for Governors to undertake a risk assessment exercise and report on the same in their annual report, the Governors have looked at the risks the school currently faces and have reviewed the measures already in place, or needing to be put in place, to deal with them. The Governors have identified six main areas where risks may occur:

- Strategic
- Operational
- Financial
- Regulatory
- Cyber
- Political and economic

Strategic considers the long-term health of the school. It is concerned with areas such as pupil numbers, staff recruitment and retention, quality of management, financial management and identification of changes to the school environment.

Operational looks at the risks inherent in the school's activities including the operation of its school - reputational, communication with parents, training, the suitability of teaching resources and buildings, maintenance, health and safety, safeguarding of children, disaster planning, etc.

Along with all other organisations which work with children, the Governors recognise the absolute necessity of ensuring the protection and safety of all those the school serves. This means that all staff, including peripatetic staff, have to undergo a check with the Disclosure and Barring Service (previously the Criminal Records Bureau) and other extensive pre-recruitment checks. In addition to this, all staff receive child protection training which is updated a minimum of once per year. Additionally, there is a designated Governor assigned to safeguarding children, Governors themselves undertake annual safeguarding training and a safeguarding report is presented at every full board meeting.

The safeguarding policy aims to outline the role that The Cavendish School has, the procedure that staff should follow and the guidance issued on pupil protection generally. All staff must ensure that the needs and safety of the pupils are at the forefront of their practice. In their day-to-day contact with individual pupils, teachers and other staff are particularly well placed to observe outward signs of abuse, changes in behaviour or failure to thrive.

Financial risks include those relating to budgetary control, fraud and money laundering, bribery, spending, accounting, borrowing policies, etc. and the need to ensure adequate cash flow coverage and reserves to meet future needs.

Long-term forecasting of pupil numbers continues to be difficult and Governors are mindful of the continuing need to raise the profile of the school, maintain and further enhance good working practices and continue to achieve an Excellent grading in inspections. The Senior Leadership Team, overseen by Governors, works with an Admissions and Marketing Officer to oversee marketing strategies and ensure that they are aligned with the key strategic aims:

1. To develop the business model.
2. To improve the quality of provision.
3. To develop structures to support the plan.

Regulatory looks at the effects of government policies, the consequences of new laws and regulations, the likely effects of political change etc.

Cyber risks include those relating to online fraud which is increasingly common in the independent schools sector.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governors ensure heightened awareness and capability among staff via regular phishing training and increased security measures including two factor authentication and the purchase of end point detection and response software and cyber insurance.

Political and economic risks include those relating to both national political and international events and their impact on the United Kingdom economy.

Governors are mindful of the effects of the cost of living crisis on parents and the school and the need to ensure increased operational and financial efficiency. They are also aware of announced changes on the political horizon and have developed a strategic response to changes in the tax treatment of independent schools.

Activities, specific objectives and relevant policies

Activities and specific objectives

The principal activity of the charitable company in the year under review was the running of The Cavendish School, which was originally established to provide a Catholic education for girls aged between three and eleven with sibling boys to age seven, and has committed to all girls education since 2018.

Volunteers

The Governors would like to thank all the parents for their much-valued contribution to the school community. Parents have participated in activities such as fundraising for local and international charities, uniform sales and educational visits as well as sharing the benefits of their professional expertise.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00987480 (England and Wales)

Registered Charity number

312727

Registered office

31 Inverness Street
London
NW1 7HB

Trustees

Governors

S Bettison
B Crystal (Chair of Finance and General Purposes Committee)
S Cunnane (appointed 17 June 2024)
G Fontaine
A M Gotto (Co-Chair of Governors)
K Hake
G McCafferty (appointed 23 September 2024)
E Molnar
A Pangonis
D Phillips (resigned 19 September 2023)
N Rushton (Co-Chair of Governors)
E Saudi
A Tsoi (resigned 13 March 2024)
G Waterman (appointed 17 June 2024)
M Webster

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary

S Chen Cooper

Auditors

Brewers Chartered Accountants
Bourne House
Queen Street
Gomshall
Surrey
GU5 9LY

Solicitors

Harrison Clark Rickerbys Ltd
Ellenborough House
Wellington Street
Cheltenham
GL50 1YD

Burser and Clerk to the Governors

S Chen Cooper

Head

T Lombard

Website

www.cavendishschool.co.uk

Telephone

020 7485 1958

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Cavendish School Charitable Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**The Cavendish School Charitable Trust
Limited**

**Report of the Trustees
for the Year Ended 31 August 2024**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees 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

The auditors, Brewers Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 2 December 2024 and signed on the board's behalf by:

Alice Gotto

Alice Gotto (Dec 5, 2024 21:45 GMT)

.....
A M Gotto – Co-Chair of Governors

Nicola Rushton

Nicola Rushton (Dec 5, 2024 17:21 GMT)

.....
N J Rushton – Co-Chair of Governors

**Report of the Independent Auditors to the Members of
The Cavendish School Charitable Trust
Limited**

Opinion

We have audited the financial statements of The Cavendish School Charitable Trust Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
The Cavendish School Charitable Trust
Limited**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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. These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit. Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustees meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud. No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

**Report of the Independent Auditors to the Members of
The Cavendish School Charitable Trust
Limited**

Use of our report

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



Andrew Skilton ACA (Senior Statutory Auditor)
for and on behalf of Brewers Chartered Accountants
Bourne House
Queen Street
Gomshall
Surrey
GU5 9LY

Date: 2 December 2024

**The Cavendish School Charitable Trust
Limited**

**Statement of Financial Activities
for the Year Ended 31 August 2024**

	Notes	Unrestricted funds £	Restricted fund £	31.8.24 Total funds £	31.8.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	2,385	21,298	23,683	25,619
Charitable activities					
General	6	3,732,492	6,423	3,738,915	3,807,533
Other trading activities	4	30,398	-	30,398	28,273
Investment income	5	65,490	-	65,490	50,558
Total		<u>3,830,765</u>	<u>27,721</u>	<u>3,858,486</u>	<u>3,911,983</u>
EXPENDITURE ON					
Raising funds	7	13,955	-	13,955	18,830
Charitable activities					
Teaching	8	2,340,594	9,762	2,350,356	2,384,179
Welfare		224,837	-	224,837	205,636
Premises and Estates		423,821	-	423,821	446,254
Administration		645,224	-	645,224	587,721
Governance		16,260	-	16,260	19,139
Total		<u>3,664,691</u>	<u>9,762</u>	<u>3,674,453</u>	<u>3,661,759</u>
NET INCOME					
Transfers between funds	18	166,074 6,423	17,959 (6,423)	184,033 -	250,224 -
Net movement in funds		172,497	11,536	184,033	250,224
RECONCILIATION OF FUNDS					
Total funds brought forward		5,280,424	44,447	5,324,871	5,074,647
TOTAL FUNDS CARRIED FORWARD		<u>5,452,921</u>	<u>55,983</u>	<u>5,508,904</u>	<u>5,324,871</u>

The notes form part of these financial statements

**The Cavendish School Charitable Trust
Limited**

**Balance Sheet
31 August 2024**

	Notes	Unrestricted funds £	Restricted fund £	31.8.24 Total funds £	31.8.23 Total funds £
FIXED ASSETS					
Tangible assets	13	3,938,942	-	3,938,942	4,073,920
CURRENT ASSETS					
Debtors	14	143,013	-	143,013	123,362
Cash at bank and in hand		4,126,842	55,983	4,182,825	2,728,201
		4,269,855	55,983	4,325,838	2,851,563
CREDITORS					
Amounts falling due within one year	15	(2,046,605)	-	(2,046,605)	(826,497)
NET CURRENT ASSETS		2,223,250	55,983	2,279,233	2,025,066
TOTAL ASSETS LESS CURRENT LIABILITIES		6,162,192	55,983	6,218,175	6,098,986
CREDITORS					
Amounts falling due after more than one year	16	(709,271)	-	(709,271)	(774,115)
NET ASSETS		5,452,921	55,983	5,508,904	5,324,871
FUNDS	18				
Unrestricted funds				5,452,921	5,280,424
Restricted funds				55,983	44,447
TOTAL FUNDS				5,508,904	5,324,871

The financial statements were approved by the Board of Trustees and authorised for issue on 2 December 2024 and were signed on its behalf by:

Alice Gotto
A M Gotto – Co-Chair of Governors

Nicola Rushton
N J Rushton – Co-Chair of Governors

The notes form part of these financial statements

**The Cavendish School Charitable Trust
Limited**

**Cash Flow Statement
for the Year Ended 31 August 2024**

	Notes	31.8.24 £	31.8.23 £
Cash flows from operating activities			
Cash generated from operations	1	1,490,974	250,740
Interest paid		<u>(13,955)</u>	<u>(18,830)</u>
Net cash provided by operating activities		<u>1,477,019</u>	<u>231,910</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(9,200)	(65,720)
Interest received		<u>65,490</u>	<u>50,558</u>
Net cash provided by/(used in) investing activities		<u>56,290</u>	<u>(15,162)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(78,685)</u>	<u>(75,589)</u>
Net cash used in financing activities		<u>(78,685)</u>	<u>(75,589)</u>
<hr/>			
Change in cash and cash equivalents in the reporting period		1,454,624	141,159
Cash and cash equivalents at the beginning of the reporting period		<u>2,728,201</u>	<u>2,587,042</u>
Cash and cash equivalents at the end of the reporting period		<u>4,182,825</u>	<u>2,728,201</u>

The notes form part of these financial statements

The Cavendish School Charitable Trust
Limited

Notes to the Cash Flow Statement
for the Year Ended 31 August 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.8.24	31.8.23
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	184,033	250,224
Adjustments for:		
Depreciation charges	144,179	161,336
Interest received	(65,490)	(50,558)
Interest paid	13,955	18,830
Increase in debtors	(19,651)	(9,985)
Increase/(decrease) in creditors	<u>1,233,948</u>	<u>(119,107)</u>
Net cash provided by operations	<u>1,490,974</u>	<u>250,740</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.23	Cash flow	At 31.8.24
	£	£	£
Net cash			
Cash at bank and in hand	<u>2,728,201</u>	<u>1,454,624</u>	<u>4,182,825</u>
	<u>2,728,201</u>	<u>1,454,624</u>	<u>4,182,825</u>
Debt			
Debts falling due within 1 year	(78,684)	(3,260)	(81,944)
Debts falling due after 1 year	<u>(335,065)</u>	<u>81,944</u>	<u>(253,121)</u>
	<u>(413,749)</u>	<u>78,684</u>	<u>(335,065)</u>
Total	<u>2,314,452</u>	<u>1,533,308</u>	<u>3,847,760</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Cavendish School Charitable Trust Limited is a company limited by guarantee with registered number 987480, incorporated and domiciled in England and Wales. Its registered office is The Cavendish School, 31 Inverness Street, London, NW1 7HB.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The school is dependent on pupils applying to it and on parents to pay their fees. Long term forecasting of pupil numbers is difficult but work continues to raise the profile of the school and to maintain and enhance the relationships with parents, feeder schools and nurseries and destination schools. The school has produced forecasts for at least 12 months from the date of approval of these financial statements which show that the school will have sufficient funds to continue operating as a going concern.

As such the School can expect to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. However, there can be no certainty in relation to these matters.

On this basis the Governors have concluded that the School is a going concern. The financial statements do not include any adjustments that would result from the School not being able to meet its liabilities as they fall due.

Company limited by guarantee

The company is limited by guarantee, the guarantors at the present time being the Governors, to the extent of £1 each.

Fees receivable and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school.

Donations and fund accounting

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments - permanent or expendable according to the nature of the restriction.

Expenditure

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent.

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the school to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and includes any attributable VAT which cannot be recovered. All expenses are allocated or apportioned to the applicable expenditure headings. Expenditure on charitable activities comprises expenditure on the provision of education.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

Teaching costs

The cost of teaching and support staff salaries, including pension and national insurance costs, books, other tuition expenses and IT support.

Tangible fixed assets and depreciation

All fixed assets are used in direct furtherance of the school's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date.

Assets that are expected to have a useful economic life of less than one year and cost less than £2,000 are not capitalised and are written off in the year of purchase.

Freehold property is depreciated at a rate of 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic lives to the school. Certain improvements to property are depreciated on a straight-line basis in order to write off the costs over a period of fifteen years.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Furniture and general		
office equipment	- 10 years	10% - 20% per annum based on cost
Computer and IT	- 3 years	33.3% per annum based on cost
Piano	- 30 years	3.33% per annum based on cost

The cost of freehold property represents the historical value recorded in the books of £5,849,407. The board are of the opinion that the current value of the school's land and building is substantially in excess of the figure shown in the financial statements. The buildings have an insured value of £13,225,000 (2023: £18,824,715).

Taxation

The charity is exempt from corporation tax on its charitable activities.

Hire purchase and leasing commitments

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of the salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

From 1 September, the school put in place a defined contribution scheme with AVIVA for the teaching staff.

The school also pays contributions into a Group Personal Pension Scheme for Support staff. The Scheme is a defined contribution pension scheme. The assets of the Scheme are held separately from those of the School in an independently administered fund. The Pension Scheme charge represents contributions payable by the school in accordance with the rules of the Scheme.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 14, 15 and 16 for the debtor and creditor notes.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Actual results may differ from these estimates.

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

In the opinion of the Council of Management, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives;

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY - continued

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property, plant and equipment and note 1.8 for the useful economic lives for each class of asset.

3. DONATIONS AND LEGACIES

	31.8.24	31.8.23
	£	£
Donations & grants	<u>23,683</u>	<u>25,619</u>

Included within the above is an amount of £21,298 (2023: £16,362) which relates to restricted income.

4. OTHER TRADING ACTIVITIES

	31.8.24	31.8.23
	£	£
Rent & lettings	28,965	25,166
Other income	<u>1,433</u>	<u>3,107</u>
	<u>30,398</u>	<u>28,273</u>

5. INVESTMENT INCOME

	31.8.24	31.8.23
	£	£
Deposit account interest	<u>65,490</u>	<u>50,558</u>

6. INCOME FROM CHARITABLE ACTIVITIES

		31.8.24	31.8.23
		£	£
School fees	Activity General	3,477,699	3,578,896
Other educational income	General	<u>261,216</u>	<u>228,637</u>
		<u>3,738,915</u>	<u>3,807,533</u>

Included within the above is an amount of £6,423 (2023: £3,634) which is supported by restricted income.

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

7. RAISING FUNDS

Investment management costs

	31.8.24	31.8.23
	£	£
Interest payable and similar charges	<u>13,955</u>	<u>18,830</u>

8. CHARITABLE ACTIVITIES COSTS

		Direct Costs £
Teaching		2,350,356
Welfare		224,837
Premises and Estates Administration		423,821
Governance		<u>16,260</u>
		<u>3,660,498</u>

Included within the above is an amount of £9,762 (2023: £12,600) relating to restricted expenditure.

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.8.24	31.8.23
	£	£
Depreciation - owned assets	144,178	161,336
Hire of plant and machinery	449,680	401,805
Other operating leases	199,975	228,269
Audit fees	<u>14,352</u>	<u>14,080</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2024 nor for the year ended 31 August 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2024 nor for the year ended 31 August 2023.

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

11. STAFF COSTS

	31.8.24	31.8.23
	£	£
Wages and salaries	2,092,710	2,100,962
Social security costs	229,013	230,060
Other pension costs	223,958	225,794
	<u>2,545,681</u>	<u>2,556,816</u>

The average monthly number of employees during the year was as follows:

	31.8.24	31.8.23
Teaching	39	45
Support	9	9
	<u>48</u>	<u>54</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.8.24	31.8.23
£60,001 - £70,000	4	1
£70,001 - £80,000	-	1
£100,001 - £110,000	1	1
£120,001 - £140,000	1	1
	<u>6</u>	<u>4</u>

Pension contributions for the year amounted to £71,021 (2023: £59,837) for the above employees.

Key management personnel include the Governors and the senior executives which are made up of 5 members of the Senior Leadership Team including the head and the bursar. The total pay and benefits received by management personnel were £597,392 (2023: £544,724).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	9,257	16,362	25,619
Charitable activities			
General	3,803,899	3,634	3,807,533
Other trading activities	28,273	-	28,273
Investment income	<u>50,558</u>	<u>-</u>	<u>50,558</u>
Total	<u>3,891,987</u>	<u>19,996</u>	<u>3,911,983</u>
EXPENDITURE ON			
Raising funds	18,830	-	18,830

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
Charitable activities			
Teaching	2,371,579	12,600	2,384,179
Welfare	205,636	-	205,636
Premises and Estates	446,254	-	446,254
Administration	587,721	-	587,721
Governance	19,139	-	19,139
Total	<u>3,649,159</u>	<u>12,600</u>	<u>3,661,759</u>
NET INCOME	242,828	7,396	250,224
RECONCILIATION OF FUNDS			
Total funds brought forward	5,037,596	37,051	5,074,647
TOTAL FUNDS CARRIED FORWARD	<u>5,280,424</u>	<u>44,447</u>	<u>5,324,871</u>

13. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 September 2023	5,660,297	17,718	397,189	6,075,204
Additions	-	-	9,200	9,200
At 31 August 2024	<u>5,660,297</u>	<u>17,718</u>	<u>406,389</u>	<u>6,084,404</u>
DEPRECIATION				
At 1 September 2023	1,686,667	17,718	296,899	2,001,284
Charge for year	109,238	-	34,940	144,178
At 31 August 2024	<u>1,795,905</u>	<u>17,718</u>	<u>331,839</u>	<u>2,145,462</u>
NET BOOK VALUE				
At 31 August 2024	<u>3,864,392</u>	<u>-</u>	<u>74,550</u>	<u>3,938,942</u>
At 31 August 2023	<u>3,973,630</u>	<u>-</u>	<u>100,290</u>	<u>4,073,920</u>

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.8.24	31.8.23
	£	£
Trade debtors	22,114	4,973
Prepayments and accrued income	120,899	<u>118,389</u>
	<u>143,013</u>	<u>123,362</u>
 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	 31.8.24	 31.8.23
	£	£
Bank loans and overdrafts (see note 17)	81,944	78,684
Trade creditors	38,007	76,931
Social security and other taxes	53,948	57,487
Other creditors	31,392	32,968
Fees in advance	1,777,884	473,888
Accrued expenses	14,230	35,039
School fee deposits	49,200	<u>71,500</u>
	<u>2,046,605</u>	<u>826,497</u>
 16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	 31.8.24	 31.8.23
	£	£
Bank loans (see note 17)	253,121	335,065
School fee deposits	456,150	<u>439,050</u>
	<u>709,271</u>	<u>774,115</u>
 17. LOANS		
An analysis of the maturity of loans is given below:		
	31.8.24	31.8.23
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>81,944</u>	<u>78,684</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>48,013</u>	<u>81,944</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>117,463</u>	<u>124,518</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	87,645	128,603

The bank loans are secured by first and second fixed charges over the freehold property situated at 31 Inverness Street, NW1 7HB (previously referred to as 179 Arlington Road, London NW1 7EY).

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

18. MOVEMENT IN FUNDS

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
Unrestricted funds				
General fund	1,530,861	166,667	(12,874)	1,684,654
Tangible Fixed Asset fund	3,660,173	-	19,297	3,679,470
Head's discretionary fund	5,431	(593)	-	4,838
Hardship Funds	83,959	-	-	83,959
	<u>5,280,424</u>	<u>166,074</u>	<u>6,423</u>	<u>5,452,921</u>
Restricted funds				
Restricted fund	44,447	17,959	(6,423)	55,983
	<u>44,447</u>	<u>17,959</u>	<u>(6,423)</u>	<u>55,983</u>
TOTAL FUNDS	<u>5,324,871</u>	<u>184,033</u>	<u>-</u>	<u>5,508,904</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,828,380	(3,661,713)	166,667
Head's discretionary fund	2,385	(2,978)	(593)
	<u>3,830,765</u>	<u>(3,664,691)</u>	<u>166,074</u>
Restricted funds			
Restricted fund	27,721	(9,762)	17,959
	<u>27,721</u>	<u>(9,762)</u>	<u>17,959</u>
TOTAL FUNDS	<u>3,858,486</u>	<u>(3,674,453)</u>	<u>184,033</u>

Comparatives for movement in funds

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
Unrestricted funds				
General fund	1,268,199	242,638	20,025	1,530,862
Tangible Fixed Asset fund	3,680,198	-	(20,025)	3,660,173
Head's discretionary fund	5,240	190	-	5,430
Hardship Funds	83,959	-	-	83,959
	<u>5,037,596</u>	<u>242,828</u>	<u>-</u>	<u>5,280,424</u>
Restricted funds				
Restricted fund	37,051	7,396	-	44,447
	<u>37,051</u>	<u>7,396</u>	<u>-</u>	<u>44,447</u>
TOTAL FUNDS	<u>5,074,647</u>	<u>250,224</u>	<u>-</u>	<u>5,324,871</u>

**The Cavendish School Charitable Trust
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2024**

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,889,257	(3,646,619)	242,638
Head's discretionary fund	<u>2,730</u>	<u>(2,540)</u>	<u>190</u>
	3,891,987	(3,649,159)	242,828
Restricted funds			
Restricted fund	<u>19,996</u>	<u>(12,600)</u>	<u>7,396</u>
TOTAL FUNDS	<u><u>3,911,983</u></u>	<u><u>(3,661,759)</u></u>	<u><u>250,224</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
Unrestricted funds				
General fund	1,268,199	409,305	7,151	1,684,655
Tangible Fixed Asset fund	3,680,198	-	(728)	3,679,470
Head's discretionary fund	5,240	(403)	-	4,837
Hardship Funds	<u>83,959</u>	<u>-</u>	<u>-</u>	<u>83,959</u>
	5,037,596	408,902	6,423	5,452,921
Restricted funds				
Restricted fund	<u>37,051</u>	<u>25,355</u>	<u>(6,423)</u>	<u>55,983</u>
TOTAL FUNDS	<u><u>5,074,647</u></u>	<u><u>434,257</u></u>	<u><u>-</u></u>	<u><u>5,508,904</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	7,717,637	(7,308,332)	409,305
Head's discretionary fund	<u>5,115</u>	<u>(5,518)</u>	<u>(403)</u>
	7,722,752	(7,313,850)	408,902
Restricted funds			
Restricted fund	<u>47,717</u>	<u>(22,362)</u>	<u>25,355</u>
TOTAL FUNDS	<u><u>7,770,469</u></u>	<u><u>(7,336,212)</u></u>	<u><u>434,257</u></u>

18. MOVEMENT IN FUNDS - continued

Restricted funds

The restricted funds of the school include income comprising donations, grants and other income received on trust to be used for bursaries, Early Years support and dedicated classroom assistant support.

Unrestricted funds

The tangible fixed assets fund represents the net book value of the school's tangible fixed assets less the related loans. A decision was made to separate this fund from the general fund of the school in recognition of the fact that the tangible fixed assets are essential to the day to day work of the school and as a such their value should not be regarded as funds that would be realisable with ease in order to meet future contingencies.

A transfer occurs each year from the tangible fixed assets fund to the unrestricted funds for the depreciation element of the fixed assets.

There has been a transfer from the restricted funds for monies which have been spent in the unrestricted funds.

Designated Fund

The Head's Discretionary Fund is funded by donations from parents and used at the discretion of the Head in order to assist the development and welfare of individual pupils.

19. RELATED PARTY DISCLOSURES

Three (2023: four) Governors who are also parents had children attending the school during the financial year. Fees paid by the Governors are the same as fees paid by others.

The school has purchased insurance to protect the school from loss arising from the neglect or defaults of its Governors. The insurance premium payable by the school during the year totalled £1,178 (2023: £1,020) and provides cover of up to a maximum of £2 million.

During the year no governors were awarded gifts (2023: £nil) for the assistance over the Summer Term. During the year the governors also donated £nil (2023: £nil) to the School's Bursary Fund.



Private and Confidential
The Governors
The Cavendish School Charitable Trust Limited
31 Inverness Street
London
NW1 7HB

2 December 2024

Dear Sirs

The Cavendish School Charitable Trust Limited
Financial statements for the year ended 31 August 2024

Introduction

Following our recent audit in connection with the financial statements of The Cavendish School Charitable Trust Limited for the year ended 31 August 2024, we are writing to bring to your attention certain matters that arose during the course of our work, together with suggestions for improvements of controls and procedures operated by the charity. We hope you will find our comments helpful and constructive.

Our work during the audit included an examination of some of the charity's transactions procedures with a view to expressing an opinion on the financial statements for the year. This work was not directed primarily towards discovering weaknesses other than those that would affect our audit opinion or towards the detection of fraud. We have included in this letter only matters that have come to our attention as a result of our normal audit procedures and consequently our comments should not be regarded as a comprehensive record of all weaknesses that may exist or of all improvements that might be made.

Breaches of duty imposed by law and regulation

During the course of the audit, we discovered no breaches of duty relevant to the administration of the charity imposed by any enactment or rule of law on the Governors, managers or any professional advisors, regardless of whether such matters gave rise to a statutory duty to report to The Charity Commission.

Accounting policies, estimation techniques and disclosures in the financial statements

Our work also included a review of the adequacy of disclosures in the financial statements and consideration of the appropriateness of the accounting policies and



estimation techniques adopted by the charity. This review identified no significant matters, which we believe are necessary to draw to your attention.

Significant difficulties encountered during the audit

During the course of our audit we encountered no significant difficulties.

We recognise that the number of your accounting staff makes a complete system of internal control impracticable and that the Governors exercise close personal supervision, which we consider reasonable in the circumstances. We have taken this into account in conducting our audit and in preparing this letter.

Summary

The important matters that arose as a result of our work are set out in detail below.

Maintaining the Fixed Asset Register

During our audit work, we noted that there had not been any asset disposals during the financial year, which is unexpected due to the nature of the assets. The risk being the assets are overstated in the financial statements. We have identified older assets with an original cost of £643,426 that have been fully written off and therefore unlikely to still be in ownership. It is advised that a full and comprehensive review of all assets held is carried out in the current financial year and disposed of accordingly in the fixed asset register.

Bank and building society accounts

The total amounts held in banks and building societies are substantially above the Financial Services Compensation Scheme limit of £85,000. We would therefore recommend that the amount held per institution is reduced to £85,000 to mitigate the level of risk. It is understood that the significant level of cash held in the current financial year is as a result of a large proportion of school fees being paid in advance, ahead of the VAT changes soon to be implemented and this may be less pertinent during the financial year ending August 2025. If the governors consider that significant level of cash deposits may be held for the medium to longer term, we recommend that they consider placing 'excess' funds on a recognised investment platform, such as Flagstone. We can supply details of resources used by other charities, if requested.



Authorisation and maintenance of purchase invoices

On review of the purchase invoice system, it has been identified that purchase invoices are reviewed and approved by the Bursar both before and after payment is made. In addition, all purchase invoices received are printed to then be filed as hard copies. To improve efficiency in this area, it is suggested that purchase invoices are kept electronically and added to the relevant transactions in iFinance to then be reviewed as part of the payment process. It is understood following a brief discussion with the accounts team that this is a system they are keen to implement and maintain.

Conclusion

If you require any further information or assistance, we shall be very pleased to help you.

We would appreciate an acknowledgement of the receipt of this letter and look forward to receiving your comments when you have had the opportunity of considering the matters that we have raised.

This letter is for your private use only. It has been prepared on the understanding that it will not be disclosed to any third party, or quoted to or referred to, without our prior written consent and we assume no responsibility to any other party.

We should like to take this opportunity of thanking you and your staff for the assistance and co-operation we have received during the course of our work.

Yours faithfully

Brewers












CAVENDISH - FINAL AUDIT DOCS

Final Audit Report

2024-12-12

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THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

England & Wales - Charity number 312727

Accounts



THE CAVENDISH SCHOOL

**The Cavendish
School
Charitable
Trust
Limited**

Annual Report and Financial Statements

31 August 2023

Company Limited by Guarantee
Registration Number
987480 (England and Wales)

Charity Registration Number
312727

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LEGAL AND ADMINISTRATIVE INFORMATION

Governors	S Bettison B Crystal (Chair of Finance and General Purposes Committee, appointed 23 May 2023) G Fontaine A M Gotto (Co-Chair of Governors) K Hake E Molnar A Pangonis D Phillips (resigned as Chair of Finance and General Purposes Committee 23 May 2023 and as Governor on 19 September 2023) N Rushton (Co-Chair of Governors) E Saudi (appointed 26 September 2022) A Tsoi M Webster
Head	T Lombard
Secretary	S Chen Cooper
Bursar and Clerk to the Governors	S Chen Cooper
Registered Principal office	The Cavendish School 31 Inverness Street London NW1 7HB
Telephone	020 7485 1958
Website	www.cavendishschool.co.uk
Company registration number	987480 (England and Wales)
Charity registration number	312727
Auditors	Moore Kingston Smith LLP Floor 6 9 Appold Street London EC2A 2AP

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

Lloyds TSB Bank plc
140 Camden High Street
London
NW1 0NG

Solicitors

Harrison Clark Rickerbys Ltd
Ellenborough House
Wellington Street
Cheltenham
GL50 1YD

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2023

The Governors (who are also directors of The Cavendish School Charitable Trust for the purposes of company law and trustees for the purposes of charity law) present their statutory report together with the financial statements of The Cavendish School Charitable Trust Limited (company registration number 987480 (England and Wales)) (the "charitable company") for the year ended 31 August 2023.

The report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 20 to 35 of the attached financial statements and comply with the charitable company's memorandum and articles of association, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Legal status

The charitable company is constituted as a company limited by guarantee and not having a share capital. The members, who are also Governors, are liable to contribute an amount not exceeding £1 each in the event of winding up.

The charitable company was incorporated on 20 August 1970 by Memorandum of Association.

Principal aims and objects

The principal aims and objects of the charitable company are the advancement and promotion of education and, in particular, the running of The Cavendish School in Camden Town, London (the "school").

Mission

We aim to provide:

- ◆ A non-selective, high-quality, caring and diverse learning environment that promotes and respects a learning partnership between home, school and the wider community, making the most of what London has to offer.
- ◆ An educational approach that is always centred on and sensitive to the individual needs of pupils and supports them to become resilient, confident, positive, flexible and independent learners. Our pupils are prepared for the future.
- ◆ A broad, balanced, stimulating and challenging curriculum with enriching extra-curricular opportunities so that pupils can reach their full potential in all areas of their learning and development.
- ◆ A welcoming, nurturing, vibrant, safe and sustainable learning environment.
- ◆ An excellent preparation for pupils to move confidently to the next stage of their learning with the opportunity to develop the skills, knowledge and understanding to become positive and confident lifelong learners and role models.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2023

- ◆ An environment that celebrates and builds on our original foundation of Catholic values and welcomes those from all faiths and none.

Through:

- ◆ Appointment, recruitment and development of a skilled and empathetic teaching and support staff of the highest calibre.
- ◆ Effective leadership and management that can provide a strategic vision for the school.

We see ourselves as a caring, inclusive, non-selective community of individuals who enjoy working together to support and appreciate each other's personal development and love of learning. We are committed to providing equality of opportunity.

Public benefit

The Charities Act 2006 made changes which affect the school, principally removing the presumption in law that education is for public benefit. The effect of this is a requirement that educational charities demonstrate the public benefit they provide. The Charity Commission has provided guidelines on the changes together with an analysis of the law affecting charities. These documents have been considered by the Governors, who are confident that the charitable company is operating in the interest of the public. Furthermore, the object of the charitable company is the advancement and promotion of education, specifically the running of the Cavendish School for, but not exclusively for, children of the Roman Catholic faith, which is a charitable purpose within the meaning of the Charities Act 2011.

This report is designed to meet the Charity Commission's requirement to describe the public benefit provided by the charitable company. The paragraphs below describe the various ways in which the Governors believe that the charitable company provides public benefit.

- ◆ The major public benefit the school provides is a rich and diverse education, without recourse to the public purse and a strong ethos of a positive contribution to our local community. Much of the curriculum taught follows the areas prescribed by law for state schools, on the basis it is considered essential for a successful society. Consequently, its provision is to benefit the public.
- ◆ The school is open to all and Governors aim to make it as affordable as reasonably possible, consistent with the aim of providing a high-quality education in a small school environment.
- ◆ During the last year, the school awarded bursaries to eight pupils which covered 15% to 100% of their fees.
- ◆ The school also has a Bursary Fund from which awards were made at the discretion of the Governors. The Fund and the school's Bursary Policy were advertised on the school's website.
- ◆ During the last year, the school also granted hardship awards to three pupils which covered 65% to 100% of fees.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2023

Public benefit (continued)

- ◆ The Head also operates a fund to assist pupils from less well-off families with support for educational assessment, music lessons, residential trips and uniform.
- ◆ As part of the commitment to promoting education the school also provides training for teachers of around £11,000 for the year. Providing teachers with additional skills, who in turn will use these skills at The Cavendish School or other schools, is for the benefit of the wider public.
- ◆ We work in partnership with maintained schools with their pupils attending our Anti-Bullying Week, Lunar New Year celebration, STEAM week Royal Institution Science in Schools event and Careers Week with parent presenters, and competing in our sports tournaments. We have also had the mathematics lead from one of the schools visit us to provide training to our teaching members of staff on mastery mathematics. In the year ahead, our Co-curricular and Partnerships Co-ordinator is looking to further expand our partnership programme by working with local schools to create music and dance learning opportunities.
- ◆ We also provide work experience opportunities to school-aged pupils.
- ◆ Since May 2022, a Ukrainian group has been using the school's premises for its regular meetings that inform, support and advocate for refugee families in Camden. Children play while adults and their hosts are helped with medical, job and housing advice.
- ◆ The Cavendish also has a long-standing collaboration with the Institute of Education, the education school of University College London, which specialises in postgraduate study and research in the field of education. Students are usually offered work placements during the school year, providing opportunities to observe, make assessments, assist and teach, complete tasks and to engage in reflective discussion. In addition, they are provided with advice and support in relation to the planning, preparation and assessment of children and the management of behaviour.
- ◆ As part of the educational goal of good citizenship, the school's pupils and their families are encouraged and enabled to take an interest in local and national issues. As a practical consequence of this, the school's pupils raised funds for a range of local and national charities during the year.

We estimate that the value of these actions is approximately £80,000, equivalent to around 2% of the total revenues of the school.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2023

STRATEGIC REPORT

Governance, structure and management

◆ **Governance**

The Board of Governors is responsible for setting aims and agreeing on a strategy for the school, recruiting and assessing senior management and for ensuring frameworks exist to meet legal, financial and regulatory obligations. Management of the school is the responsibility of the Head and the leadership team.

The school has a rolling programme for reviewing procedures and policies. All are reviewed at least once every three years or more frequently should changes in legislation or circumstance require.

The Governors would like to express their thanks to the Head, Senior Leadership Team and the entire staff for their hard work during the year, for the progress that has been made in the school during the period. The Governors also thank the parents and carers who contribute so willingly and generously to the life of the school and all the officers of the Friends of the Cavendish (see later).

◆ **Governors**

The following officers served throughout the year, except where shown:

Governors	Appointed/Resigned
S Bettison	
B Crystal	
D Phillips	Resigned 19 September 2023
G Fontaine	
A M Gotto	
K Hake	
E Molnar	
A Pagonis	
N Rushton	
E Saudi	Appointed 26 September 2022
A Tsoi	
M Webster	

Secretary

S Chen Cooper

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2023

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

None of the Governors received any remuneration in respect of their services as governors during the year (2022 - £nil).

No out-of-pocket expenses were reimbursed to three Governors during the year (2022 - £274).

Four (2022 - three) Governors who are also parents had children attending the school during the financial year. Fees paid by the Governors are the same as fees paid by others. At the year-end, the School was owed £nil (2022: £nil) by any Governor.

The school has purchased insurance to protect the school from loss arising from the neglect or defaults of its Governors. The insurance premium payable by the school during the year totalled £1,122 (2022 - £1,020) and provides cover of up to a maximum of £2 million.

◆ **Appointment of Governors and training procedures**

New Governors are elected by a consensus of existing Governors and may serve for a period of three years before being required to stand for re-election.

The Governors have put in place a system whereby individual Governors have nominated links with individual teachers and curriculum areas to enhance the links between Governors and the teaching staff and with the responsibility for Early Years Foundation Stage (E.Y.F.S.), safeguarding, health and safety and compliance.

The Governors are members of the Association of Governing Bodies of Independent Schools. The Governors are offered the opportunity to attend seminars and conferences and regular training to maintain their expertise in governance issues.

◆ **Key management personnel**

The Governors consider that they, together with the Head and the Senior Leadership Team, comprise the key management of the charity in charge of directing and controlling, running and operating the school on a day-to-day basis.

The remuneration of key management personnel is set by the Finance and General Purposes Committee acting as the Pay Review Committee and is confirmed by the Governing Body. Note is taken of market conditions, national and local pay scales and levels of performance.

The Head and the Bursar have annual reviews where their targets are agreed upon/reviewed with Governors. The rest of the Senior Leadership Team has biennial performance reviews where their targets are agreed upon/reviewed with the Head.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2023

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

The Senior Leadership Team consists of:

T Lombard	Head
R Pritchett	Assistant Head & Head of Expressive Arts
H Edwards	Deputy Head (Academic)
J Hodgson	Deputy Head (Pastoral)
S Chen Cooper	Bursar & Clerk to the Governors

◆ **Committees**

The general school governance continued with regular Board and sub-committee meetings.

The composition of the sub-committees for this year was as follows:

Education	Finance & General Purposes
S Bettison	B Crystal (Chair, appointed 23 May 2023)
G Fontaine	E Molnar
K Hake	D Phillips (Chair, resigned on 23 May 2023)
A Tsoi	
M Webster (Chair)	

The two Co-Chairs of Governors are ex-officio members of both committees.

◆ **Statement of Governors' responsibilities**

The Governors (who are also directors of The Cavendish School Charitable Trust for the purposes of company law and trustees for the purposes of charity law) are responsible for preparing the Governors' report, the strategic report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2023

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Governors 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Governors confirms that:

- ◆ so far as the Governor is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ The Governor has taken all the steps that he/she ought to have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Governors are responsible for the maintenance and integrity of the financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2023

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

◆ *Working with other organisations*

Friends of the Cavendish

The Governors reiterate their gratitude to the Friends of the Cavendish for their support during the year. Fundraising after the pandemic was resumed in September 2021.

◆ *Risk management*

In line with the requirement for Governors to undertake a risk assessment exercise and report on the same in their annual report, the Governors have looked at the risks the school currently faces and have reviewed the measures already in place, or needing to be put in place, to deal with them. The Governors have identified six main areas where risks may occur:

- Strategic
- Operational
- Financial
- Regulatory
- Cyber
- Political and economic

Strategic considers the long-term health of the school. It is concerned with areas such as pupil numbers, staff recruitment and retention, quality of management, financial management and identification of changes to the school environment.

Operational looks at the risks inherent in the school's activities including the operation of its school – reputational, communication with parents, training, the suitability of teaching resources and buildings, maintenance, health and safety, safeguarding of children, disaster planning, etc.

Along with all other organisations which work with children, the Governors recognise the absolute necessity of ensuring the protection and safety of all those the school serves. This means that all staff, including peripatetic staff, have to undergo a check with the Disclosure and Barring Service (previously the Criminal Records Bureau) and other extensive pre-recruitment checks. In addition to this, all staff receive child protection training which is updated a minimum of once per year. Additionally, there is a designated Governor assigned to safeguarding children and Governors themselves undertake annual safeguarding training.

The safeguarding policy aims to outline the role that The Cavendish School has, the procedure that staff should follow and the guidance issued on pupil protection generally. All staff must ensure that the needs and safety of the pupils are at the forefront of their practice. In their day-to-day contact with individual pupils, teachers and other staff are particularly well placed to observe outward signs of abuse, changes in behaviour or failure to thrive.

Financial risks include those relating to budgetary control, fraud and money laundering, bribery, spending, accounting, borrowing policies, etc. and the need to ensure adequate cash flow coverage and reserves to meet future needs.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2023

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

Long-term forecasting of pupil numbers continues to be difficult and Governors are mindful of the continuing need to raise the profile of the school, maintain and further enhance good working practices and continue to achieve an Excellent grading in inspections. The Senior Leadership Team, overseen by Governors, works with an Admissions and Marketing Officer to oversee marketing strategies and ensure that they are aligned with the key strategic aims:

1. To develop the business model.
2. To improve the quality of provision.
3. To develop structures to support the plan.

Regulatory looks at the effects of government policies, the consequences of new laws and regulations, the likely effects of political change etc.

Cyber risks include those relating to online fraud which is increasingly common in the independent schools sector.

Governors ensure heightened awareness and capability among staff via regular phishing training and increased security measures including two factor authentication and the purchase of end point detection and response software and cyber insurance.

Political and economic risks include those relating to both national political and international events and their impact on the United Kingdom economy.

Governors are mindful of the effects of the cost of living crisis on parents and the school and the need to ensure increased operational and financial efficiency. They are also aware of possible changes on the political horizon and are developing a strategic response to potential changes in the tax treatment of independent schools.

Activities, specific objectives and relevant policies

◆ **Activities and specific objectives**

The principal activity of the charitable company in the year under review was the running of The Cavendish School, which was originally established to provide a Catholic education for girls aged between three and eleven with sibling boys to age seven.

◆ **Volunteers**

The Governors would like to thank all the parents for their much-valued contribution to the school community. Parents have participated in activities such as fundraising for local and international charities, uniform sales and educational visits as well as sharing the benefits of their professional expertise.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2023

STRATEGIC REPORT (continued)

Financial review

Results for the year

Income for the year was £3,911,984 (2022 – £3,621,863), including £3,640,638 (2022 – £3,398,307) in respect of gross school fees and £61,742 (2022 – £44,412) in respect of total bursaries. Expenditure was £3,661,756 (2022 – £3,459,706). Expenditure includes £2,584,940 (2022 – £2,403,280) in respect of staff costs; £18,830 (2022 – £22,076) for interest on the bank loans and £161,336 (2022 – £170,989) in respect of depreciation charges.

The net income for the year was £250,228 (2022 – £162,157).

Reserves policy

The Governors have examined the requirement for free reserves (also referred to as the general fund), i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Governors consider that, given the nature of the school's work, the level of free reserves should be equivalent to the termly expenditure at any one time. Based on current expenditure levels this should be in the region of £1,200,000. The Governors believe that this level of reserves would provide sufficient flexibility to respond to unforeseen emergencies whilst specific action plans are implemented. In addition, the school retains a healthy cash reserve that is capable of meeting anticipated future liabilities.

Financial position

The balance sheet shows total funds of £5,324,875.

The tangible fixed assets fund of £3,660,173 represents the net book value of the school's tangible fixed assets less the related borrowings.

General funds of the school at 31 August 2023 are £1,530,866 and the Head's Discretionary fund was £5,430.

Overall, the Governors consider the affairs of the school to be satisfactory but they are aware of the need to monitor its resources closely; the potential financial and political issues facing independent schools; and the need to constantly monitor budgets and forecasts.

Fixed assets

The main asset of the school is the freehold building.

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements.

Summary

The 2022-2023 financial year saw a marginal improvement in trading conditions for the school. The School ended the year with a surplus of £250k and a cash balance of £2.7m. Income increased by 8% year-on-year. This was primarily driven by a small increase in average pupil numbers from 211 to 215 and a 5.6% increase in fees, below inflation. Costs increased by 5.8%, reflecting the inflationary environment across both salaries and other costs.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2023

STRATEGIC REPORT (continued)

Financial review (continued)

In the Autumn Term of 2022, the Board made a one-off increase in the salary scales of certain staff categories to ensure they did not fall behind the recently agreed levels of pay in the maintained sector and to support those members of staff on the lowest incomes, noting the material increase in the cost of living. A Board sub-committee was then formed to review the overall salary structure for all staff. This review led to differentiated salary increases for different scales and staff categories in order to better align staff pay with the market. The Board established a pay policy to seek to maintain a small premium to comparable salaries in the maintained sector.

The ongoing elevated level of UK inflation continues to present challenges for the School. For example, significant increases in the cost of living could cause some families to reassess household expenditure, and while the School's energy prices are largely fixed until late 2024, its costs have risen materially in other areas. Teaching salaries are subject to an inflationary environment and we note the Government's pay settlement in Summer 2023 to increase salaries in the maintained sector by an average of 6.5%. The proposed removal of business rate relief for charities represents a significant future headwind at an estimated additional cost of £160k a year. There has been a lot of coverage in the media of the risk of VAT being applied to school fees, and the potential loss of charitable status, depending on the outcome of the next election and the policy choices of the Government at that time. Should VAT be applied to school fees, there is a material risk to pupil numbers at all fee-paying schools, as some parents (and prospective parents) may consider alternative options to fee-paying schools. This risk is compounded by the ongoing cost of living crisis.

Cash levels are continuously monitored, and the School ensures at least a term's worth of expenditures is readily available. This year the Board elected to take advantage of higher interest rates and increased to £1.2m the amount of surplus cash in three separate savings facilities with well-known UK banks, increasing our interest income considerably.

The Board remains focused on managing these challenges and maintaining a disciplined and prudent approach to financial management. The Board is very conscious of the risks to pupil numbers across the sector and is considering a number of scenarios as it plans for the years ahead. The School is fortunate to have material cash reserves as this period of uncertainty continues.

Acknowledgement

The Governors would like to express their thanks to those Cavendish leavers who generously donated their deposits to the school's Bursary Fund.

Future plans

The Head has continued to bring a huge amount of energy to the school, introducing many new initiatives and being very successful in bringing parents, staff and Governors along with her in the implementation of new ideas and processes. A new Senior Deputy Head (Strategy & Operations) started in September 2023 and has made an immediate and very positive impact on the life of the School.

GOVERNOR'S REPORT (including a Strategic Report) For the year ended 31 August 2023

STRATEGIC REPORT (continued)

Future plans (continued)

Numbers were strong for the academic year 2022/2023. However, the Governors are very aware of the financial challenges that lie ahead. Although numbers from Reception upwards are healthy, numbers in the Nursery are lower than expected, as are overall inquiries. There is no doubt that a major cause of this is uncertainty as to the potential increase in fees should a Labour government be elected and impose VAT on school fees, coupled with the ongoing cost of living crisis. As a result, more parents are considering the state sector than would previously have done so. The Governors are acutely aware of the need to have a financial plan in place to enable the School to weather these challenges should they arise. Given the School's healthy level of reserves due to prudent financial management, they are confident of meeting the going concern assumption.

The Brand Strategy project mentioned in last year's report is now complete, including a complete re-working of the School's website to be much more modern, dynamic and navigable. The Head and Admissions Officer worked very closely together to achieve this excellent outcome, and social media continues to be used very effectively to increase the School's online presence and exploit marketing opportunities. In addition, the Nursery space has been completely refurbished.

The School will continue to offer its broad and balanced curriculum and to provide numerous enrichment opportunities for pupils, including a wide variety of during and after-school clubs and opportunities to play team sports.

The Head has successfully developed strong relationships with the heads of a broad range of secondary schools and once again the school achieved excellent results in the 11+ this year. The School's focus is always on its commitment to matching Year 6 girls to the secondary school most suitable for them and where they will be able to thrive.

Governor's report (including the strategic report) approved by the Governors and signed on their behalf by:



A Gotto and N Rushton
Governors of The Cavendish School Charitable Trust
Company registration number
987480 (England and Wales)

Approved by the Governors on: 14/12/23

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2023

Opinion

We have audited the financial statements of The Cavendish School Charitable Trust Limited ('the company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2023

information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the governors' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the governors' annual 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the governors' annual report.

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

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

Responsibilities of trustees

As explained more fully in the governors' responsibilities statement set out on page [x], 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2023

concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2023

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2023

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

Moore Kingston Smith LLP

8 January 2024

Shivani Kothari (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor

9 Appold Street

London

EC2A 2AP

The Cavendish School Charitable Trust Limited

STATEMENT OF FINANCIAL ACTIVITIES
(including the income and expenditure statement)
for the year ended 31 August 2023

	Notes	Unrestricted / Designated funds £	Restricted funds £	Total 2023 £	Total 2022 £
INCOME FROM:					
Charitable Activities					
School fees	3	3,575,262	3,634	3,578,896	3,353,895
Other educational income	4	228,637	-	228,637	199,409
Other income					
Other trading income	5	25,166	-	25,166	40,675
Other activities		3,108	-	3,108	3,233
Investments					
Investment Income	6	50,558	-	50,558	1,070
Voluntary sources					
Grants and donations	7	9,257	16,362	25,619	23,581
Total income and endowments		3,891,988	19,996	3,911,984	3,621,863
EXPENDITURE ON:					
Costs of raising funds					
Interest and other costs	8	18,830	-	18,830	22,076
Charitable activities					
Education	8	3,630,326	12,600	3,642,926	3,437,630
Total expenditure	8	3,649,156	12,600	3,661,756	3,459,706
Net operating income/(expenditure)		242,832	7,396	250,228	162,157
Net income/(expenditure)		242,832	7,396	250,228	162,157
Transfer between funds		-	-	-	-
Net movement in funds		242,832	7,396	250,228	162,157
Fund balances brought forward		5,037,596	37,051	5,074,647	4,912,490
Fund balances carried forward	18, 19	5,280,428	44,447	5,324,875	5,074,647

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

The Cavendish School Charitable Trust Limited

BALANCE SHEET

as at 31 August 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	13	<u>4,073,922</u>	<u>4,169,538</u>
		4,073,922	4,169,538
CURRENT ASSETS			
Debtors	14	<u>123,362</u>	<u>113,377</u>
Cash at bank and in hand		<u>2,728,202</u>	<u>2,587,042</u>
		2,851,564	2,700,419
CREDITORS: Amounts falling due within one year	15	<u>(826,496)</u>	<u>(948,061)</u>
		2,025,068	1,752,358
NET CURRENT ASSETS			
		<u>2,025,068</u>	<u>1,752,358</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS: Amounts falling due after more than one year	16	<u>6,098,990</u>	<u>5,921,896</u>
		<u>(774,115)</u>	<u>(847,249)</u>
		5,324,875	5,074,647
NET ASSETS			
		<u>5,324,875</u>	<u>5,074,647</u>
FUNDS			
Restricted Funds	19	44,447	37,051
Unrestricted Funds – General	19	1,530,866	1,268,199
Head's Discretionary Fund	18	5,430	5,240
Hardship Fund	18	83,959	83,959
Tangible Fixed Asset Fund	18	3,660,173	3,680,198
		5,324,875	5,074,647

Approved and authorised for issue by the Board of Governors on 14/12/23 and signed on their behalf by:

A Gotto N Rushton

A Gotto and N Rushton
Governors of The Cavendish School Charitable Trust
Company registration number
987480 (England and Wales)

The accompanying notes form part of these financial statements.

The Cavendish School Charitable Trust Limited

CASHFLOW STATEMENT

for the year ended 31 August 2023

CASH FLOW STATEMENT	Notes	2023 £	2022 £
Net cash inflow from operating activities	23	250,743	430,660
Cash flows from investing activities:			
Bank interest received		50,558	1,070
Payments to acquire fixed assets		(65,720)	(50,193)
Net cash outflow from investing activities		<u>(15,162)</u>	<u>(49,123)</u>
Financing:			
Loans repaid		(75,591)	(72,637)
Interest repaid		(18,830)	(22,076)
Net cash outflow from financing activities		<u>(94,421)</u>	<u>(94,713)</u>
Increase/(decrease) in cash		141,160	286,824
Cash and cash equivalents at the beginning of the reporting period		<u>2,587,042</u>	<u>2,300,218</u>
Cash and cash equivalents at the end of the reporting period		<u><u>2,728,202</u></u>	<u><u>2,587,042</u></u>

The Cavendish School Charitable Trust Limited

ACCOUNTING POLICIES

for the year ended 31 August 2023

1 ACCOUNTING POLICIES

The Cavendish School Charitable Trust Limited is a company limited by guarantee with registered number 987480, incorporated and domiciled in England and Wales. Its registered office is The Cavendish School, 31 Inverness Street, London, NW1 7HB.

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

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

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

1.2 GOING CONCERN

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The school is dependent on pupils applying to it and on parents to pay their fees. Long term forecasting of pupil numbers is difficult but work continues to raise the profile of the school and to maintain and enhance the relationships with parents, feeder schools and nurseries and destination schools. The school has produced forecasts for at least 12 months from the date of approval of these financial statements which show that the school will have sufficient funds to continue operating as a going concern.

As such the School can expect to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. However, there can be no certainty in relation to these matters.

On this basis the Governors have concluded that the School is a going concern. The financial statements do not include any adjustments that would result from the School not being able to meet its liabilities as they fall due.

1.3 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee, the guarantors at the present time being the Governors, to the extent of £1 each.

1.4 FEES RECEIVABLE AND SIMILAR INCOME

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school.

1.5 DONATIONS AND FUND ACCOUNTING

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments – permanent or expendable according to the nature of the restriction.

1.6 EXPENDITURE

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the school to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and includes any attributable VAT which cannot be recovered. All expenses are allocated or apportioned to the applicable expenditure headings. Expenditure on charitable activities comprises expenditure on the provision of education.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

The Cavendish School Charitable Trust Limited

ACCOUNTING POLICIES

for the year ended 31 August 2023

1.7 TEACHING COSTS

The cost of teaching and support staff salaries, including pension and national insurance costs, books, other tuition expenses and IT support.

1.8 FIXED ASSETS AND DEPRECIATION

All fixed assets are used in direct furtherance of the school's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date.

Assets that are expected to have a useful economic life of less than one year and cost less than £2,000 are not capitalised and are written off in the year of purchase.

Freehold property is depreciated at a rate of 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic lives to the school. Certain improvements to property are depreciated on a straight-line basis in order to write off the costs over a period of fifteen years.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Furniture and general office equipment	- 10 years	10% - 20% per annum based on cost
Computer and IT	- 3 years	33.3% per annum based on cost
Piano	- 30 years	3.33% per annum based on cost

The cost of freehold property represents the historical value recorded in the books of £5,849,407. The board are of the opinion that the current value of the school's land and building is substantially in excess of the figure shown in the financial statements. The buildings have an insured value of £18,824,715 (2022: £17,082,320).

1.9 PENSIONS

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

From 1 September, the school put in place a defined contribution scheme with AVIVA for the teaching staff.

The school also pays contributions into a Group Personal Pension Scheme for Support staff. The Scheme is a defined contribution pension scheme. The assets of the Scheme are held separately from those of the School in an independently administered fund. The Pension Scheme charge represents contributions payable by the school in accordance with the rules of the Scheme.

1.10 LEASES AND HIRE PURCHASE CONTRACTS

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.12 FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 14, 15 and 16 for the debtor and creditor notes.

The Cavendish School Charitable Trust Limited

ACCOUNTING POLICIES

for the year ended 31 August 2023

1.13 TAXATION

The company is a registered charity and is exempt from taxation as afforded by Section 505 ICTA 1988.

1.14 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

2 KEY ESTIMATES & JUDGEMENTS

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

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

In the opinion of the Council of Management, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property, plant and equipment and note 1.8 for the useful economic lives for each class of asset.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

3 FEE INCOME

The School's activities are carried out within the UK.

The school's fee income comprised:

	2023	2022
	£	£
Gross fees	3,640,638	3,398,307
Less: Bursaries paid for from restricted funds	(3,634)	(13,712)
Less: Unrestricted bursaries	(58,108)	(30,700)
	<u>3,578,896</u>	<u>3,353,895</u>

Included within the above is an amount of £3,634 (2022: £13,712) which is supported by restricted income.

4 OTHER EDUCATIONAL INCOME

	2023	2022
	£	£
Extras and disbursements	206,928	180,080
Registration fees	10,789	11,100
Other income	10,920	8,229
	<u>228,637</u>	<u>199,409</u>

5 OTHER TRADING INCOME

	2023	2022
	£	£
Rent and lettings	25,166	40,675
Other income	3,108	3,233
	<u>28,274</u>	<u>43,908</u>

6 INVESTMENT INCOME

	2023	2022
	£	£
Interest received	50,558	1,070
	<u>50,558</u>	<u>1,070</u>

7 DONATIONS AND GRANTS

	2023	2022
	£	£
Donations and grants	25,619	23,581
	<u>25,619</u>	<u>23,581</u>

Included within the above is an amount of £16,362 (2022: £20,971) which relates to restricted income.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

8 EXPENDITURE

(a) Charitable expenditure	Staff costs (note 9) £	Other £	Depreciation £	Total 2023 £
Teaching	2,100,188	244,687	39,308	2,384,183
Welfare	6,532	199,104	-	205,636
Premises and Estates	-	324,227	122,028	446,255
Administration	478,220	109,503	-	587,723
Finance Costs	-	18,830	-	18,830
Governance	-	19,139	-	19,139
Total Charitable Expenditure	2,584,940	915,490	161,336	3,661,766

Included within £3,661,753 is an amount of £12,600 (2022: £42,645) relating to restricted expenditure.

Charitable expenditure	Staff costs (note 9) £	Other £	Depreciation £	Total 2022 £
Teaching	1,895,706	271,521	42,573	2,209,800
Welfare	8,269	196,066	-	204,335
Premises and Estates	-	280,548	128,416	408,964
Administration	473,456	120,745	-	594,201
Finance	-	22,076	-	22,076
Governance	-	20,330	-	20,330
Total Charitable Expenditure	2,377,431	911,286	170,989	3,459,706

(b) Other Governance Costs include:	2023 £	2022 £
Auditors' remuneration - Audit Fees	14,080	13,223

(c) Administration & Finance Costs	2023 £	2022 £
Salaries	384,623	391,256
National Insurance	43,405	45,173
Pension Costs	29,744	29,497
Other Staff Costs	20,448	7,530
Subscriptions	17,236	22,383
Staff travel	886	201
Operating Leases	5,454	5,320
IT support	18,184	11,499
Postage and stationery	423	447
Telephones	8,158	6,085
Marketing and advertising	27,241	18,118
Miscellaneous - Administration	121	13,527
Recruitment Costs	-	1,757
Legal and Professional Fees	21,754	16,768
Other Administration Costs	9,940	24,547
Bank charges and interest	18,936	22,169
	606,553	616,277

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

9 STAFF COSTS	2023	2022
	£	£
Wages and salaries	2,089,487	1,948,005
Social security costs	230,059	216,508
Other pension costs	225,794	205,297
Other staff costs	39,600	33,470
	<u>2,584,940</u>	<u>2,403,280</u>

The average monthly number of employees during the year was as follows:

	2023	2022
	No.	No.
Teaching	45	44
Support	9	9
	<u>54</u>	<u>53</u>

The number of employees whose emoluments
£60,000 in the year was as follows:

	2023	2022
	No.	No.
£60,000 - £70,000	1	-
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£100,001 - £110,000	1	1
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
	<u>4</u>	<u>3</u>

Pension contributions for the year amounted to £59,837 (2022: £86,813) for the above employees.

Key management personnel include the Governors and the senior executives which are made up 5 members of the Senior Leadership Team including the head and the bursar. The total pay and benefits received by management personnel were £544,724 (2022 £574,024).

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

10 PENSIONS

From 1 September 2021, put in place an defined contribution scheme with AVIVA for the teaching staff. The pension charge for the year includes contributions payable to the AVIVA scheme of £180,836 (2022: £175,800) and at the year-end £24,440 was accrued in respect of contributions to the AVIVA scheme.

The School also runs a scheme for its non-teaching staff, which is a defined contributions scheme. The cost for the year represents the School's contributions to the scheme of £44,958 (2022:£29,497) and at the year end £nil (2022: £4,817) was accrued in respect of contributions to this scheme.

11 GOVERNORS REMUNERATION AND BENEFITS

There were no Governors' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

Travel and other reimbursements of £nil (2021:£372) for the governors were paid by the charity during the year.

12 NET INCOME FOR THE YEAR

	2023	2022
	£	£
Net income is stated after charging:		
Depreciation of tangible fixed assets	161,336	170,989
Operating lease rentals – other	5,454	5,320
Auditor's remuneration		
Audit services for the school - current year	14,080	13,223

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

13 TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Equipment £	Fixtures & Fittings £	Total £
Cost:				
At 1 September 2022	5,652,182	17,718	339,583	6,009,483
Additions	8,114	-	57,606	65,720
At 31 August 2023	<u>5,660,296</u>	<u>17,718</u>	<u>397,189</u>	<u>6,075,203</u>
Depreciation:				
At 1 September 2022	1,564,639	15,873	259,435	1,839,947
Charge for year	122,028	1,845	37,463	161,336
At 31 August 2023	<u>1,686,667</u>	<u>17,718</u>	<u>296,898</u>	<u>2,001,283</u>
Net book value:				
At 31 August 2023	<u>3,973,629</u>	<u>-</u>	<u>100,291</u>	<u>4,073,920</u>
At 1 September 2022	<u>4,087,543</u>	<u>1,845</u>	<u>80,148</u>	<u>4,169,536</u>

14 DEBTORS

	2023 £	2022 £
Fees and extras	4,973	20,444
Accrued income	36,853	13,518
Prepayments	81,536	79,415
	<u>123,362</u>	<u>113,377</u>

15 CREDITORS

Amounts falling due within one year:	2023 £	2022 £
Loans	78,684	75,591
Trade creditors	76,930	40,084
Taxation and social security costs	57,487	51,336
Fee Deposits	71,500	65,000
Fees in advance	473,888	647,964
Other creditors	32,968	49,158
Accruals	35,039	18,928
	<u>826,496</u>	<u>948,061</u>
Deferred income:	2023 £	2022 £
Brought forwards	647,964	563,757
Released in year	(647,964)	(563,757)
Received in year	473,888	647,964
Carried forwards	<u>473,888</u>	<u>647,964</u>

Deferred income relates to schools fees received in advance for the following term.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

16 CREDITORS DUE AFTER ONE YEAR

	2023 £	2022 £
Amounts falling due after more than one year:		
Bank loan	335,065	413,749
School fee deposits	439,050	433,500
	<u>774,115</u>	<u>847,249</u>
	2023 £	2022 £
Movement on loans		
In one year or less	78,684	75,591
Between one and two years	81,944	78,684
Between two and five years	124,518	167,323
After five years	128,603	167,742
	<u>413,749</u>	<u>489,340</u>
	2023 £	2022 £
Movement on deposits:		
In one year or less	71,500	65,000
Between one and two years	50,200	72,500
Between two and five years	193,100	191,000
After five years	195,750	170,000
	<u>510,550</u>	<u>498,500</u>

The bank loans are secured by first and second fixed charges over the freehold property situated at 31 Inverness Street, NW1 7HB (previously referred to as 179 Arlington Road, London NW1 7EY). The balance of £489,340 includes two fixed interest elements of £150,169 and £339,171, repayable by instalments over 10 years, on which interest is charged at 3.69% and 4.5% respectively.

17 FINANCIAL INSTRUMENTS

	2023 £	2022 £
Carrying amount of financial assets		
Measured at amortised cost	15,276	33,962
Carrying amount of financial liabilities		
Measured at amortised cost	272,043	224,506

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

18 STATEMENT OF FUNDS

	At 1 September 2022 £	Income £	Expenditure £	Transfer Between Funds £	At 31 August 2023 £
Unrestricted & Designated Funds:					
General reserve	1,268,199	3,889,258	(3,646,616)	20,025	1,530,866
Tangible Fixed Asset Funds	3,680,198	-	-	(20,025)	3,660,173
Head's Discretionary Funds	5,240	2,730	(2,540)	-	5,430
Hardship Funds	83,959	-	-	-	83,959
Total Unrestricted & Designated Funds:	5,037,596	3,891,988	(3,649,156)	-	5,280,428
Restricted funds:					
Various Restricted Funds	37,051	19,996	(12,600)	-	44,447
Total funds	5,074,647	3,911,984	(3,661,756)	-	5,324,875

	At 1 September 2021 £	Income £	Expenditure £	Transfer Between Funds £	At 31 August 2022 £
Unrestricted & Designated Funds:					
General reserve	1,034,796	3,584,570	(3,413,627)	62,460	1,268,199
Tangible Fixed Asset Funds	3,728,946	-	-	(48,748)	3,680,198
Head's Discretionary Funds	6,064	2,610	(3,434)	-	5,240
Hardship Funds	83,959	-	-	-	83,959
Total Unrestricted & Designated Funds:	4,853,765	3,587,180	(3,417,061)	13,712	5,037,596
Restricted funds:					
Various Restricted Funds	58,725	34,683	(42,645)	(13,712)	37,051
Total funds	4,912,490	3,621,863	(3,459,706)	-	5,074,647

Restricted funds

The restricted funds of the school include income comprising donations, grants and other income received on trust to be used for bursaries, Early Years support and dedicated classroom assistant support.

Unrestricted funds

The tangible fixed assets fund represents the net book value of the school's tangible fixed assets less the related loans. A decision was made to separate this fund from the general fund of the school in recognition of the fact that the tangible fixed assets are essential to the day to day work of the school and as a such their value should not be regarded as funds that would be realisable with ease in order to meet future contingencies.

A transfer occurs each year from the tangible fixed assets fund to the unrestricted funds for the depreciation element of the fixed assets.

There has been a transfer from the restricted funds for monies which have been spent in the unrestricted funds.

Designated Fund

The Head's Discretionary Fund is funded by donations from parents and used at the discretion of the Head in order to assist the development and welfare of individual pupils.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Tangible Fixed Asset Fund	Head's Discretionary Fund	Restricted fund	2023 Total
	£	£	£	£	£
Tangible fixed assets	-	4,073,922	-	-	4,073,922
Current assets	2,801,687	-	5,430	44,447	2,851,564
Current liabilities	(412,747)	(413,749)	-	-	(826,496)
Long term liabilities	(774,115)	-	-	-	(774,115)
Total net assets	1,614,825	3,660,173	5,430	44,447	5,324,875

	Unrestricted funds	Tangible Fixed Asset Fund	Head's Discretionary Fund	Restricted fund	2022 Total
	£	£	£	£	£
Tangible fixed assets	-	4,169,538	-	-	4,169,538
Current assets	2,658,128	-	5,240	37,051	2,700,419
Current liabilities	(872,470)	(75,591)	-	-	(948,061)
Long term liabilities	(433,500)	(413,749)	-	-	(847,249)
Total net assets	1,352,158	3,680,198	5,240	37,051	5,074,647

20 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2023, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 Office equipment	2022 Office equipment
Due within one year	8,957	8,957
Due between two and five years	8,958	17,915
	17,915	26,872

21 RELATED PARTIES

Four (2022: five) Governors who are also parents had children attending the school during the financial year. Fees paid by the Governors are the same as fees paid by others.

The school has purchased insurance to protect the school from loss arising from the neglect or defaults of its Governors. The insurance premium payable by the school during the year totalled £1,020 (2022: £1,028) and provides cover of up to a maximum of £2 million.

During the year no governors were awarded gifts (2022: £nil) for the assistance over the Summer Term. During the year the governor also donated £nil (2022: £nil) to the School's Bursary Fund.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2023

22 CAPITAL COMMITMENTS

The company had capital commitments contracted for but not provided for in these financial statements of £nil (2022: £nil).

23 NOTES TO THE CASHFLOW STATEMENT

	2023	2022
	£	£
Reconciliation of operating result to net cash inflow from operating activities		
Net movement in funds	250,228	162,157
Depreciation	161,336	170,989
Bank interest received	(50,558)	(1,070)
Interest payable	18,830	22,076
Increase/(Decrease) in creditors	(119,108)	135,427
(Increase)/Decrease in debtors	(9,985)	(58,919)
	<u>250,743</u>	<u>430,660</u>

Analysis of changes in net debt

	At 1 September 2022	Cash flows	Other non- cash changes	At 31 August 2023
Cash and cash equivalents				
Cash	2,587,042	141,160	-	2,728,202
Overdrafts	-	-	-	-
Cash Equivalents	-	-	-	-
	<u>2,587,042</u>	<u>141,160</u>	<u>-</u>	<u>2,728,202</u>
Borrowings				
Debt due within one year	-75,772	75,591	-78,684	-78,865
Debt due after one year	-413,567	-	78,684	-334,883
	<u>-489,339</u>	<u>75,591</u>	<u>-</u>	<u>-413,748</u>
Total	<u>2,097,703</u>	<u>216,751</u>	<u>-</u>	<u>2,314,454</u>

THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

England & Wales - Charity number 312727

Accounts



THE CAVENDISH SCHOOL

**The Cavendish
School
Charitable
Trust
Limited**

Annual Report and Financial Statements

31 August 2022

Company Limited by Guarantee
Registration Number
987480 (England and Wales)

Charity Registration Number
312727

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LEGAL AND ADMINISTRATIVE INFORMATION

Governors

S Bettison
B Crystal
G Fontaine
A M Gotto (Co-Chair of Governors)
K Hake
E Molnar
A Pangonis
D Phillips (Chair of Finance and General Purposes
Committee)
N Rushton (Co-Chair of Governors)
E Saudi (appointed 26 September 2022)
A Tsoi
M Webster

Head

T Lombard

Secretary

S Chen Cooper

Bursar and Clerk to the Governors

S Chen Cooper

Registered Principal office

The Cavendish School
31 Inverness Street
London
NW1 7HB

Telephone

020 7485 1958

Website

www.cavendishschool.co.uk

Company registration number

987480 (England and Wales)

Charity registration number

312727

Auditors

Moore Kingston Smith LLP
Floor 6
9 Appold Street
London
EC2A 2AP

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

Lloyds TSB Bank plc
140 Camden High Street
London
NW1 0NG

Solicitors

Harrison Clark Rickerbys Ltd
Ellenborough House
Wellington Street
Cheltenham
GL50 1YD

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2022

The Governors (who are also directors of The Cavendish School Charitable Trust for the purposes of company law and trustees for the purposes of charity law) present their statutory report together with the financial statements of The Cavendish School Charitable Trust Limited (company registration number 987480 (England and Wales)) (the "charitable company") for the year ended 31 August 2022.

The report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 20 to 35 of the attached financial statements and comply with the charitable company's memorandum and articles of association, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Legal status

The charitable company is constituted as a company limited by guarantee and not having a share capital. The members, who are also Governors, are liable to contribute an amount not exceeding £1 each in the event of winding up.

The charitable company was incorporated on 20 August 1970 by Memorandum of Association.

Principal aims and objects

The principal aims and objects of the charitable company are the advancement and promotion of education and, in particular, the running of The Cavendish School in Camden Town, London (the "school").

Mission

We aim to provide:

- ◆ A non-selective, high-quality, caring and diverse learning environment that promotes and respects a learning partnership between home, school and the wider community, making the most of what London has to offer.
- ◆ An educational approach that is always centred on and sensitive to the individual needs of pupils and supports them to become resilient, confident, positive, flexible and independent learners. Our pupils are prepared for the future.
- ◆ A broad, balanced, stimulating and challenging curriculum with enriching extra-curricular opportunities so that pupils can reach their full potential in all areas of their learning and development.
- ◆ A welcoming, nurturing, vibrant, safe and sustainable learning environment.
- ◆ An excellent preparation for pupils to move confidently to the next stage of their learning with the opportunity to develop the skills, knowledge and understanding to become positive and confident lifelong learners and role models.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2022

- ◆ An environment that celebrates and builds on our original foundation of Catholic values and welcomes those from all faiths and none.

Through:

- ◆ Appointment, recruitment and development of a skilled and empathetic teaching and support staff of the highest calibre.
- ◆ Effective leadership and management that can provide a strategic vision for the school.

We see ourselves as a caring, inclusive, non-selective community of individuals who enjoy working together to support and appreciate each other's personal development and love of learning. We are committed to providing equality of opportunity.

Public benefit

The Charities Act 2006 made changes which affect the school, principally removing the presumption in law that education is for public benefit. The effect of this is a requirement that educational charities demonstrate the public benefit they provide. The Charity Commission has provided guidelines on the changes together with an analysis of the law affecting charities. These documents have been considered by the Governors, who are confident that the charitable company is operating in the interest of the public. Furthermore, the object of the charitable company is the advancement and promotion of education, specifically the running of the Cavendish School for, but not exclusively for, children of the Roman Catholic faith, which is a charitable purpose within the meaning of the Charities Act 2011.

This report is designed to meet the Charity Commission's requirement to describe the public benefit provided by the charitable company. The paragraphs below describe the various ways in which the Governors believe that the charitable company provides public benefit.

- ◆ The major public benefit the school provides is a rich and diverse education, without recourse to the public purse and a strong ethos of a positive contribution to our local community. Much of the curriculum taught follows the areas prescribed by law for state schools, on the basis it is considered essential for a successful society. Consequently, its provision is to benefit the public.
- ◆ The school is open to all and Governors aim to make it as affordable as reasonably possible, consistent with the aim of providing a high-quality education in a small school environment.
- ◆ During the last year, the school awarded bursaries to six pupils which covered 20% to 100% of their fees.
- ◆ The school also has a Bursary Fund from which awards were made at the discretion of the Governors. The Fund and the school's Bursary Policy were advertised on the school's website.
- ◆ During the last year, the school also granted hardship awards to a pupil which covered 24% and 42% of Spring and Summer term fees, respectively.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2022

Public benefit (continued)

- ◆ The Head also operates a fund to assist pupils from less well-off families with support for educational assessment, music lessons and uniform.
- ◆ As part of the commitment to promoting education the school also provides training for teachers of around £10,000 for the year. Providing teachers with additional skills, who in turn will use these skills at The Cavendish School or other schools, is for the benefit of the wider public.
- ◆ We also work in partnership with other schools. Pupils from two local schools joined our pupils for a talk from Afua Hirsch on how Africa is perceived and for a Royal Institution Science in Schools event. Cavendish parent volunteers also provide weekly reading support to a local school.
- ◆ Following the appointment of a Co-curricular and Partnerships Co-ordinator, efforts to share the school's facilities with local schools will increase and reciprocal training has been set up for the new year.
- ◆ Since May 2022, a Ukrainian group has been using the school's premises for its weekly meetings that inform, support and advocate for refugee families in Camden. Children play while adults and their hosts are helped with medical, job and housing advice.
- ◆ The Cavendish also has a long-standing collaboration with the Institute of Education, the education school of University College London, which specialises in postgraduate study and research in the field of education. Students are usually offered work placements during the school year, providing opportunities to observe, make assessments, assist and teach, complete tasks and to engage in reflective discussion. In addition, they are provided with advice and support in relation to the planning, preparation and assessment of children and the management of behaviour. One member of the Senior Leadership Team has joined the Recruitment Panel which meets several times during the Autumn, Spring and Summer terms in order to interview and assess potential student teachers.
- ◆ As part of the educational goal of good citizenship, the school's pupils and their families are encouraged and enabled to take an interest in local and national issues. As a practical consequence of this, the school's pupils raised funds for a range of local and national charities during the year.

We estimate that the value of these actions is approximately £70,000, equivalent to around 2% of the total revenues of the school.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2022

STRATEGIC REPORT

Governance, structure and management

◆ **Governance**

The Board of Governors is responsible for setting aims and agreeing on a strategy for the school, recruiting and assessing senior management and for ensuring frameworks exist to meet legal, financial and regulatory obligations. Management of the school is the responsibility of the Head and the management team.

The school has a rolling programme for reviewing procedures and policies. All are reviewed at least once every three years or more frequently should changes in legislation or circumstance require.

The Governors would like to express their thanks to the Head, Senior Management Team and the entire staff for their hard work during the year, for the progress that has been made in the school during the period and for their considerable efforts during the period of national lockdown. The Governors also thank the parents and carers who contribute so willingly and generously to the life of the school and all the officers of the Friends of the Cavendish (see later).

◆ **Governors**

The following officers served throughout the year, except where shown:

Governors	Appointed/Resigned
S Bettison	
B Crystal	
D Phillips	
G Fontaine	
A M Gotto	
K Hake	
E Molnar	
A Pagonis	
N Rushton	
E Saudi	Appointed 26 September 2022
A Tsoi	
M Webster	

Secretary

S Chen Cooper

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2022

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

None of the Governors received any remuneration in respect of their services as governors during the year (2021 - £nil).

Out-of-pocket expenses of £274 were reimbursed to three Governors during the year (2021 - £485).

Three (2021 - five) Governors who are also parents had children attending the school during the financial year. Fees paid by the Governors are the same as fees paid by others. At the year-end, the School was owed £nil (2021: £nil) by any Governor.

The school has purchased insurance to protect the school from loss arising from the neglect or defaults of its Governors. The insurance premium payable by the school during the year totalled £1,020 (2021 - £1,195) and provides cover of up to a maximum of £2 million.

◆ **Appointment of Governors and training procedures**

New Governors are elected by a consensus of existing Governors and may serve for a period of three years before being required to stand for re-election.

The Governors have put in place a system whereby individual Governors have nominated links with individual teachers and curriculum areas to enhance the links between Governors and the teaching staff and with the responsibility for Early Years Foundation Stage (E.Y.F.S.), safeguarding, health and safety and compliance.

The Governors are members of the Association of Governing Bodies of Independent Schools. The Governors are offered the opportunity to attend seminars and conferences and regular training to maintain their expertise in governance issues.

◆ **Key management personnel**

The Governors consider that they, together with the Head and the Senior Management Team, comprise the key management of the charity in charge of directing and controlling, running and operating the school on a day-to-day basis.

The remuneration of key management personnel is set by the Finance and General Purposes Committee and is confirmed by the Governing Body. Note is taken of market conditions, national and local pay scales and levels of performance.

The Head and the Bursar have annual reviews where their targets are agreed upon/reviewed with Governors. The rest of the Senior Management Team has biennial performance reviews where their targets are agreed upon/reviewed with the Head.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2022

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

The Senior Management Team consists of:

T Lombard	Head
R Pritchett	Assistant Head & Head of Expressive Arts
I Boyt	Senior Deputy Head
H Edwards	Deputy Head (Academic)
J Hodgson	Deputy Head (Pastoral)
S Chen Cooper	Bursar & Clerk to the Governors

◆ **Committees**

The general school governance continued with regular Board and sub-committee meetings.

The composition of the sub-committees for this year was as follows:

Education	Finance & General Purposes
S Bettison	B Crystal
G Fontaine	E Molnar
K Hake	D Phillips (Chair)
A Tsoi	
M Webster (Chair)	

The two Co-Chairs of Governors are ex-officio members of both committees.

◆ **Statement of Governors' responsibilities**

The Governors (who are also directors of The Cavendish School Charitable Trust for the purposes of company law and trustees for the purposes of charity law) are responsible for preparing the Governors' report, the strategic report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2022

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Governors 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Governors confirms that:

- ◆ so far as the Governor is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ The Governor has taken all the steps that he/she ought to have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Governors are responsible for the maintenance and integrity of the financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2022

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

◆ *Working with other organisations*

Friends of the Cavendish

The Governors reiterate their gratitude to the Friends of the Cavendish for their support during the year. Fundraising after the pandemic was resumed in September 2021.

◆ *Risk management*

In line with the requirement for Governors to undertake a risk assessment exercise and report on the same in their annual report, the Governors have looked at the risks the school currently faces and have reviewed the measures already in place, or needing to be put in place, to deal with them. The Governors have identified four main areas where risks may occur:

- Strategic
- Operational
- Financial
- Regulatory

Strategic considers the long-term health of the school. It is concerned with areas such as pupil numbers, staff recruitment and retention, quality of management, financial management and identification of changes to the school environment.

Operational looks at the risks inherent in the school's activities including the operation of its school – reputational, communication with parents, training, the suitability of teaching resources and buildings, maintenance, health and safety, safeguarding of children, disaster planning, etc.

Along with all other organisations which work with children, the Governors recognise the absolute necessity of ensuring the protection and safety of all those the school serves. This means that all staff, including peripatetic staff, have to undergo a check with the Disclosure and Barring Service (previously the Criminal Records Bureau) and other extensive pre-recruitment checks. In addition to this, all staff receive child protection training which is updated a minimum of once per year. Additionally, there is a designated Governor assigned to safeguarding children.

The safeguarding policy aims to outline the role that The Cavendish School has, the procedure that staff should follow and the guidance issued on pupil protection generally. All staff must ensure that the needs and safety of the pupils are at the forefront of their practice. In their day-to-day contact with individual pupils, teachers and other staff are particularly well placed to observe outward signs of abuse, changes in behaviour or failure to thrive.

Financial risks include those relating to budgetary control, fraud and money laundering, spending, accounting, borrowing policies, etc. and the need to ensure adequate cash flow coverage and reserves to meet future needs.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2022

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

Long-term forecasting of pupil numbers continues to be difficult and Governors are mindful of the continuing need to raise the profile of the school, maintain and further enhance good working practices and continue to achieve an Excellent grading in inspections. The Senior Management Team, overseen by Governors, works with an Admissions and Marketing Officer to oversee marketing strategies and ensure that they are aligned with the key strategic aims:

1. To develop the business model.
2. To improve the quality of provision.
3. To develop structures to support the plan.

Regulatory looks at the effects of government policies, the consequences of new laws and regulations, etc.

Activities, specific objectives and relevant policies

◆ *Activities and specific objectives*

The principal activity of the charitable company in the year under review was the running of The Cavendish School, which was originally established to provide a Catholic education for girls aged between three and eleven with sibling boys to age seven.

◆ *Volunteers*

The Governors would like to thank all the parents for their much-valued contribution to the school community. Parents have participated in activities such as fundraising for local and international charities, uniform sales and educational visits as well as sharing the benefits of their professional expertise.

Financial review

Results for the year

Income for the year was £3,621,863 (2021 – £3,373,554), including £3,398,307 (2021 – £3,285,235) in respect of gross school fees and £44,412 (2021 – £50,786) in respect of total bursaries. Expenditure was £3,459,706 (2021 – £3,283,845). Expenditure includes £2,403,280 (2021 – £2,439,434) in respect of staff costs; £22,076 (2021 – £25,717) for interest on the bank loans and £170,989 (2021 – £178,011) in respect of depreciation charges.

The net income for the year was £162,157 (2021 – £89,709).

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2022

STRATEGIC REPORT (continued)

Financial review (continued)

Reserves policy

The Governors have examined the requirement for free reserves (also referred to as the general fund), i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Governors consider that, given the nature of the school's work, the level of free reserves should be equivalent to the termly expenditure at any one time. Based on current expenditure levels this should be in the region of £1,000,000. The Governors believe that this level of reserves would provide sufficient flexibility to respond to unforeseen emergencies whilst specific action plans are implemented. In addition, the school retains a healthy cash reserve that is capable of meeting anticipated future liabilities.

Financial position

The balance sheet shows total funds of £5,074,647.

The tangible fixed assets fund of £3,680,197 represents the net book value of the school's tangible fixed assets less the related borrowings.

General funds of the school at 31 August 2022 are £1,268,201 and the Head's Discretionary fund was £5,240.

Overall, the Governors consider the affairs of the school to be satisfactory but they are aware of the need to monitor its resources closely; the potential financial issues facing independent schools; and the need to constantly monitor budgets and forecasts.

Fixed assets

The main asset of the school is the freehold building.

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements.

Summary

The 2021-2022 financial year saw an improvement in trading conditions for the school as the negative effects of Covid eased. The School ended the year with a surplus of £162k and a cash balance of £2.6m. Income increased by 7.7% year-on-year, returning to 2019/2020 levels. This was driven by a material increase in income from clubs, after school care and lettings offsetting a small decline in average pupil numbers from 215 to 211. Costs increased by 5.7%, reflecting broader economic developments. While the School elected to increase salaries in the second half, total salary costs for the year fell, reflecting a slightly smaller headcount year-on-year.

Despite this improvement, a significant and sustained increase in UK inflation presents challenges for the School. For example, significant increases in the cost of living could cause some families to reassess household expenditure, and while School's energy prices are largely fixed until late 2024, its costs have risen materially in other areas. Separately, the proposed removal of business rate relief represents a significant future headwind at an estimated additional cost of £160k a year – approximately equal to the School's average annual surplus over the past four years.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2022

STRATEGIC REPORT (continued)

Financial review (continued)

Nonetheless, the Board remains focused on managing these challenges and maintaining a disciplined and prudent approach to financial management.

Cash levels are continuously monitored, and the School ensures at least a term's worth of expenditures is readily available. This year the Board elected to take advantage of higher interest rates and deposited £1m of surplus cash in three separate savings facilities with well-known UK banks.

Fees for 2022-2023 were increased, ensuring the School remained on a financially prudent footing and at the competitive end of market pricing. An increase in school fees in 2023-2024 is highly likely given underlying inflation levels.

Finally, a sub-committee has been formed to review staff salary levels and ensure these remain competitive versus the broader industry and commensurate with higher living costs.

Acknowledgement

The Governors would like to express their thanks to those Cavendish leavers who generously donated their deposits to the school's Bursary Fund.

Future plans

The sense of energy and enthusiasm in the School highlighted in last year's report has continued unabated, with the Head continuing to prove a great success and developing excellent relationships with the Governors.

Financial challenges for the school continued post-Covid, but it appears that these have now bottomed out. This is evidenced by considerably healthier than predicted numbers overall. In particular, there is a good-sized cohort in the Nursery this year which will feed into Reception in 2023 and a very strong conversion rate for applicants for occasional vacancies at all levels in the school. The Head and the Admissions Officer have worked closely together to improve the marketing offering, in particular with excellent use of social media to increase the school's online presence. This has resulted in a marked increase in interest in the school with individual family tours happening almost every day and regular open mornings for groups. The school is also in the middle of a comprehensive Brand Strategy project to further enhance the school's profile and give a clear message to prospective parents about its core values and strengths.

The Head and the Bursar work extremely well together and remain closely focused on the school's finances. Although numbers have improved we are mindful that the current cost of living crisis may impact families within the school and pupil numbers. We are confident that the school's current healthy financial position will enable the school to weather this, should it prove to be the case.

The School will continue to offer its broad and balanced curriculum and provide numerous enrichment opportunities for pupils, including the greater use of Regent's Park for outdoor activities introduced by the new Head, numerous during and after-school clubs, and increased opportunities to play team sports.

GOVERNOR'S REPORT (including a Strategic Report) For the year ended 31 August 2022

STRATEGIC REPORT (continued)

Future plans (continued)

The Head has worked hard to develop strong relationships with the heads of a broad range of secondary schools. The school achieved excellent results in the 11+ this year, with the focus remaining on a commitment to matching Year 6 girls to the secondary school most suitable to them.

Governor's report (including the strategic report) approved by the Governors and signed on their behalf by:

A Gatto N Rushton

A Gatto and N Rushton
Governors of The Cavendish School Charitable Trust
Company registration number
987480 (England and Wales)

Approved by the Governors on: 5/12/22

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2022

Opinion

We have audited the financial statements of The Cavendish School Charitable Trust Limited ('the company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2022

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the governors' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the governors' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the governors' annual report.

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

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

Responsibilities of trustees

As explained more fully in the governors' responsibilities statement set out on pages 8 & 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2022

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 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2022

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements through discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2022

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

Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)

13 December 2022

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Floor 6

9 Appold Street

London

EC2A 2AP

The Cavendish School Charitable Trust Limited

STATEMENT OF FINANCIAL ACTIVITIES
(including the income and expenditure statement)
for the year ended 31 August 2022

	Notes	Unrestricted / Designated funds £	Restricted funds £	Total 2022 £	Total 2021 £
INCOME FROM:					
Charitable Activities					
School fees	3	3,340,183	13,712	3,353,895	3,234,449
Other educational income	4	199,409	-	199,409	35,487
Other income					
Other trading income	5	40,675	-	40,675	19,508
Other activities		3,233	-	3,233	1,498
Investments					
Investment Income	6	1,070	-	1,070	401
Voluntary sources					
Grants and donations	7	2,610	20,971	23,581	82,211
Total income and endowments		3,587,180	34,683	3,621,863	3,373,554
EXPENDITURE ON:					
Costs of raising funds					
Interest and other costs	8	22,076	-	22,076	25,717
Charitable activities					
Education	8	3,394,985	42,645	3,437,630	3,258,128
Total expenditure	8	3,417,061	42,645	3,459,706	3,283,845
Net operating income/(expenditure)		170,119	(7,962)	162,157	89,709
Net income/(expenditure)		170,119	(7,962)	162,157	89,709
Transfer between funds		13,712	(13,712)	-	-
Net movement in funds		183,831	(21,674)	162,157	89,709
Fund balances brought forward		4,853,765	58,725	4,912,490	4,822,781
Fund balances carried forward	18, 19	5,037,596	37,051	5,074,647	4,912,490

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

The Cavendish School Charitable Trust Limited

BALANCE SHEET
as at 31 August 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	13	<u>4,169,538</u>	<u>4,290,332</u>
CURRENT ASSETS		<u>4,169,538</u>	<u>4,290,332</u>
Debtors		113,377	54,459
Cash at bank and in hand	14	<u>2,587,042</u>	<u>2,300,218</u>
		2,700,419	2,354,677
CREDITORS: Amounts falling due within one year	15	<u>(948,061)</u>	<u>(866,180)</u>
NET CURRENT ASSETS		<u>1,752,358</u>	<u>1,488,497</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,921,896</u>	<u>5,778,829</u>
CREDITORS: Amounts falling due after more than one year	16	<u>(847,249)</u>	<u>(866,339)</u>
NET ASSETS		<u>5,074,647</u>	<u>4,912,490</u>
FUNDS			
Restricted Funds			
Unrestricted Funds – General	19	37,051	58,725
Head's Discretionary Fund	19	1,268,199	1,034,796
Hardship Fund	18	5,240	6,064
Tangible Fixed Asset Fund	18	83,959	83,959
	18	3,680,198	3,728,946
		<u>5,074,647</u>	<u>4,912,490</u>

Approved and authorised for issue by the Board of Governors on 5/12/22 and signed on their behalf by:

A Gotto *N Rushton*

A Gotto and N Rushton
Governors of The Cavendish School Charitable Trust
Company registration number
987480 (England and Wales)

The accompanying notes form part of these financial statements.

The Cavendish School Charitable Trust Limited

CASHFLOW STATEMENT for the year ended 31 August 2022

CASH FLOW STATEMENT	Notes	2022 £	2021 £
Net cash inflow from operating activities	23	430,660	472,292
Cash flows from investing activities:			
Bank interest received		1,070	401
Payments to acquire fixed assets		(50,193)	(20,189)
Net cash outflow from investing activities		<u>(49,123)</u>	<u>(19,788)</u>
Financing:			
Loans repaid		(72,637)	(69,641)
Interest repaid		(22,076)	(25,717)
Net cash outflow from financing activities		<u>(94,713)</u>	<u>(95,358)</u>
Increase/(decrease) in cash		286,824	357,146
Cash and cash equivalents at the beginning of the reporting period		<u>2,300,218</u>	<u>1,943,072</u>
Cash and cash equivalents at the end of the reporting period		<u><u>2,587,042</u></u>	<u><u>2,300,218</u></u>

The Cavendish School Charitable Trust Limited

ACCOUNTING POLICIES

for the year ended 31 August 2022

1 ACCOUNTING POLICIES

The Cavendish School Charitable Trust Limited is a company limited by guarantee with registered number 987480, incorporated and domiciled in England and Wales. Its registered office is The Cavendish School, 31 Inverness Street, London, NW1 7HB.

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SOP), the Companies Act 2006 and the Charities Act 2011.

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

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

1.2 GOING CONCERN

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The school is dependent on pupils applying to it and on parents to pay their fees. Long term forecasting of pupil numbers is difficult but work continues to raise the profile of the school and to maintain and enhance the relationships with parents, feeder schools and nurseries and destination schools. The impact of the COVID-19 pandemic creates uncertainty over pupil numbers and its impact on the parents' ability to continuing paying school fees for the foreseeable future. However, the school has produced forecasts for at least 12 months from the date of approval of these financial statements which show that the school will have sufficient funds to continue operating as a going concern.

As such the School can expect to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. However, there can be no certainty in relation to these matters.

On this basis the Governors have concluded that the School is a going concern. The financial statements do not include any adjustments that would result from the School not being able to meet its liabilities as they fall due.

1.3 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee, the guarantors at the present time being the Governors, to the extent of £1 each.

1.4 FEES RECEIVABLE AND SIMILAR INCOME

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school.

1.5 DONATIONS AND FUND ACCOUNTING

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments – permanent or expendable according to the nature of the restriction.

1.6 EXPENDITURE

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the school to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and includes any attributable VAT which cannot be recovered. All expenses are allocated or apportioned to the applicable expenditure headings. Expenditure on charitable activities comprises expenditure on the provision of education.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

The Cavendish School Charitable Trust Limited

ACCOUNTING POLICIES

for the year ended 31 August 2022

1.7 TEACHING COSTS

The cost of teaching and support staff salaries, including pension and national insurance costs, books, other tuition expenses and IT support.

1.8 FIXED ASSETS AND DEPRECIATION

All fixed assets are used in direct furtherance of the school's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date.

Assets that are expected to have a useful economic life of less than one year and cost less than £2,000 are not capitalised and are written off in the year of purchase.

Freehold property is depreciated at a rate of 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic lives to the school. Certain improvements to property are depreciated on a straight-line basis in order to write off the costs over a period of fifteen years.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Furniture and general office equipment	- 10 years	10% - 20% per annum based on cost
Computer and IT	- 3 years	33.3% per annum based on cost
Piano	- 30 years	3.33% per annum based on cost

The cost of freehold property represents the historical value recorded in the books of £5,849,407. The council are of the opinion that the current value of the school's land and building is substantially in excess of the figure shown in the financial statements. The buildings have an insured value of £17,082,320 (2021: £16,638,052).

1.9 PENSIONS

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and Skills.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

The School participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff, however from 1 September, after a period of consultation the school took the decision to leave the TPS and put in place an alternative defined contribution scheme with AVIVA for the teaching staff.

The school also pays contributions into a Group Personal Pension Scheme for Support staff. The Scheme is a defined contribution pension scheme. The assets of the Scheme are held separately from those of the School in an independently administered fund. The Pension Scheme charge represents contributions payable by the school in accordance with the rules of the Scheme.

1.10 LEASES AND HIRE PURCHASE CONTRACTS

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.12 FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 14, 15 and 16 for the debtor and creditor notes.

The Cavendish School Charitable Trust Limited

ACCOUNTING POLICIES

for the year ended 31 August 2022

1.13 TAXATION

The company is a registered charity and is exempt from taxation as afforded by Section 505 ICTA 1988.

1.14 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

2 KEY ESTIMATES & JUDGEMENTS

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

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

In the opinion of the Council of Management, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property, plant and equipment and note 1.8 for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of the debtors and associated impairment provision.

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2022

3 FEE INCOME

The School's activities are carried out within the UK.
The school's fee income comprised:

	2022	2021
	£	£
Gross fees	3,398,307	3,285,235
Less: Bursaries paid for from restricted funds	(13,712)	(2,116)
Less: Unrestricted bursaries	(30,700)	(48,670)
	<u>3,353,895</u>	<u>3,234,449</u>

Included within the above is an amount of £13,712 (2021: £2,116) which is supported by restricted income.

4 OTHER EDUCATIONAL INCOME

	2022	2021
	£	£
Extras and disbursements	180,080	23,647
Registration fees	11,100	8,100
Other income	8,229	3,740
	<u>199,409</u>	<u>35,487</u>

5 OTHER TRADING INCOME

	2022	2021
	£	£
Rent and lettings	40,675	19,508
Other income	3,233	1,498
	<u>43,908</u>	<u>21,006.00</u>

6 INVESTMENT INCOME

	2022	2021
	£	£
Interest received	1,070	401
	<u>1,070</u>	<u>401</u>

7 DONATIONS AND GRANTS

	2022	2021
	£	£
Donations and gifts	23,581	30,488
Furlough grant	-	3,488
Other grants	-	48,235
	<u>23,581</u>	<u>82,211</u>

Included within the above is an amount of £20,971 (2021: £77,933) which relates to restricted income.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

8 EXPENDITURE

(a) Charitable expenditure	Staff costs (note 9) £	Other £	Depreciation £	Total 2022 £
Teaching	1,895,706	271,521	42,573	2,209,800
Welfare	8,269	196,066	-	204,335
Premises and Estates	-	280,548	128,416	408,964
Administration	473,456	120,745	-	594,201
Finance Costs	-	22,076	-	22,076
Governance	-	20,330	-	20,330
Total Charitable Expenditure	2,377,431	911,286	170,989	3,459,706

Included within £3,459,706 is an amount of £42,645 (2021: £49,899) relating to restricted expenditure.

Charitable expenditure	Staff costs (note 9) £	Other £	Depreciation £	Total 2021 £
Teaching	1,952,051	98,254	49,879	2,100,184
Welfare	8,474	177,798	-	186,272
Premises and Estates	-	245,386	128,132	373,518
Administration	478,909	104,455	-	583,364
Finance	-	25,717	-	25,717
Governance	-	14,790	-	14,790
Total Charitable Expenditure	2,439,434	666,400	178,011	3,283,845

(b) Other Governance Costs include:	2022 £	2021 £
Auditors' remuneration		
- Audit Fees	13,223	13,500
- Other Auditors remuneration	-	1,290
	<u>13,223</u>	<u>14,790</u>

(c) Administration & Finance Costs	2022 £	2021 £
Salaries	391,256	391,773
National Insurance	45,173	43,136
Pension Costs	29,497	33,329
Other Staff Costs	7,530	10,671
Subscriptions	22,383	24,457
Staff travel	201	7
Operating Leases	5,320	14,466
IT support	11,499	3,711
Postage and stationery	447	1,743
Telephones	6,085	5,776
Marketing and advertising	18,118	3,945
Miscellaneous - Administration	13,527	-
Recruitment Costs	1,757	-
Legal and Professional Fees	16,768	20,888
Other Administration Costs	24,547	29,426
Bank charges and interest	22,169	25,753
	<u>616,277</u>	<u>609,081</u>

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

9 STAFF COSTS	2022 £	2021 £
Wages and salaries	1,948,005	1,931,160
Social security costs	216,508	205,589
Other pension costs	205,297	250,294
Other staff costs	33,470	52,391
	<u>2,403,280</u>	<u>2,439,434</u>

The number of employees who received remuneration under redundancy and settlement costs were 0 (2021:1) which totalled £nil (2021: £4,859).

The average monthly number of employees during the year was as follows:

	2022 No.	2021 No.
Teaching	44	43
Support	9	9
	<u>53</u>	<u>52</u>

The number of employees whose emoluments £60,000 in the year was as follows:

	2022 No.	2021 No.
£60,000 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
£100,001 - £110,000	1	-
£110,001 - £120,000	1	1
	<u>3</u>	<u>3</u>

Pension contributions for the year amounted to £86,813 (2021: £86,813) for the above employees.

Key management personnel include the Governors and the senior executives which are made up 5 members of the Senior Leadership Team including the head and the bursar. The total pay and benefits received by management personnel were £574,024 (2021 £419,275).

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

10 PENSIONS

The School participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff, however from 1 September 2021, after a period of consultation the school took the decision to leave the TPS and put in place an alternative defined contribution scheme with AVIVA for the teaching staff. The pension charge for the year includes contributions payable to the TPS and AVIVA scheme of £175,800 (2021: £216,965) and at the year-end £nil was accrued in respect of contributions to the TPS.

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

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

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

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

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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

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

The School also runs a scheme for its non-teaching staff, which is a defined contributions scheme. The cost for the year represents the School's contributions to the scheme of £29,497 (2021: £33,329) and at the year end £4,817 (2021: £5,280) was accrued in respect of contributions to this scheme.

11 GOVERNORS REMUNERATION AND BENEFITS

There were no Governors' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

Travel and other reimbursements of £372 (2021: £485) for the governors were paid by the charity during the year.

12 NET INCOME FOR THE YEAR

	2022	2021
	£	£
Net income is stated after charging:		
Depreciation of tangible fixed assets	170,989	178,012
Operating lease rentals – other	5,320	14,466
Auditor's remuneration		
Audit services for the school - current year	13,223	13,500
Non-audit services	-	1,415

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2022

13 TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Equipment £	Fixtures & Fittings £	Total £
Cost:				
At 1 September 2021	5,618,982	17,718	322,590	5,959,290
Additions	33,200	-	16,993	50,193
	<u>5,652,182</u>	<u>17,718</u>	<u>339,583</u>	<u>6,009,483</u>
At 31 August 2022				
Depreciation:				
At 1 September 2021	1,436,223	3,470	229,265	1,668,958
Charge for year	128,416	12,403	30,170	170,989
	<u>1,564,639</u>	<u>15,873</u>	<u>259,435</u>	<u>1,839,947</u>
At 31 August 2022				
Net book value:				
At 31 August 2022	<u>4,087,543</u>	<u>1,845</u>	<u>80,148</u>	<u>4,169,536</u>
At 1 September 2021	<u>4,182,759</u>	<u>14,248</u>	<u>93,325</u>	<u>4,290,332</u>

14 DEBTORS

	2022 £	2021 £
Fees and extras	20,444	7,503
Accrued income	13,518	-
Prepayments and accrued income	79,415	46,956
	<u>113,377</u>	<u>54,459</u>

15 CREDITORS

Amounts falling due within one year:	2022 £	2021 £
Loans	75,591	72,637
Trade creditors	40,084	51,026
Taxation and social security costs	51,336	49,313
Fee Deposits	65,000	83,000
Fees in advance	647,964	563,757
Other creditors	49,158	27,715
Accruals	18,928	18,732
	<u>948,061</u>	<u>866,180</u>
Deferred income:		
	2022 £	2021 £
Brought forwards	563,757	439,424
Released in year	(563,757)	(439,424)
Received in year	647,964	563,757
	<u>647,964</u>	<u>563,757</u>
Carried forwards		

Deferred income relates to schools fees received in advance for the following term.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

16 CREDITORS DUE AFTER ONE YEAR

	2022 £	2021 £
Amounts falling due after more than one year:		
Bank loan	413,749	489,339
School fee deposits	433,500	377,000

<u>847,249</u>	<u>866,339</u>
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	2022 £	2021 £
Movement on loans		
In one year or less		
Between one and two years	75,591	72,637
Between two and five years	78,684	75,590
After five years	167,323	208,641
	167,742	205,108

<u>489,340</u>	<u>561,976</u>
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	2022 £	2021 £
Movement on deposits:		
In one year or less		
Between one and two years	65,000	83,000
Between two and five years	72,500	54,000
After five years	191,000	176,000
	170,000	147,000

<u>498,500</u>	<u>460,000</u>
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The bank loans are secured by first and second fixed charges over the freehold property situated at 31 Inverness Street, NW1 7HB (previously referred to as 179 Arlington Road, London NW1 7EY) and fixed plant and machinery. The balance of £489,340 includes two fixed interest elements of £150,169 and £339,171, repayable by instalments, on which interest is charged at 3.69% and 4.5% respectively.

17 FINANCIAL INSTRUMENTS

	2022 £	2021 £
Carrying amount of financial assets		
Measured at amortised cost	33,962	7,503
Carrying amount of financial liabilities		
Measured at amortised cost	224,506	253,110

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022

18 STATEMENT OF FUNDS

	At 1 September 2021 £	Income £	Expenditure £	Transfer Between Funds £	At 31 August 2022 £
Unrestricted & Designated Funds:					
General reserve	1,034,796	3,584,570	(3,413,627)	62,460	1,268,199
Tangible Fixed Asset Funds	3,728,946	-	-	(48,748)	3,680,198
Head's Discretionary Funds	6,064	2,610	(3,434)	-	5,240
Hardship Funds	83,959	-	-	-	83,959
Total Unrestricted & Designated Funds:	4,853,765	3,587,180	(3,417,061)	13,712	5,037,596
Restricted funds:					
Various Restricted Funds	58,725	34,683	(42,645)	(13,712)	37,051
Total funds	4,912,490	3,621,863	(3,459,706)	-	5,074,647

	At 1 September 2020 £	Income £	Expenditure £	Transfer Between Funds £	At 31 August 2021 £
Unrestricted & Designated Funds:					
General reserve	873,265	3,293,048	(3,232,515)	100,998	1,034,796
Tangible Fixed Asset Funds	3,816,539	-	-	(87,593)	3,728,946
Head's Discretionary Funds	4,922	2,573	(1,431)	-	6,064
Hardship Funds	83,959	-	-	-	83,959
Total Unrestricted & Designated Funds:	4,778,685	3,295,621	(3,233,946)	13,405	4,853,765
Restricted funds:					
Various Restricted Funds	44,096	77,933	(49,899)	(13,405)	58,725
Total funds	4,738,822	3,373,554	(3,283,845)	-	4,912,490

Restricted funds

The restricted funds of the school include income comprising donations, grants and other income received on trust to be used for bursaries, Early Years support and dedicated classroom assistant support.

Unrestricted funds

The tangible fixed assets fund represents the net book value of the school's tangible fixed assets less the related loans. A decision was made to separate this fund from the general fund of the school in recognition of the fact that the tangible fixed assets are essential to the day to day work of the school and as such their value should not be regarded as funds that would be realisable with ease in order to meet future contingencies.

A transfer occurs each year from the tangible fixed assets fund to the unrestricted funds for the depreciation element of the fixed assets.

There has been a transfer from the restricted funds for monies which have been spent in the unrestricted funds.

Designated Fund

The Head's Discretionary Fund is funded by donations from parents and used at the discretion of the Head in order to assist the development and welfare of individual pupils.

In 2020, the governors transferred £100,000 from general reserves to set up a designated Hardship Fund in response to the COVID-19 pandemic to support pupils and their families during the summer term and beyond if necessary.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Tangible Fixed Asset Fund £	Head's Discretionary Fund £	Restricted fund £	2022 Total £
Tangible fixed assets	-	4,169,538	-	-	4,169,538
Current assets	2,658,128	-	5,240	37,051	2,700,419
Current liabilities	(872,470)	(75,591)	-	-	(948,061)
Long term liabilities	(433,500)	(413,749)	-	-	(847,249)
Total net assets	1,352,158	3,680,198	5,240	37,051	5,074,647

	Unrestricted funds £	Tangible Fixed Asset Fund £	Head's Discretionary Fund £	Restricted fund £	2021 Total £
Tangible fixed assets	-	4,290,332	-	-	4,290,332
Current assets	2,289,888	-	6,064	58,725	2,354,677
Current liabilities	(793,543)	(72,637)	-	-	(866,180)
Long term liabilities	(377,000)	(489,339)	-	-	(866,339)
Total net assets	1,119,345	3,728,356	6,064	58,725	4,912,490

20 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2022, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 Office equipment	2021 Office equipment
Due within one year	8,957	8,957
Due between two and five years	17,915	26,872
	26,872	35,829

21 RELATED PARTIES

Five (2021: five Governors who are also parents had children attending the school during the financial year. Fees paid by the Governors are the same as fees paid by others. At the year end the School was owed £nil (2021: £nil) by a Governor in relation to nursery sessions for their child.

The school has purchased insurance to protect the school from loss arising from the neglect or defaults of its Governors. The insurance premium payable by the school during the year totalled £1,028 (2021: £1,174) and provides cover of up to a maximum of £2 million.

During the year no governors were awarded gifts (2021: £nil) for their assistance over the Summer Term. During the year the governor also donated £nil (2021: £nil) to the School's Bursary Fund.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2022

22 CAPITAL COMMITMENTS

The company had capital commitments contracted for but not provided for in these financial statements of £nil (2021: £23,505).

23 NOTES TO THE CASHFLOW STATEMENT

	2022	2021
	£	£
Reconciliation of operating result to net cash inflow from operating activities		
Net movement in funds	162,157	89,709
Depreciation	170,989	178,012
Bank interest received	(1,070)	(401)
Interest payable	22,076	25,717
Increase/(Decrease) in creditors	135,427	156,119
(Increase)/Decrease in debtors	(58,919)	23,136
	<u>430,660</u>	<u>472,292</u>

Analysis of changes in net debt

	At 1 September 2021	Cash flows	Other non- cash changes	At 31 August 2022
Cash and cash equivalents				
Cash	2,300,218	286,824	0	2,587,042
Overdrafts	0	0	0	0
Cash Equivalents	0	0	0	0
	<u>2,300,218</u>	<u>286,824</u>	<u>0</u>	<u>2,587,042</u>
Borrowings				
Debt due within one year	72,818	72,637	-75,591	-75,772
Debt due after one year	-489,158	0	75,591	-413,567
	<u>-561,976</u>	<u>72,637</u>	<u>0</u>	<u>-489,339</u>
Total	<u>1,738,242</u>	<u>359,461</u>	<u>0</u>	<u>2,097,703</u>

THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

England & Wales - Charity number 312727

Accounts



THE CAVENDISH SCHOOL

**The Cavendish
School
Charitable
Trust
Limited**

Annual Report and Financial Statements

31 August 2021

Company Limited by Guarantee
Registration Number
987480 (England and Wales)

Charity Registration Number
312727

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LEGAL AND ADMINISTRATIVE INFORMATION

Governors	S Bettison B Crystal G Fontaine (appointed 21 September 2020) A M Gotto (Co-Chair of Governors) K Hake D Matthews (Chair of Finance and General Purposes Committee, resigned 9 December 2020) E Molnar (appointed 21 September 2020) J Owen (resigned 18 January 2021) A Pangonis D Phillips (Chair of Finance and General Purposes Committee, appointed 9 December 2020) A Poole (resigned 9 December 2020) N Rushton (Co-Chair of Governors) A Tsoi (appointed 6 April 2021) M Webster
Head	J Rogers (resigned 4 January 2021) I Boyt (interim Co-Head, Spring term 2021) R Pritchett (interim Co-Head, Spring term 2021) T Lombard (appointed 15 April 2021)
Secretary	S Chen Cooper
Bursar and Clerk to the Governors	S Chen Cooper
Registered Principal office	The Cavendish School 31 Inverness Street London NW1 7HB
Telephone	020 7485 1958
Website	www.cavendishschool.co.uk
Company registration number	987480 (England and Wales)
Charity registration number	312727
Auditors	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

Lloyds TSB Bank plc
140 Camden High Street
London
NW1 0NG

Solicitors

Harrison Clark Rickerbys Ltd
Ellenborough House
Wellington Street
Cheltenham
GL50 1YD

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2021

The Governors (who are also directors of The Cavendish School Charitable Trust for the purposes of company law and trustees for the purposes of charity law) present their statutory report together with the financial statements of The Cavendish School Charitable Trust Limited (company registration number 987480 (England and Wales)) (the "charitable company") for the year ended 31 August 2021.

The report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 20 to 34 of the attached financial statements and comply with the charitable company's memorandum and articles of association, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Legal status

The charitable company is constituted as a company limited by guarantee and not having a share capital. The members, who are also Governors, are liable to contribute an amount not exceeding £1 each on the event of winding up.

The charitable company was incorporated on 20 August 1970 by Memorandum of Association.

Principal aims and objects

The principal aims and objects of the charitable company are the advancement and promotion of education and, in particular, the running of The Cavendish School in Camden Town, London (the "school").

Mission

We aim to provide:

- ◆ A non-selective, high quality, caring and diverse learning environment that promotes and respects a learning partnership between home, school and the wider community, making the most of what London has to offer.
- ◆ An educational approach that is always centred on and sensitive to the individual needs of pupils and supports them to become resilient, confident, positive, flexible and independent learners. Our pupils are prepared for the future.
- ◆ A broad, balanced, stimulating and challenging curriculum with enriching extra-curricular opportunities so that pupils can reach their full potential in all areas of their learning and development.
- ◆ A welcoming, nurturing, vibrant, safe and sustainable learning environment.
- ◆ An excellent preparation for pupils to move confidently to the next stage of their learning with the opportunity to develop the skills, knowledge and understanding to become positive and confident lifelong learners and role models.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2021

- ◆ An environment that celebrates and builds on our original foundation of Catholic values and welcomes those from all faiths and none.

Through:

- ◆ Appointment, recruitment and development of a skilled and empathetic teaching and support staff of the highest calibre.
- ◆ Effective leadership and management that can provide a strategic vision for the school.

We see ourselves as a caring, inclusive, non-selective community of individuals who enjoy working together to support and appreciate each other's personal development and love of learning. We are committed to providing equality of opportunity.

Public benefit

The Charities Act 2006 made changes which affect the school, principally removing the presumption in law that education is for public benefit. The effect of this is a requirement that educational charities demonstrate the public benefit they provide. The Charity Commission has provided guidelines on the changes together with an analysis of the law affecting charities. These documents have been considered by the Governors, who are confident that the charitable company is operating in the interest of the public. Furthermore, the object of the charitable company is the advancement and promotion of education, specifically the running of the Cavendish School for, but not exclusively for, children of the Roman Catholic faith, which is a charitable purpose within the meaning of the Charities Act 2011.

This report is designed to meet the Charity Commission's requirement to describe the public benefit provided by the charitable company. The paragraphs below describe the various ways in which the Governors believe that the charitable company provides public benefit.

- ◆ The major public benefit the school provides is a rich and diverse education, without recourse to the public purse and a strong ethos of a positive contribution to our local community. Much of the curriculum taught follows the areas prescribed by law for state schools, on the basis it is considered essential for a successful society. Consequently, its provision is to benefit the public.
- ◆ The school is open to all and Governors aim to make it as affordable as reasonably possible, consistent with the aim of providing a high quality of education in a small school environment.
- ◆ During the last year, the school awarded bursaries to four pupils which covered 50% to 100% of their fees.
- ◆ The school also has a Bursary Fund from which awards were made at the discretion of the Governors. The Fund and the school's Bursary Policy were advertised on the school's website.
- ◆ During the last year, in response to the Covid pandemic, the school granted hardship awards to three pupils which covered 56% to 84% of Autumn and Spring term fees.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2021

Public benefit (continued)

- ◆ The Head also operates a fund to assist pupils from less well-off families with support for educational assessment, music lessons and uniform.
- ◆ As part of the commitment to promoting education the school also provides training for teachers of around £4,000 for the year. Providing teachers with additional skills, who in turn will use these skills at The Cavendish School or at other schools, is for the benefit of the wider public.
- ◆ We also work in partnership with other schools. The St Marylebone Teaching School Alliance is made up of primary, secondary, special and independent schools, the majority of which are local and all of which have different strengths. Our membership enables us to share expertise as well as host trainees from across the alliance and beyond. Areas of focus include Teacher Training, Continuing Professional Development, Leadership Development, Special Leaders in Education, who share their expertise, Research and a Maths Hub.
- ◆ The Cavendish also has a long-standing collaboration with the Institute of Education, the education school of University College London, which specialises in postgraduate study and research in the field of education. Students are usually offered work placements during the school year, providing opportunities to observe, make assessments, assist and teach, complete tasks and to engage in reflective discussion. In addition, they are provided with advice and support in relation to the planning, preparation and assessment of children and the management of behaviour. One member of the Senior Leadership Team has joined the Recruitment Panel which meets several times during the Spring and Autumn Terms in order to interview and assess potential student teachers.
- ◆ Efforts are ongoing to share the school's facilities with local schools. Due to the restrictions placed on us by the current pandemic, however, it has been difficult to plan for further shared activities since March 2020.
- ◆ Following the government's announcement of a second national primary school closure from 6 January 2021, we kept the school open for children of key workers with a skeleton staff of teachers and teaching assistants. The children ranged from Nursery to Year 6 and were assisted with their online lessons. Additionally, we provided support for one pupil who had limited access to remote learning.
- ◆ As part of the educational goal of good citizenship the school's pupils and their families are encouraged and enabled to take an interest in local and national issues. As a practical consequence of this, the school's pupils raised funds for a range of local and national charities during the year. The school is based in the heart of a vibrant inner city borough and is particularly active in engaging with the local community directly, for example supporting church initiatives such as contributing to food and essentials distributed via our local church.

We estimate that the value of these actions is approximately £60,000, equivalent to around 2% of the total revenues of the school.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2021

STRATEGIC REPORT

Governance, structure and management

◆ **Governance**

The Board of Governors is responsible for setting aims and agreeing on a strategy for the school, recruiting and assessing senior management and for ensuring frameworks exist to meet legal, financial and regulatory obligations. Management of the school is the responsibility of the Head and the management team.

The school has a rolling programme for reviewing procedures and policies. All are reviewed at least once every three years or more frequently should changes in legislation or circumstance require.

The Governors would like to express their thanks to the Head, Senior Management Team and the entire staff for their hard work during the year, for the progress that has been made in the school during the period and for their considerable efforts during the period of national lockdown. The Governors also thank the parents and carers who contribute so willingly and generously to the life of the school and to all the officers of the Friends of the Cavendish (see later).

◆ **Governors**

The following officers served throughout the year, except where shown:

Governors	Appointed/Resigned
S Bettison	
B Crystal	
D Phillips	
G Fontaine	Appointed 21 September 2020
A M Gotto	
K Hake	
D Matthews	Resigned 9 December 2020
E Molnar	Appointed 21 September 2020
J Owen	Resigned 18 January 2021
A Pagonis	
A Poole	Resigned 9 December 2020
N Rushton	
A Tsoi	Appointed 6 April 2021
M Webster	

Secretary

S Chen Cooper

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2021

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

None of the Governors received any remuneration in respect of their services as governors during the year (2020 - £nil).

Out of pocket expenses of £485 were reimbursed to three Governors during the year (2020 - £nil).

Five (2020 - five) Governors who are also parents had children attending the school during the financial year. Fees paid by the Governors are the same as fees paid by others. At the year end the School was owed £nil (2020: £357) by any Governor.

The school has purchased insurance to protect the school from loss arising from the neglect or defaults of its Governors. The insurance premium payable by the school during the year totalled £1,195 (2020 - £1,038) and provides cover of up to a maximum of £2 million.

◆ ***Appointment of Governors and training procedures***

New Governors are elected by a consensus of existing Governors and may serve for a period of three years before being required to stand for re-election.

The Governors have put in place a system whereby individual Governors have nominated links with individual teachers and curriculum areas to enhance the links between Governors and the teaching staff and with the responsibility for Early Years Foundation Stage (E.Y.F.S.), safeguarding, health and safety and compliance.

The Governors are members of the Association of Governing Bodies of Independent Schools. The Governors are offered the opportunity to attend seminars and conferences and regular training to maintain their expertise in governance issues.

◆ ***Key management personnel***

The Governors consider that they, together with Head and the Senior Management Team, comprise the key management of the charity in charge of directing and controlling, running and operating the school on a day-to-day basis.

The remuneration of key management personnel is set by the Finance and General Purposes Committee and is confirmed by the Governing Body. Note is taken of market conditions, national and local pay scales and levels of performance.

The Head and the Bursar have annual reviews where their targets are agreed/reviewed with Governors. The rest of the Senior Management Team have biennial performance reviews where their targets are agreed/reviewed with the Head.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2021

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

The Senior Management Team consists of:

R Pritchett	Assistant Head & Head of Expressive Arts
I Boyt	Deputy Head (Pastoral)
H Edwards	Director of Studies
J Hodgson	Director of Studies
C Roche	Director of Sections
S Chen Cooper	Bursar & Clerk to the Governors

◆ **Committees**

The general school governance continued with regular Board and sub-committee meetings.

The composition of the sub-committees for this year was as follows:

Education	Finance & General Purposes
S Bettison	B Crystal
G Fontaine (Appointed 21 September 2020)	D Matthews (Resigned 9 December 2020)
A Gotto	E Molnar (Appointed 21 September 2020)
K Hake	D Phillips (Chair)
J Owen (Resigned 18 January 2021)	A Poole (Resigned 9 December 2020)
A Tsoi (Appointed 6 April 2021)	
M Webster (Chair)	

The two Co-Chairs of Governors are ex-officio members of both committees.

◆ **Statement of Governors' responsibilities**

The Governors (who are also directors of The Cavendish School Charitable Trust for the purposes of company law and trustees for the purposes of charity law) are responsible for preparing the Governors' report, the strategic report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2021

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Governors 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Governors confirms that:

- ◆ so far as the Governor is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ The Governor has taken all the steps that he/she ought to have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Governors are responsible for the maintenance and integrity of the financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2021

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

◆ *Working with other organisations*

Friends of the Cavendish

The Governors reiterate their gratitude to the Friends of the Cavendish for their support during the year. Fundraising on behalf of the school this year has been suspended owing to the pandemic but was resumed in September 2021.

◆ *Risk management*

In line with the requirement for Governors to undertake a risk assessment exercise and report on the same in their annual report, the Governors have looked at the risks the school currently faces and have reviewed the measures already in place, or needing to be put in place, to deal with them. The Governors have identified four main areas where risks may occur:

- Strategic
- Operational
- Financial
- Regulatory

Strategic considers the long term health of the school. It is concerned with areas such as pupil numbers, staff recruitment and retention, quality of management, financial management and identification of changes to the school environment.

Operational looks at the risks inherent in the school's activities including the operation of its school – reputational, communication with parents, training, the suitability of teaching resources and buildings, maintenance, health and safety, safeguarding of children, disaster planning, etc.

Along with all other organisations which work with children, the Governors recognise the absolute necessity of ensuring the protection and safety of all those the school serves. This means that all staff, including peripatetic staff, have to undergo a check with the Disclosure and Barring Service (previously the Criminal Records Bureau) and other extensive pre-recruitment checks. In addition to this, all staff receive child protection training which is updated a minimum of once per year. Additionally, there is a designated Governor assigned to safeguarding children.

The safeguarding policy aims to outline the role that The Cavendish School has, the procedure that staff should follow and the guidance issued on pupil protection generally. All staff must ensure that the needs and safety of the pupils are at the forefront of their practice. In their day-to-day contact with individual pupils, teachers and other staff are particularly well placed to observe outward signs of abuse, changes in behaviour or failure to thrive.

Financial risks include those relating to budgetary control, fraud and money laundering, spending, accounting, borrowing policies, etc. and the need to ensure adequate cash flow coverage and reserves to meet future needs.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2021

STRATEGIC REPORT (continued)

Governance, structure and management (continued)

Long-term forecasting of pupil numbers continues to be difficult and Governors are mindful of the continuing need to raise the profile of the school, to maintain and further enhance good working practices and to continue to achieve an Excellent grading in inspections. The Senior Management Team, overseen by Governors, works with an Admissions and Marketing Officer to oversee marketing strategies and ensure that they are aligned with the key strategic aims:

1. To develop the business model.
2. To improve the quality of provision.
3. To develop structures to support the plan.

Regulatory looks at the effects of government policies, the consequences of new laws and regulations, etc.

Activities, specific objectives and relevant policies

◆ **Activities and specific objectives**

The principal activity of the charitable company in the year under review was the running of The Cavendish School, which was originally established to provide a Catholic education for girls aged between three and eleven with sibling boys to age seven.

◆ **Volunteers**

The Governors would like to thank all the parents for their much-valued contribution to the school community. Parents have participated in activities such as fundraising for local and international charities, tuck shop, library, uniform sales and educational visits as well as sharing the benefits of their professional expertise.

Financial review

Results for the year

Income for the year was £3,373,554 (2020 – £3,635,451), including £3,285,235 (2020 – £3,444,822) in respect of gross school fees and £50,786 (2020 – £46,958) in respect of total bursaries. Expenditure was £3,283,845 (2020 – £3,485,856). Expenditure includes £2,439,434 (2020 – £2,653,658) in respect of staff costs; £25,717 (2020 – £28,528) for interest on the bank loans and £178,011 (2020 – £186,391) in respect of depreciation charges.

The net income for the year was £89,709 (2020 – £149,595).

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2021

STRATEGIC REPORT (continued)

Financial review (continued)

Reserves policy

The Governors have examined the requirement for free reserves (also referred to as the general fund), i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Governors consider that, given the nature of the school's work, the level of free reserves should be equivalent to the termly expenditure at any one time. Based on current expenditure levels this should be in the region of £1,000,000. The Governors are of the opinion that this level of reserves would provide sufficient flexibility to respond to unforeseen emergencies whilst specific action plans are implemented. In addition, the school retains a healthy cash reserve that is capable of meeting anticipated future liabilities.

Financial position

The balance sheet shows total funds of £4,912,490.

The tangible fixed assets fund of £3,728,946 which represents the net book value of the school's tangible fixed assets less the related borrowings.

General funds of the school at 31 August 2021 are £1,034,796 and the Head's Discretionary fund was £6,064.

The designated Hardship Fund set up in response to the COVID-19 pandemic continued to support pupils and their families in the Autumn and Spring terms. The year-end balance of the Hardship fund was £83,959.

Overall, the Governors consider the affairs of the school to be satisfactory but they are aware of the need to monitor its resources closely; the potential financial issues facing independent schools; and the need to constantly monitor budgets and forecasts.

Fixed assets

The main asset of the school is the freehold building.

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements.

Summary

2020-2021 has been one of the most challenging financial years in the recent history of the School. The marginal negative effect of Brexit was fully compounded by the impact of Covid-19 as families reassessed both their financial commitments and the location of their school. Nonetheless, the School's financial health has remained strong, generating a £90k surplus for the year. This leaves the school with a general reserve of £1.035m, representing more than one term's expenditure as required by our reserves policy, and a cash balance of £2.3m.

GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2021

STRATEGIC REPORT (continued)

Financial review (continued)

Income fell by 7% year-on-year, largely driven by a fall in pupil numbers from 239 to 215. Acknowledging the economic uncertainty, the school elected to keep fees unchanged for the year but chose not to offer a discount during the Spring lock-down period given the comprehensive remote teaching offering.

At the same time, the school was able to adjust its costs down 6% year-on-year by electing not to replace some departing staff and reducing expenditure on materials, equipment, food and energy. While the School used the Government scheme to furlough some staff, this was kept to a minimum as the school remained open for children of key workers – approximately 25% of pupils.

Looking forward, challenges remain. Pupil numbers fell again slightly during the summer break, mirroring the situation across the market, although there are indications this is stabilising. Additionally, the proposed removal of business rate relief, due to occur in April 2023, represents a significant future headwind at an estimated additional cost of £160k a year.

Nevertheless, the Board remains committed to maintaining a disciplined and prudent approach to financial management. Fees for 2021-2022 were increased by 4.9%, configured to deliver a surplus on a conservative pupil forecast while remaining at the competitive end of market pricing. During the Summer term the Finance Committee also closely reviewed outstanding debt and finance costs, determining they remain very manageable while offering flexibility.

Acknowledgement

The Governors would like to express their thanks to those Cavendish leavers who generously donated their deposits to the school's Bursary Fund.

Future plans

Notwithstanding the return to in-person teaching and the relaxation of Covid restrictions, the Governors remain very aware of the potential and actual challenges facing the school over the next twelve months. These include the possibility of future Government-imposed lockdowns and a return to remote learning. However, much was learned during the first lockdown, resulting in very successful remote provision during the lockdown in early 2021, and the Governors are confident that, should this happen again, teaching can be moved online seamlessly and with very little disruption to the curriculum.

The new Head has been in post since April 2021 and has proved a great success so far. There is a palpable sense of energy and excitement in the school and the Governors are very much enjoying working with her.

As a result of both Brexit and the pandemic, a considerable number of families have left the school over the past eighteen months and the financial challenges resulting from these lower pupil numbers, which are affecting schools throughout the independent education sector, are a particular focus for the new Head and the Governors. There is a strong emphasis on developing marketing initiatives, in particular increasing the School's social media presence in the most effective way in order to reach as wide a range of potential applicants as possible. This includes emphasising the strength of the School community and its non-selective ethos, both of which it is believed will appeal to families as the country emerges from the pandemic.

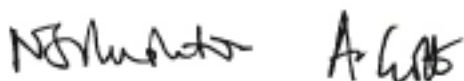
GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2021

The School will continue to offer its broad and balanced curriculum and provide its numerous enrichment opportunities for the pupils, including exciting changes such as a greater use of Regent's Park for outdoor activities introduced by the new Head.

Developing strong relationships with the heads of a broad range of secondary schools is another area of focus for the new Head, and the school's commitment to matching Year 6 girls to the secondary school most suitable to them will continue.

Governor's report (including the strategic report) approved by the Governors and signed on their behalf by:



A Gotto and N Rushton
Governors of The Cavendish School Charitable Trust
Company registration number
987480 (England and Wales)

Approved by the Governors on:

14.12.21

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2021

Opinion

We have audited the financial statements of The Cavendish School Charitable Trust Limited ('the company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2021

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the governors' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the governors' annual 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the governors' annual report.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2021

Responsibilities of trustees

As explained more fully in the governors' responsibilities statement set out on pages 8 & 9, 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 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2021

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CAVENDISH SCHOOL CHARITABLE TRUST LIMITED

For the year ended 31 August 2021

misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)

16 December 2021

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House

60 Goswell Road

London

EC1M 7AD

The Cavendish School Charitable Trust Limited

STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure statement) for the year ended 31 August 2021

	Notes	Unrestricted / Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
INCOME FROM:					
Charitable Activities					
School fees	3	3,232,333	2,116	3,234,449	3,397,864
Other educational income	4	35,487	-	35,487	112,092
Other income					
Other trading income	5	19,508	-	19,508	14,516
Other activities		1,498	-	1,498	3,843
Investments					
Investment Income	6	401	-	401	3,408
Voluntary sources					
Grants and donations	7	6,394	75,817	82,211	103,728
Total income and endowments		<u>3,295,621</u>	<u>77,933</u>	<u>3,373,554</u>	<u>3,635,451</u>
EXPENDITURE ON:					
Costs of raising funds					
Interest and other costs	8	25,717	-	25,717	28,528
Charitable activities					
Education	8	3,208,229	49,899	3,258,128	3,457,328
Total expenditure	8	<u>3,233,946</u>	<u>49,899</u>	<u>3,283,845</u>	<u>3,485,856</u>
Net operating income/(expenditure)		61,675	28,034	89,709	149,595
Net income/(expenditure)		<u>61,675</u>	<u>28,034</u>	<u>89,709</u>	<u>149,595</u>
Transfer between funds		13,405	(13,405)	-	-
Net movement in funds		75,080	14,629	89,709	149,595
Fund balances brought forward		<u>4,778,685</u>	<u>44,096</u>	<u>4,822,781</u>	<u>4,673,186</u>
Fund balances carried forward	18, 19	<u><u>4,853,765</u></u>	<u><u>58,725</u></u>	<u><u>4,912,490</u></u>	<u><u>4,822,781</u></u>

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

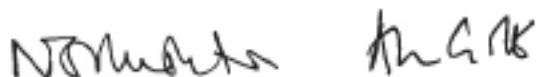
The Cavendish School Charitable Trust Limited

BALANCE SHEET

as at 31 August 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	13	<u>4,290,332</u>	<u>4,448,155</u>
		4,290,332	4,448,155
CURRENT ASSETS			
Debtors	14	<u>54,459</u>	<u>77,595</u>
Cash at bank and in hand		<u>2,300,218</u>	<u>1,943,072</u>
		2,354,677	2,020,667
CREDITORS: Amounts falling due within one year	15	<u>(866,180)</u>	<u>(680,245)</u>
		1,488,497	1,340,422
NET CURRENT ASSETS			
		<u>1,488,497</u>	<u>1,340,422</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS: Amounts falling due after more than one year	16	<u>5,778,829</u>	<u>5,788,577</u>
		<u>(866,339)</u>	<u>(965,796)</u>
		4,912,490	4,822,781
NET ASSETS			
		<u>4,912,490</u>	<u>4,822,781</u>
FUNDS			
Restricted Funds	19	<u>58,725</u>	<u>44,096</u>
Unrestricted Funds – General	19	<u>1,034,796</u>	<u>873,266</u>
Head's Discretionary Fund	18	<u>6,064</u>	<u>4,921</u>
Hardship Fund	18	<u>83,959</u>	<u>83,959</u>
Tangible Fixed Asset Fund	18	<u>3,728,946</u>	<u>3,816,539</u>
		<u>4,912,490</u>	<u>4,822,781</u>

Approved and authorised for issue by the Board of Governors on and signed on their behalf by:



A Gotto and N Rushton
Governors of The Cavendish School Charitable Trust
Company registration number
987480 (England and Wales)

The accompanying notes form part of these financial statements.

14.12.21

The Cavendish School Charitable Trust Limited

CASHFLOW STATEMENT

for the year ended 31 August 2021

CASH FLOW STATEMENT	Notes	2021	2020
		£	£
Net cash inflow from operating activities	23	472,292	194,339
Cash flows from investing activities:			
Bank interest received		401	3,408
Payments to acquire fixed assets		(20,189)	(44,561)
Net cash outflow from investing activities		(19,788)	(41,153)
Financing:			
Loans repaid		(69,641)	(66,985)
Interest repaid		(25,717)	(28,528)
Net cash outflow from financing activities		(95,358)	(95,513)
Increase/(decrease) in cash		357,146	57,673
Cash and cash equivalents at the beginning of the reporting period		1,943,072	1,885,399
Cash and cash equivalents at the end of the reporting period		2,300,218	1,943,072

The Cavendish School Charitable Trust Limited

ACCOUNTING POLICIES

for the year ended 31 August 2021

1 ACCOUNTING POLICIES

The Cavendish School Charitable Trust Limited is a company limited by guarantee with registered number 987480, incorporated and domiciled in England and Wales. Its registered office is The Cavendish School, 31 Inverness Street, London, NW1 7HB.

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

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

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

1.2 GOING CONCERN

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The school is dependent on pupils applying to it and on parents to pay their fees. Long term forecasting of pupil numbers is difficult but work continues to raise the profile of the school and to maintain and enhance the relationships with parents, feeder schools and nurseries and destination schools. The impact of the COVID-19 pandemic creates uncertainty over pupil numbers and its impact on the parents' ability to continuing paying school fees for the foreseeable future. However, the school has produced forecasts for at least 12 months from the date of approval of these financial statements which show that the school will have sufficient funds to continue operating as a going concern.

As such the School can expect to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. However, there can be no certainty in relation to these matters.

On this basis the Governors have concluded that the School is a going concern. The financial statements do not include any adjustments that would result from the School not being able to meet its liabilities as they fall due.

1.3 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee, the guarantors at the present time being the Governors, to the extent of £1 each.

1.4 FEES RECEIVABLE AND SIMILAR INCOME

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school.

1.5 DONATIONS AND FUND ACCOUNTING

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments – permanent or expendable according to the nature of the restriction.

1.6 EXPENDITURE

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the school to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and includes any attributable VAT which cannot be recovered. All expenses are allocated or apportioned to the applicable expenditure headings. Expenditure on charitable activities comprises expenditure on the provision of education.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

The Cavendish School Charitable Trust Limited

ACCOUNTING POLICIES

for the year ended 31 August 2021

1.7 TEACHING COSTS

The cost of teaching and support staff salaries, including pension and national insurance costs, books, other tuition expenses and IT support.

1.8 FIXED ASSETS AND DEPRECIATION

All fixed assets are used in direct furtherance of the school's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date.

Assets that are expected to have a useful economic life of less than one year and cost less than £2,000 are not capitalised and are written off in the year of purchase.

Freehold property is depreciated at a rate of 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic lives to the school. Certain improvements to property are depreciated on a straight-line basis in order to write off the costs over a period of fifteen years.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Furniture and general office equipment	- 10 years	10% - 20% per annum based on cost
Computer and IT	- 3 years	33.3% per annum based on cost
Piano	- 30 years	3.33% per annum based on cost

The cost of freehold property represents the historical value recorded in the books of £5,849,407. The council are of the opinion that the current value of the school's land and building is substantially in excess of the figure shown in the financial statements. The buildings have an insured value of £16,638,052 (2020: £16,039,737).

1.9 PENSIONS

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and Skills.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

The School participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff, however from 1 September, after a period of consultation the school took the decision to leave the TPS and put in place an alternative defined contribution scheme with AVIVA for the teaching staff.

The school also pays contributions into a Group Personal Pension Scheme for Support staff. The Scheme is a defined contribution pension scheme. The assets of the Scheme are held separately from those of the School in an independently administered fund. The Pension Scheme charge represents contributions payable by the school in accordance with the rules of the Scheme.

1.10 LEASES AND HIRE PURCHASE CONTRACTS

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.12 FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 14, 15 and 16 for the debtor and creditor notes.

The Cavendish School Charitable Trust Limited

ACCOUNTING POLICIES

for the year ended 31 August 2021

1.13 TAXATION

The company is a registered charity and is exempt from taxation as afforded by Section 505 ICTA 1988.

1.14 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

2 KEY ESTIMATES & JUDGEMENTS

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

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

In the opinion of the Council of Management, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property, plant and equipment and note 1.8 for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of the debtors and associated impairment provision.

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

3 FEE INCOME

The School's activities are carried out within the UK.
The school's fee income comprised:

	2021 £	2020 £
Gross fees	3,285,235	3,619,561
Less: C-19 discount	-	(174,739)
Less: Bursaries paid for from restricted funds	(2,116)	(20,392)
Less: Unrestricted bursaries	(48,670)	(26,566)
	<u>3,234,449</u>	<u>3,397,864</u>

Included within the above is an amount of £2,116 (2020: £4,351) which is supported by restricted income.

4 OTHER EDUCATIONAL INCOME

	2021 £	2020 £
Extras and disbursements	23,647	81,860
Registration fees	8,100	8,600
Fees in lieu of notice	-	-
Other income	3,740	3,752
	<u>35,487</u>	<u>94,212</u>

5 OTHER TRADING INCOME

	2021 £	2020 £
Rent and lettings	19,508	14,516
Other income	1,498	3,843
	<u>21,006</u>	<u>18,359</u>

6 INVESTMENT INCOME

	2021 £	2020 £
Interest received	401	3,408
	<u>401</u>	<u>3,408</u>

7 DONATIONS AND GRANTS

	2021 £	2020 £
Donations and gifts	30,488	25,291
Furlough grant	3,488	48,322
Other grants	48,235	47,995
	<u>82,211</u>	<u>121,608</u>

Included within the above is an amount of £77,933 (2020: £52,673) which relates to restricted income.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

8 EXPENDITURE

(a) Charitable expenditure	Staff costs (note 9) £	Other £	Depreciation £	Total 2021 £
Teaching	1,952,051	98,254	49,879	2,100,184
Welfare	8,474	177,798	-	186,272
Premises and Estates	-	245,386	128,132	373,518
Administration	478,909	104,455	-	583,364
Finance Costs	-	25,717	-	25,717
Governance	-	14,790	-	14,790
Total Charitable Expenditure	2,439,434	666,400	178,011	3,283,845

Included within £3,283,253 is an amount of £49,899 (2020: £42,311) relating to restricted expenditure.

Charitable expenditure	Staff costs (note 9) £	Other £	Depreciation £	Total 2020 £
Teaching	2,192,551	112,788	55,007	2,360,346
Welfare	8,697	147,688	-	156,385
Premises and Estates	-	236,200	131,384	367,584
Administration	452,410	101,982	-	554,392
Finance	-	28,528	-	28,528
Governance	-	18,621	-	18,621
Total Charitable Expenditure	2,653,658	645,807	186,391	3,485,856

(b) Other Governance Costs include:	2021 £	2020 £
Auditors' remuneration		
- Audit Fees	13,500	13,150
- Other Auditors remuneration	1,290	5,471

(c) Administration & Finance Costs	2021 £	2020 £
Salaries	391,773	374,319
National Insurance	43,136	40,958
Pension Costs	33,329	32,653
Other Staff Costs	10,671	4,480
Subscriptions	24,457	16,855
Staff travel	7	324
Operating Leases	14,466	2,155
IT support	3,711	2,400
Postage and stationery	1,743	630
Telephones	5,776	5,576
Marketing and advertising	3,945	840
Depreciation	-	-
Legal and Professional Fees	20,888	50,231
Other Administration Costs	29,426	22,862
Bank charges and interest	25,753	28,637
	609,081	582,920

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

9 STAFF COSTS	2021	2020
	£	£
Wages and salaries	1,931,160	2,047,220
Social security costs	205,589	215,828
Other pension costs	250,294	353,294
Other staff costs	52,391	37,316
	<u>2,439,434</u>	<u>2,653,658</u>

The number of employees who received remuneration under redundancy and settlement costs were 1 (2020: 0) which totalled £4,859 (2020: £nil).

The average monthly number of employees during the year was as follows:

	2021	2020
	No.	No.
Teaching	43	50
Support	9	9
	<u>52</u>	<u>59</u>

The number of employees whose emoluments £60,000 in the year was as follows:

	2021	2020
	No.	No.
£60,000 - £70,000	1	2
£80,001 - £90,000	1	-
£90,001 - £100,000	-	1
£110,001 - £120,000	1	-
£120,001 - £130,000	-	1
£130,001 - £140,000	-	-
	<u>3</u>	<u>4</u>

Pension contributions for the year amounted to £86,813 (2020: £61,003) for the above employees.

Key management personnel include the Governors and the senior executives which are made up 5 members of the Senior Leadership Team including the head and the bursar. The total pay and benefits received by management personnel were £419,275 (2020 £460,781).

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

10 PENSIONS

The School participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff, however from 1 September, after a period of consultation the school took the decision to leave the TPS and put in place an alternative defined contribution scheme with AVIVA for the teaching staff. The pension charge for the year includes contributions payable to the TPS and AVIVA scheme of £216,965 (2020: £320,642) and at the year-end £22,435 (2020: £36,760) was accrued in respect of contributions to the TPS) was accrued in respect of contributions to the AVIVA scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

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

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

The School also runs a scheme for its non-teaching staff, which is a defined contributions scheme. The cost for the year represents the School's contributions to the scheme of £33,329 (2020: £32,653) and at the year end £5,280 (2020: £6,118) was accrued in respect of contributions to this scheme.

11 GOVERNORS REMUNERATION AND BENEFITS

There were no Governors' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

Travel and other reimbursements of £485 (2020: £nil) for the governors were paid by the charity during the year.

12 NET INCOME FOR THE YEAR

	2021	2020
	£	£
Net income is stated after charging:		
Depreciation of tangible fixed assets	178,012	186,391
Operating lease rentals – other	14,466	2,155
Auditor's remuneration		
Audit services for the school- current year	13,500	13,150
Non-audit services	1,415	1,250

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

13 TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Equipment £	Fixtures & Fittings £	Total £
Cost:				
At 1 September 2020	5,617,571	17,718	303,812	5,939,101
Additions	1,411	-	18,778	20,189
	<u>5,618,982</u>	<u>17,718</u>	<u>322,590</u>	<u>5,959,290</u>
At 31 August 2021				
Depreciation:				
At 1 September 2020	1,308,090	2,880	179,976	1,490,946
Charge for year	128,133	590	49,289	178,012
	<u>1,436,223</u>	<u>3,470</u>	<u>229,265</u>	<u>1,668,958</u>
At 31 August 2021				
Net book value:				
At 31 August 2021	<u>4,182,759</u>	<u>14,248</u>	<u>93,325</u>	<u>4,290,332</u>
At 1 September 2020	<u>4,309,481</u>	<u>14,838</u>	<u>123,836</u>	<u>4,448,155</u>

14 DEBTORS

	2021 £	2020 £
Fees and extras	7,503	57,267
Less provision for doubtful debts	-	(36,189)
Prepayments and accrued income	46,956	56,517
	<u>54,459</u>	<u>77,595</u>

15 CREDITORS

Amounts falling due within one year:	2021 £	2020 £
Loans	72,637	69,821
Trade creditors	51,026	6,328
Taxation and social security costs	49,313	56,787
Fee Deposits	83,000	44,600
Fees in advance	563,757	439,424
Other creditors	27,715	42,878
Accruals	18,732	20,407
	<u>866,180</u>	<u>680,245</u>
Deferred income:	2021 £	2020 £
Brought forwards	439,424	605,357
Released in year	(439,424)	(605,357)
Received in year	563,757	439,424
	<u>563,757</u>	<u>439,424</u>
Carried forwards	<u>563,757</u>	<u>439,424</u>

Deferred income relates to schools fees received in advance for the following term.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

16 CREDITORS DUE AFTER ONE YEAR

	2021	2020
	£	£
Amounts falling due after more than one year:		
Bank loan	489,339	561,796
School fee deposits	377,000	404,000
	<u>866,339</u>	<u>965,796</u>
	2021	2020
	£	£
Movement on loans		
In one year or less	72,637	69,821
Between one and two years	75,590	72,636
Between two and five years	208,641	236,218
After five years	205,108	252,941
	<u>561,976</u>	<u>631,616</u>
	2021	2020
	£	£
Movement on deposits:		
In one year or less	83,000	44,600
Between one and two years	54,000	66,000
Between two and five years	176,000	156,000
After five years	147,000	182,000
	<u>460,000</u>	<u>448,600</u>

The bank loans are secured by first and second fixed charges over the freehold property situated at 31 Inverness Street, NW1 7HB (previously referred to as 179 Arlington Road, London NW1 7EY) and fixed plant and machinery. The balance of £489,339 includes two fixed interest elements of £150,168 and £339,171, repayable by instalments, on which interest is charged at 3.69% and 4.5% respectively.

17 FINANCIAL INSTRUMENTS

	2021	2020
	£	£
Carrying amount of financial assets		
Measured at amortised cost	591,376	26,561
Carrying amount of financial liabilities		
Measured at amortised cost	253,110	184,034

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

18 STATEMENT OF FUNDS

	At 1 September 2020	Income	Expenditure	Transfer Between Funds	At 31 August 2021
	£	£	£	£	£
Unrestricted & Designated Funds:					
General reserve	873,265	3,293,048	(3,232,515)	100,998	1,034,796
Tangible Fixed Asset Funds	3,816,539	-	-	(87,593)	3,728,946
Head's Discretionary Funds	4,922	2,573	(1,431)	-	6,064
Hardship Funds	83,959	-	-	-	83,959
Total Unrestricted & Designated Funds:	4,778,685	3,295,621	(3,233,946)	13,405	4,853,765
Restricted funds:					
Various Restricted Funds	44,096	77,933	(49,899)	(13,405)	58,725
Total funds	4,822,781	3,373,554	(3,283,845)	-	4,912,490

	At 1 September 2019	Income	Expenditure	Transfer Between Funds	At 31 August 2020
	£	£	£	£	£
Unrestricted & Designated Funds:					
General reserve	747,102	3,579,718	(3,424,259)	(29,296)	873,265
Tangible Fixed Asset Funds	3,891,647	-	-	(75,108)	3,816,539
Head's Discretionary Funds	5,107	3,060	(3,245)	-	4,922
Hardship Funds	-	-	(16,041)	100,000	83,959
Total Unrestricted & Designated Funds:	4,643,856	3,582,778	(3,443,545)	(4,404)	4,778,685
Restricted funds:					
Various Restricted Funds	29,330	52,673	(42,311)	4,404	44,096
Total funds	4,673,186	3,635,451	(3,485,856)	-	4,822,781

Restricted funds

The restricted funds of the school include income comprising donations, grants and other income received on trust to be used for bursaries, Early Years support and dedicated classroom assistant support.

Unrestricted funds

The tangible fixed assets fund represents the net book value of the school's tangible fixed assets less the related loans. A decision was made to separate this fund from the general fund of the school in recognition of the fact that the tangible fixed assets are essential to the day to day work of the school and as a such their value should not be regarded as funds that would be realisable with ease in order to meet future contingencies.

A transfer occurs each year from the tangible fixed assets fund to the unrestricted funds for the depreciation element of the fixed assets.

There has been a transfer from the restricted funds for monies which have been spent in the unrestricted funds.

Designated Fund

The Head's Discretionary Fund is funded by donations from parents and used at the discretion of the Head in order to assist the development and welfare of individual pupils.

In 2020, the governors transferred £100,000 from general reserves to set up a designated Hardship Fund in response to the COVID-19 pandemic to support pupils and their families during the summer term and beyond if necessary.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Tangible Fixed Asset Fund £	Head's Discretionary Fund £	Restricted fund £	2021 Total £
Tangible fixed assets	-	4,290,332	-	-	4,290,332
Current assets	2,289,888	-	6,064	58,725	2,354,677
Current liabilities	(793,543)	(72,637)	-	-	(866,180)
Long term liabilities	(377,000)	(489,339)	-	-	(866,339)
Total net assets	1,119,345	3,728,356	6,064	58,725	4,912,490

	Unrestricted funds £	Tangible Fixed Asset Fund £	Head's Discretionary Fund £	Restricted fund £	2020 Total £
Tangible fixed assets	-	4,448,155	-	-	4,448,155
Current assets	1,971,649	-	4,922	44,096	2,020,667
Current liabilities	(610,424)	(69,821)	-	-	(680,245)
Long term liabilities	(404,001)	(561,795)	-	-	(965,796)
Total net assets	957,224	3,816,539	4,922	44,096	4,822,781

20 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2021, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 Office equipment	2020 Office equipment
Due within one year	8,957	8,957
Due between two and five years	26,872	35,829
	35,829	44,786

21 RELATED PARTIES

Five (2020: five) Governors who are also parents had children attending the school during the financial year. Fees paid by the Governors are the same as fees paid by others. At the year end the School was owed £nil (2020: £357) by a Governor in relation to nursery sessions for their child.

The school has purchased insurance to protect the school from loss arising from the neglect or defaults of its Governors. The insurance premium payable by the school during the year totalled £1,174 (2020: £1,039) and provides cover of up to a maximum of £2 million.

During the year no governors were awarded gifts (2020: £15) for their assistance over the Summer Term. During the year the governor also donated £nil (2020: £650) to the School's Bursary Fund.

The Cavendish School Charitable Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

22 CAPITAL COMMITMENTS

The company had capital commitments contracted for but not provided for in these financial statements of £23,505 (2020: £nil).

23 NOTES TO THE CASHFLOW STATEMENT

	2021	2020
	£	£
Reconciliation of operating result to net cash inflow from operating activities		
Net movement in funds	89,709	149,595
Depreciation	178,012	186,655
Bank interest received	(401)	(3,408)
Interest payable	25,717	28,528
Increase/(Decrease) in creditors	156,119	(181,520)
(Increase)/Decrease in debtors	23,136	14,489
	<u>472,292</u>	<u>194,339</u>

Analysis of changes in net debt

	At 1 September 2020	Cash flows	Other non- cash changes	At 30 August 2021
Cash and cash equivalents				
Cash	1,943,072	357,146	0	2,300,218
Overdrafts	0	0	0	0
Cash Equivalents	0	0	0	0
	<u>1,943,072</u>	<u>357,146</u>	<u>0</u>	<u>2,300,218</u>
Borrowings				
Debt due within one year	-69,821	69,640	-72,637	-72,818
Debt due after one year	-561,795	0	72,637	-489,158
	<u>-631,616</u>	<u>69,640</u>	<u>0</u>	<u>-561,976</u>
Total	<u>1,311,456</u>	<u>426,786</u>	<u>0</u>	<u>1,738,242</u>