



# **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

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<b>Governors</b>	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
<b>Head</b>	T Lombard
<b>Secretary</b>	S Chen Cooper
<b>Bursar and Clerk to the Governors</b>	S Chen Cooper
<b>Registered Principal office</b>	The Cavendish School 31 Inverness Street London NW1 7HB
<b>Telephone</b>	020 7485 1958
<b>Website</b>	<a href="http://www.cavendishschool.co.uk">www.cavendishschool.co.uk</a>
<b>Company registration number</b>	987480 (England and Wales)
<b>Charity registration number</b>	312727
<b>Auditors</b>	Moore Kingston Smith LLP Floor 6 9 Appold Street London EC2A 2AP

## LEGAL AND ADMINISTRATIVE INFORMATION

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### **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**

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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**

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- ◆ 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

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### 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

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## 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:

<b>Governors</b>	<b>Appointed/Resigned</b>
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	

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#### **Secretary**

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S Chen Cooper

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# GOVERNOR'S REPORT (including a Strategic Report)

For the year ended 31 August 2023

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## 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

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## 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:

<b>Education</b>	<b>Finance &amp; General Purposes</b>
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

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### **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

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## 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

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## 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

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### 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**

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### **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

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### 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

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## **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

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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

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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

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## **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

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## 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

6<sup>th</sup> 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 £
<b>INCOME FROM:</b>					
<b>Charitable Activities</b>					
School fees	3	3,575,262	3,634	3,578,896	3,353,895
Other educational income	4	228,637	-	228,637	199,409
<b>Other income</b>	5				
Other trading income		25,166	-	25,166	40,675
Other activities		3,108	-	3,108	3,233
<b>Investments</b>	6				
Investment Income		50,558	-	50,558	1,070
<b>Voluntary sources</b>	7				
Grants and donations		9,257	16,362	25,619	23,581
<b>Total income and endowments</b>		<b>3,891,988</b>	<b>19,996</b>	<b>3,911,984</b>	<b>3,621,863</b>
<b>EXPENDITURE ON:</b>					
<b>Costs of raising funds</b>	8				
Interest and other costs		18,830	-	18,830	22,076
<b>Charitable activities</b>	8				
Education		3,630,326	12,600	3,642,926	3,437,630
<b>Total expenditure</b>	8	<b>3,649,156</b>	<b>12,600</b>	<b>3,661,756</b>	<b>3,459,706</b>
<b>Net operating income/(expenditure)</b>		<b>242,832</b>	<b>7,396</b>	<b>250,228</b>	<b>162,157</b>
<b>Net income/(expenditure)</b>		<b>242,832</b>	<b>7,396</b>	<b>250,228</b>	<b>162,157</b>
Transfer between funds		-	-	-	-
<b>Net movement in funds</b>		<b>242,832</b>	<b>7,396</b>	<b>250,228</b>	<b>162,157</b>
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 £
<b>FIXED ASSETS</b>			
Tangible assets	13	<u>4,073,922</u>	<u>4,169,538</u>
		<b>4,073,922</b>	<b>4,169,538</b>
<b>CURRENT ASSETS</b>			
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>
		<b>2,851,564</b>	<b>2,700,419</b>
<b>CREDITORS: Amounts falling due within one year</b>	15	<u>(826,496)</u>	<u>(948,061)</u>
		<b>2,025,068</b>	<b>1,752,358</b>
<b>NET CURRENT ASSETS</b>			
		<b>2,025,068</b>	<b>1,752,358</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>CREDITORS: Amounts falling due after more than one year</b>	16	<u>6,098,990</u>	<u>5,921,896</u>
		<u>(774,115)</u>	<u>(847,249)</u>
		<b>5,324,875</b>	<b>5,074,647</b>
<b>NET ASSETS</b>			
		<b>5,324,875</b>	<b>5,074,647</b>
<b>FUNDS</b>			
Restricted Funds	19	<u>44,447</u>	<u>37,051</u>
Unrestricted Funds – General	19	<u>1,530,866</u>	<u>1,268,199</u>
Head's Discretionary Fund	18	<u>5,430</u>	<u>5,240</u>
Hardship Fund	18	<u>83,959</u>	<u>83,959</u>
Tangible Fixed Asset Fund	18	<u>3,660,173</u>	<u>3,680,198</u>
		<b>5,324,875</b>	<b>5,074,647</b>

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

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### 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

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### 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

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### 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
<b>Total Charitable Expenditure</b>	<b>2,584,940</b>	<b>915,490</b>	<b>161,336</b>	<b>3,661,766</b>

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
<b>Total Charitable Expenditure</b>	<b>2,377,431</b>	<b>911,286</b>	<b>170,989</b>	<b>3,459,706</b>

(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
	<b>606,553</b>	<b>616,277</b>

# 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

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### 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
	<u>5,660,296</u>	<u>17,718</u>	<u>397,189</u>	<u>6,075,203</u>
At 31 August 2023				
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
	<u>1,686,667</u>	<u>17,718</u>	<u>296,898</u>	<u>2,001,283</u>
At 31 August 2023				
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
	<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
	<b>774,115</b>	<b>847,249</b>
	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
	<b>413,749</b>	<b>489,340</b>
	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
	<b>510,550</b>	<b>498,500</b>

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 £
<b>Carrying amount of financial assets</b>		
Measured at amortised cost	15,276	33,962
<b>Carrying amount of financial liabilities</b>		
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 £
<b>Unrestricted &amp; Designated Funds:</b>					
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
<b>Total Unrestricted &amp; Designated Funds:</b>	<b>5,037,596</b>	<b>3,891,988</b>	<b>(3,649,156)</b>	<b>-</b>	<b>5,280,428</b>
<b>Restricted funds:</b>					
Various Restricted Funds	37,051	19,996	(12,600)	-	44,447
<b>Total funds</b>	<b>5,074,647</b>	<b>3,911,984</b>	<b>(3,661,756)</b>	<b>-</b>	<b>5,324,875</b>

	At 1 September 2021 £	Income £	Expenditure £	Transfer Between Funds £	At 31 August 2022 £
<b>Unrestricted &amp; Designated Funds:</b>					
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
<b>Total Unrestricted &amp; Designated Funds:</b>	<b>4,853,765</b>	<b>3,587,180</b>	<b>(3,417,061)</b>	<b>13,712</b>	<b>5,037,596</b>
<b>Restricted funds:</b>					
Various Restricted Funds	58,725	34,683	(42,645)	(13,712)	37,051
<b>Total funds</b>	<b>4,912,490</b>	<b>3,621,863</b>	<b>(3,459,706)</b>	<b>-</b>	<b>5,074,647</b>

#### 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)
<b>Total net assets</b>	<b>1,614,825</b>	<b>3,660,173</b>	<b>5,430</b>	<b>44,447</b>	<b>5,324,875</b>

  

	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)
<b>Total net assets</b>	<b>1,352,158</b>	<b>3,680,198</b>	<b>5,240</b>	<b>37,051</b>	<b>5,074,647</b>

### 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
	<b>17,915</b>	<b>26,872</b>

### 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
<b>Cash and cash equivalents</b>				
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>
<b>Borrowings</b>				
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>
<b>Total</b>	<u>2,097,703</u>	<u>216,751</u>	<u>-</u>	<u>2,314,454</u>