

**Charity registration number 515073**

**Company registration number 01644174 (England and Wales)**

**BRANWOOD SCHOOL TRUST LIMITED**  
**ANNUAL REPORT**  
**AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

# BRANWOOD SCHOOL TRUST LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr T S Cramant Mr M N Fletcher Mr D M Taylor Mrs J E Wilcox Mr M Foster
<b>Charity number</b>	515073
<b>Company number</b>	01644174
<b>Registered office</b>	Stafford Road Monton Eccles Manchester
<b>Auditor</b>	Barlow Andrews LLP Carlyle House 78 Chorley New Road Bolton
<b>Bankers</b>	The Royal Bank of Scotland Plc Walkden Branch Walkden Worsley Manchester

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# BRANWOOD SCHOOL TRUST LIMITED

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# **BRANWOOD SCHOOL TRUST LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### ***FOR THE YEAR ENDED 31 AUGUST 2023***

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The Trustees present their annual report and financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### **Objectives and activities**

The charitable company's objects are:

To establish and carry on the charity as a Preparatory School, where children may receive a sound education.

To establish and perpetuate a Preparatory School run in connection with, or independently of, any senior school or college.

Branwood School Trust Limited operates as an Independent Preparatory School providing education to children of both sexes from the age of 3 through to 11.

Each year the Trustees review the objectives and activities of the charity to ensure they continue to reflect our aims and to provide public benefit. In setting our objectives and planning our activities, our Governors have given careful consideration to the Charity Commission's general guidance and guidance on public benefit and in particular in its supplementary public benefit guidance on advancing education and on fee charging. The Trustees are more than satisfied that they do.

The Trustees and Governors have discussed the objectives of the school and how it can best serve not only the pupils and staff, but also the local community.

The Trustees are committed to ensuring the provision of excellence in education at an affordable cost. The Trustees are committed to offering scholarships as and when it is deemed feasible, and to assisting scholars as and when it is thought fit and appropriate.

The school does not currently have a separate fund that would enable it to set up and maintain a system of Bursaries, and as the Trustees' policy is to maintain fees for the school at a reasonable level, it is unlikely that Bursaries can be offered in the short to medium term. The Trustees have publicised the facilities available at the school to the local community and organisations, at a reasonable cost where the use is considered to be appropriate and compatible.

#### **Achievements and performance**

The statement of financial activities is set out on page 9.

The Trustees are pleased to report that the school has enjoyed another successful year, and despite the current financial climate of economic uncertainty and inflationary pressures it has kept the reported financial deficit to a minimum in the year and will be looking to further use the charitable company's unrestricted reserves to improve the school's facilities and enhance the charity's educational objectives over the forthcoming years.



# **BRANWOOD SCHOOL TRUST LIMITED**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Income generation**

The charity's main income continues to be derived from its principle activity of providing education services to children. Fee income in the year decreased slightly to £1,148,404 from £1,151,845 in 2022. This was as a result of a small decrease in pupil numbers.

Whilst the Trustees are mindful of the increasing pressures on parents, the charity is also faced with increasing costs.

A comparison of fees with other educational establishments in the area has shown that the fees agreed by Branwood School Trust are comparable. The Trustees review fees on an annual basis and will continue to do so to ensure that the school provides an excellent all round education, enabling its pupils to progress to independent grammar schools in the general Manchester area.

### **Resources expended**

The charity adopts a strict control policy for expenditure. After approval by the school Governors, recommendations are made to the board of Trustees to consider proposals for expenditure above a set criteria. Staff remuneration is decided annually at Governors' meetings.

The total expenditure on charitable activities in the year amounted to £1,289,139 (2022: £1,190,769). Of this, salaries and associated costs for teaching and support staff amounted to £864,655 (2022: £816,778).

### **Thanks**

The Trustees would like to express their thanks and appreciation to the Headteacher and staff for their dedication and efforts towards the charity over the past year.

### **Reserves policy**

It is the policy of the charitable company that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to a minimum of one term's budgeted expenditure.

At the balance sheet date the free reserves, which include the charity's investments, amounted to £918,277 (2022: £1,322,115). Total reserves amounted to £2,204,429 (2022: £2,264,234). Designated reserves amounted to £1,286,145 (2022: £942,112) which relates to fixed assets held in the trust and amounts designated for development of the building. Developments began post year end and are expected to continue throughout 2023/24.

### **Investment policy**

The charity has invested money with The International Investment Bond.

As permitted by the charity's Memorandum and Articles of Association, the Trustees have given the investment managers discretion to manage the portfolio with an agreed low risk profile. The performance of investments was in line with market conditions during the year and the Trustees are satisfied with the position at the year end.

### **Risk management**

The Governors have conducted a review of the major risks to which the charity is exposed and, where appropriate, systems or procedures have been established to mitigate those risks by the implementation of procedures for authorisation of all transactions. Procedures are in place to ensure compliance with health and safety of staff, volunteers and visitors to the school.

### **Future Plans**

The Trustees are committed to maintaining Branwood School Trust as a successful educational resource, and to developing both its facilities and links with the local community.

Whilst it is not possible to open the school facilities to members of the public during school time, the school has engaged the services of Greater Manchester Community Lettings (GMCL) Ltd to encourage community use of the school facilities. The uptake of the facilities has been promising, with the hall and astroturf pitches now being let a number of evenings per week. The school also offers regular holiday camps for local children during closure periods. The Trustees hope to build upon this success moving forward.

# **BRANWOOD SCHOOL TRUST LIMITED**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Structure, governance and management**

The charitable company is a charitable limited company and was set up on 17 June 1982. It is governed by its Memorandum and Articles of Association which was last amended on 13 June 2005.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr T S Cramant  
Mr M N Fletcher  
Mr D M Taylor  
Mrs J E Wilcox  
Mr M Foster

### **Trustee recruitment, appointment and training**

The recruitment and appointment of Trustees at Branwood School Trust Limited follows the conditions established within the charity's memorandum and articles. Trustees are recruited to the board from a variety of backgrounds and disciplines.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

It is considered that the trust has sufficient legal and financial expertise to enable it to operate effectively and to manage the charity's affairs appropriately. All Trustees have undertaken and successfully completed webinars in line with ISI recommendations.

### **Organisation structure**

The Trustees and Governors determine the general policy of the school. The day to day running of the school is delegated to the Head, Mr A Whittell, supported by senior staff. The Head undertakes the key leadership role overseeing educational and administrative functions in consultation with senior staff. The day to day administration of the school is undertaken within the policies and procedures approved by the Governors which provide for only significant expenditure decisions and major capital projects to be referred to the Governors for prior approval. The Head oversees the recruitment of all educational staff, whilst under delegated authority the Bursar oversees the recruitment of administrative and non teaching support staff. The Head and Bursar are invited to attend Governors' meetings.

The Trustees discuss and agree pay and remuneration for all staff, including key management personnel, on an annual basis. Pay increases are considered with regard to inflation rates and increases awarded in the state sector, as well as "time served" experience.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Barlow Andrews LLP be reappointed as auditor of the company will be put at a General Meeting.

### **Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

### **Mr M N Fletcher**

Trustee

Dated: 31 January 2024

# **BRANWOOD SCHOOL TRUST LIMITED**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 AUGUST 2023***

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The Trustees, who are also the directors of Branwood School Trust Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts 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 year.

In preparing these accounts, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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.

# BRANWOOD SCHOOL TRUST LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF BRANWOOD SCHOOL TRUST LIMITED

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#### Opinion

We have audited the financial statements of Branwood School Trust Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the 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 information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# **BRANWOOD SCHOOL TRUST LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF BRANWOOD SCHOOL TRUST LIMITED**

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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 our audit:

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

#### **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 purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# **BRANWOOD SCHOOL TRUST LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF BRANWOOD SCHOOL TRUST LIMITED**

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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. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006 and the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **BRANWOOD SCHOOL TRUST LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF BRANWOOD SCHOOL TRUST LIMITED**

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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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Paul Burton (Senior Statutory Auditor)**  
**for and on behalf of Barlow Andrews LLP**

31 January 2024

**Chartered Accountants**  
**Statutory Auditor**

Carlyle House  
78 Chorley New Road  
Bolton

# BRANWOOD SCHOOL TRUST LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 AUGUST 2023**

	Notes	2023 £	2022 £
<b><u>Income and endowments from:</u></b>			
Income from charitable activities	3	1,231,179	1,250,382
Investments	4	8,435	400
Other income	5	-	980
<b>Total income</b>		<u>1,239,614</u>	<u>1,251,762</u>
<b><u>Expenditure on:</u></b>			
Expenditure on charitable activities	6	<u>1,289,139</u>	<u>1,190,769</u>
<b>Net income and net movement in funds before gains and losses on investments</b>		(49,525)	60,993
Net losses on investments	9	<u>(10,280)</u>	<u>(161,495)</u>
<b>Net movement in funds</b>		(59,805)	(100,502)
Fund balances at 1 September 2022		<u>2,264,234</u>	<u>2,364,736</u>
<b>Fund balances at 31 August 2023</b>		<u><u>2,204,429</u></u>	<u><u>2,264,234</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities and relates to unrestricted funds.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.



# BRANWOOD SCHOOL TRUST LIMITED

## BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	11	536,145		542,112	
Investments	12	1,038,261		1,048,541	
		<u>1,574,406</u>		<u>1,590,653</u>	
<b>Current assets</b>					
Debtors	14	39,518		40,600	
Cash at bank and in hand		885,250		810,514	
		<u>924,768</u>		<u>851,114</u>	
<b>Creditors: amounts falling due within one year</b>	15	(294,745)		(177,533)	
Net current assets		<u>630,023</u>		<u>673,581</u>	
<b>Total assets less current liabilities</b>		<u>2,204,429</u>		<u>2,264,234</u>	
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds:					
Tangible fixed assets		536,145		542,112	
Development funds		750,000		400,000	
		<u>1,286,145</u>		<u>942,112</u>	
General unrestricted funds	17	918,277		1,322,115	
Share capital		<u>7</u>		<u>7</u>	
		<u>2,204,429</u>		<u>2,264,234</u>	
		<u>2,204,429</u>		<u>2,264,234</u>	

The financial statements were approved by the Trustees on 31 January 2024

Mr M N Fletcher

Trustee

Company Registration No. 01644174

# BRANWOOD SCHOOL TRUST LIMITED

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2023**

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	21		118,868		10,439
<b>Investing activities</b>					
Purchase of tangible fixed assets		(52,567)		(21,507)	
Investment income received		8,435		400	
<b>Net cash used in investing activities</b>			(44,132)		(21,107)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			74,736		(10,668)
Cash and cash equivalents at beginning of year			810,514		821,182
<b>Cash and cash equivalents at end of year</b>			885,250		810,514

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# BRANWOOD SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

#### Charity information

Branwood School Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Stafford Road, Monton, Eccles, Manchester.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

#### 1.4 Income

Income is recognised at fair value on a receivable basis and is reported gross of any related expenditure and when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income that is invoiced in advance or arrears is apportioned so that only that relating to the period of the financial statements is included in income.

#### 1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which can not be recovered and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

# BRANWOOD SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% straight line
Property improvements	10% straight line
Fixtures, fittings & equipment	15% reducing balance
Computer equipment	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

#### 1.10 Financial instruments

The charitable 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 charitable company's balance sheet when the charitable 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.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# BRANWOOD SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### ***Impairment of financial assets***

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

#### **1.11 Taxation**

The company has charitable status and is thus exempt from taxation of its income and gains falling within section 505 of The Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives.

#### **1.12 Employee benefits**

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

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# BRANWOOD SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 2 Critical accounting estimates and judgements

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

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

### 3 Income from charitable activities

	2023 £	2022 £
School fees	1,148,404	1,151,845
School activities	77,515	93,049
Other income	5,260	5,488
	<u>1,231,179</u>	<u>1,250,382</u>

### 4 Investments

	2023 £	2022 £
Interest receivable	<u>8,435</u>	<u>400</u>

### 5 Other income

	2023 £	2022 £
Insurance claim receivable	<u>-</u>	<u>980</u>

# BRANWOOD SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 6 Expenditure on charitable activities

	2023 £	2022 £
Staff costs	864,655	816,778
Depreciation and impairment	58,534	51,299
Recruitment costs	3,430	1,600
Establishment costs	44,116	38,627
Postage and stationery	5,950	8,361
Repairs and maintenance	95,907	59,655
Office expenses	7,797	4,074
Services and supplies	150,701	130,971
Transport and security	23,690	26,744
Advertising and promotion	5,119	6,736
Bad debts	1,724	9,988
Bank charges	1,187	1,048
Accountancy fees	8,741	7,388
Cost of trustee meetings	217	828
Legal and professional fees	11,071	20,732
Auditors' remuneration	6,300	5,940
	<hr/>	<hr/>
Unrestricted funds	1,289,139	1,190,769
	<hr/>	<hr/>

#### Governance costs

Governance costs of £6,300 (2022: £5,940), being auditors' remuneration, are included within expenditure on charitable activities.

### 7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

#### Trustees' expenses

During the year trustees were reimbursed for a total of £217 relating to travel and catering expenses (2022: £828).

### 8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Teaching staff	22	24
Administration staff	7	5
Domestic staff	4	3
	<hr/>	<hr/>
Total	33	32
	<hr/>	<hr/>

# BRANWOOD SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Employees

(Continued)

Employment costs	2023 £	2022 £
Wages and salaries	767,038	722,181
Social security costs	65,210	61,964
Other pension costs	32,407	32,633
	<u>864,655</u>	<u>816,778</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,000 - £69,999	<u>1</u>	<u>-</u>

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2023 £	2022 £
Aggregate compensation	<u>116,228</u>	<u>117,764</u>

### 9 Net losses on investments

	2023 £	2022 £
Revaluation of investments	<u>(10,280)</u>	<u>(161,495)</u>

### 10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.



# BRANWOOD SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 11 Tangible fixed assets

	Land and buildings	Property improvements	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2022	701,960	294,877	168,601	149,398	1,314,836
Additions	-	24,371	9,866	18,330	52,567
At 31 August 2023	701,960	319,248	178,467	167,728	1,367,403
<b>Depreciation and impairment</b>					
At 1 September 2022	364,806	139,691	133,389	134,838	772,724
Depreciation charged in the year	14,040	31,514	5,728	7,252	58,534
At 31 August 2023	378,846	171,205	139,117	142,090	831,258
<b>Carrying amount</b>					
At 31 August 2023	323,114	148,043	39,350	25,638	536,145
At 31 August 2022	337,154	155,186	35,212	14,560	542,112

### 12 Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 September 2022	1,048,541
Valuation changes	(10,280)
At 31 August 2023	1,038,261
<b>Carrying amount</b>	
At 31 August 2023	1,038,261
At 31 August 2022	1,048,541

### 13 Financial instruments

	2023 £	2022 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	896,695	823,590
Equity instruments measured at cost less impairment	1,038,261	1,048,541
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	294,745	177,533

# BRANWOOD SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 14 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	9,567	4,732
Other debtors	1,878	8,344
Prepayments and accrued income	28,073	27,524
	<u>39,518</u>	<u>40,600</u>

### 15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	25,989	16,488
Other creditors	198	1,420
Accruals and deferred income	268,558	159,625
	<u>294,745</u>	<u>177,533</u>

Deferred income of £226,581 (2022: £140,506) is included in accruals and deferred income.

### 16 Share capital

	2023	2022
	£	£
Ordinary share capital		
Issued and fully paid		
7 Ordinary shares of £1 each	<u>7</u>	<u>7</u>

### 17 Designated funds

The income funds of the charity include two designated funds. The tangible fixed assets fund relates to the tangible fixed assets held in the trust. As at 1 September 2022 the amount held in this fund was £542,112. During the year there was a net movement in this fund of £5,967, therefore at the year end the balance on the fund was £536,145.

The second fund amounts to £750,000 and relates to funds set aside for a new development which has started post year end. This stood at £400,000 as at 1 September 2022, however an additional £350,000 has been transferred from general funds during the year to cover expected costs.

# BRANWOOD SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Analysis of net assets between funds

	Unrestricted funds £
Fund balances at 31 August 2023 are represented by:	
Tangible assets	536,145
Investments	1,038,261
Net current assets	630,023
	<u>2,204,429</u>

#### Prior year

	Unrestricted funds £
Fund balances at 31 August 2022 are represented by:	
Tangible assets	542,112
Investments	1,048,541
Net current assets	673,581
	<u>2,264,234</u>

### 19 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	1,718	1,718
Between two and five years	3,007	4,726
	<u>4,725</u>	<u>6,444</u>

### 20 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

# BRANWOOD SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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21	Cash generated from operations	2023 £	2022 £
	Deficit for the year	(59,805)	(100,502)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(8,435)	(400)
	Fair value gains and losses on investments	10,280	161,495
	Depreciation and impairment of tangible fixed assets	58,534	51,299
	Movements in working capital:		
	Decrease in debtors	1,082	412,395
	Increase/(decrease) in creditors	117,212	(513,848)
	<b>Cash generated from operations</b>	<u>118,868</u>	<u>10,439</u>
22	<b>Analysis of changes in net funds</b>		
	The charitable company had no material debt during the year.		