

**Crosfields School Trust Limited**  
**(A company limited by guarantee)**

Annual Report and Consolidated Financial Statements

Year Ended

31 August 2021

Registered No. 0584278 (England and Wales)  
Charity No. 309108

# Crosfields School Trust Limited

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# Crosfields School Trust Limited

## LEGAL AND ADMINISTRATIVE INFORMATION For the year ended 31 August 2021

### STATUS AND ADMINISTRATION

The Crosfields School Trust Limited is a charitable company limited by guarantee, incorporated on 21 May 1957 and registered as a charity on 1 October 1962.

The charitable company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association.

<b>COMPANY NUMBER</b>	00584278
<b>CHARITY NUMBER</b>	309108
<b>REGISTERED OFFICE AND ADDRESS</b>	Crosfields School Shinfield Road Shinfield Reading Berkshire RG2 9BL

### GOVERNORS

The governors of the school being also Trustees of the charity and Directors of the charitable company, who served during the year, unless otherwise stated, were as follows:

**	A Atkinson	(Appointed 21 June 2021) (Buildings & Estates Chair)
#	D Battersby	(Appointed 29 November 2021)
**/@/++	C S Bradford	Chair of Governors – 1 August 2021
#	C J Brown	(Resigned 15 July 2021)
^^	S Brown	(Appointed 21 June 2021)
^^/*	K Clark	
**/###/@/++	C J Dering	(Resigned 31 July 2021)
**/###	H Fitzwilliams	(Resigned 1 October 2020)
#/@/++	C L Furneaux	(Education & Welfare Chair)
*	V A M Grantham	(Resigned 17 November 2020)
**/@	M J Hatch	(Buildings & Estates Chair) (Resigned 29 November 2021)
*	A Hilson	(Appointed 29 November 2021)
#	R Kapoor	(Resigned 29 November 2021)
*/@/++	S Lewis	(Finance Chair)
^^	J R Lucey	
*	B Purewal	(Resigned 29 November 2021)
	S Sachdeva	
^^/@	J Sefton Jenkins	(IT Chair)
#	M Turner	(Safeguarding Lead)
#	M Wardrop	(Appointed 23 April 2020)

Governors are appointed by the board of governors normally at the annual general meeting for a term of three years, but are eligible for re-election.

*	Members of the Finance Committee (FC)
**	Members of the Building & Estates Committee (BEC)
++	Members of the HM Bursar's Remuneration & Appraisal Committee (HMBRAC)
#	Members of the Education & Welfare Committee (EWC)
##	Members of the Health & Safety Committee (H&S)
^^	Members of the IT Committee (ITC)
@	Members of the P16 Programme Board

# Crosfields School Trust Limited

## LEGAL AND ADMINISTRATIVE INFORMATION *(continued)* For the year ended 31 August 2021

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### OFFICERS

Headmaster: C D J Watson  
Bursar and Company Secretary: C J Purdom

### SENIOR LEADERSHIP TEAM

C D J Watson	Headmaster
S Dinsdale	Second Master
R Ebbage	Deputy Head (Academic) Senior School
T Goodhew	Deputy Head (Pastoral) Junior School
J Ireland	Deputy Head (Academic) Junior School
A Mallins	Deputy Head (Pastoral) Senior School
P J McDowell	Head of Pre-Prep
A Westley-Smith	Deputy Head of Pre-Prep
K O'Leary	Director of Studies
C J Purdom	Bursar
K Stone	Head of Early Years

### PROFESSIONAL ADVISERS

#### BANKERS:

Barclays Bank PLC  
Broad Street  
Reading  
RG1 2HD

Lloyds Bank  
Unit 3  
20 Market Place  
Wokingham  
RG40 1AP

#### SOLICITORS:

Field Seymour Parks LLP  
1 London Street  
Reading  
RG1 4PN

Pennington Manches Cooper LLP  
Apex Plaza  
Forbury Road  
Reading  
RG1 1AX

Veale Wasbrough Vizards  
Narrow Quay House  
Narrow Quay  
Bristol  
BS1 4QA

#### AUDITORS:

hayesmacintyre  
10 Queen Street Place  
London  
EC4R 1AG

# Crosfields School Trust Limited

LEGAL AND ADMINISTRATIVE INFORMATION *(continued)*  
For the year ended 31 August 2021

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## INSURANCE BROKERS

Marsh Brokers Limited  
Rockwood House  
9-17 Perrymount Road  
Haywards Heath  
RH16 3DU

# Crosfields School Trust Limited

## REPORT OF THE GOVERNORS For the year ended 31 August 2021

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### ANNUAL REPORT

The governors present their annual report, together with the financial statements for the year ended 31 August 2021 and confirm that the latter comply with the requirements of the Companies Act 2006, the Charitable Company's Articles of Association (March 2019), the Charities Statement of Recommended Practice (SORP 2015) and Financial Reporting Standard 102 (FRS 102). The annual report is also the Trustees' Report as required by Part VIII of the Charities Act 2011 and the Directors' Report as required by section 417 of the Companies Act 2006.

Coronavirus has continued to impact on the educational experience for all our pupils but the school has also found ways to adapt and overcome the many challenges presented in order to continue to deliver upon its aims. Whilst we had hoped that these effects would be relatively short-lived, we understand that all our future thinking must take into account and plan for a resurgence of the virus.

#### Chair of Governor's Report

Crosfields is a community that prides itself not just on its strong academic achievement and impressive breadth of opportunity but also on an uplifting atmosphere of welcome, of calm and of mutual support. It is not a school that stands still and in September 2021, we went through our next exciting evolution as the Junior School (Nursery to Year 6) and Senior School (Year 7 – 9 currently) were established. Whilst each has many distinguishing features of its own, not least their own uniform and Senior Leadership Team, they will develop their own character in keeping with the Crosfields ethos and values.

The new Senior School Building is very much a physical sign of the changing times and our ambitions to be the leading co-educational day school in the area. Our future challenge is to make the expansion of the school through to 16, a sustainable success in terms of continued growth in pupil numbers; staff professional development; extending opportunities for our pupils in and out of the classroom and broadening access for students who might be unable to afford an independent education.

We are also very conscious of our impact upon the environment and local community and the Board are making firm commitments to the challenges of climate change and wider social responsibility.

### AIMS, OBJECTIVES AND ACTIVITIES

Crosfields is situated in over forty acres of park and woodland, with exceptional facilities and talented staff. It is a co-educational school with children between the ages of 3 and 15 with our first cohort of Year 9 pupils joining our senior school in September 2021 (see Strategic Review below). They are given the opportunity to challenge and develop themselves, both inside and outside of the classroom.

An exceptionally friendly school, Crosfields emphasises manners, kindness and good behaviour. The girls and boys benefit from a vast range of opportunities provided by a committed and talented staff enhanced by excellent facilities which are second to none. Though they are taught broadly, the children are also taught thoroughly and imaginatively, preparing them for whatever their future holds. Crosfields lays the foundations for the adults pupils will become.

#### Aims

The overall intent of Crosfields is to provide an exceptional education that is broad, thorough and enjoyable, enabling children to make the most of themselves and to be considerate of others. In so doing, it has the following aims:

- To provide an environment in which the children are happy and confident which is safe, caring and supportive with exceptional pastoral care.
- To provide opportunities of considerable breadth and depth to help children discover their talents.
- To provide an atmosphere in which respect for other people and for the world is cultivated.
- To encourage effort, resilience, and rigour.

# Crosfields School Trust Limited

## REPORT OF THE GOVERNORS For the year ended 31 August 2021

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- To encourage the children to be independent thinkers with critical, inquiring minds by providing a challenging academic curriculum which inspires and engages all pupils.
- To prepare children to leave Crosfields ready for the challenges which await them at their next schools and beyond.

### **Current approaches to implement the aims:**

The governors have adopted the following approaches to deliver the aims of the school:

- To provide a high standard of academic education for children up to age 16 within an environment that encourages pupils in music, drama, sport and broad co-curricular programme.
- To prepare for the expansion of the school for children up to age 16 in respect of academic provision, pastoral care, organisational change and infrastructure (known as Project 16 – P16).
- To continue to review the school's academic syllabus and to benchmark academic standards.
- To offer the public wider access to facilities out of school hours through the use by local clubs and organisations.
- To ensure effective management and governance systems are in place for financial management (capital and revenue), estate management, Health & Safety, IT, risk management, education and welfare provision, personal development of staff and governors, sustainability and future estate development planning.

### **Principal Activities**

In setting the school's objectives and planning its activities, governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging. The role of the Crosfields charitable company is to ensure that Crosfields School functions as a co-educational day school and that it continues to thrive in a competitive environment, through the provision of high standards of education and development of children.

The school welcomes pupils from all backgrounds. To admit a prospective pupil, the school needs to be satisfied that the school will be able to educate and develop that person to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that pupils can cope with the pace of learning and benefit from the education the school provides. An individual's gender, ethnicity, race, religion or disability does not form part of our assessment processes. The school is an equal opportunity organisation and is committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. The school will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

The school is committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment. The Designated Safeguarding Lead and the team of trained deputy safeguarding leads provide the necessary support within the school to fulfil its statutory duties and promote the wellbeing and welfare of children. All Governors undertake safeguarding training and are provided with an oversight on safeguarding termly. A safeguarding governor is nominated to oversee the safeguarding policy and practice in school. An independent review of safeguarding practice has been conducted in 2021 with a view to achieving the very highest level of provision.

Parents are given regular information about their children's social and academic progress through parent evenings in addition to half termly Attitude to Learning assessments and traditional end of term/year reports. Virtual online parents meetings have been running successfully throughout the year and alongside, the school has maintained regular contact with parents through direct communications on our learning at home programme, Question & Answer sessions, the weekly newsletter, website and social media. With the easing of restrictions, the school has welcomed parents back in for Meet the Teacher sessions for each year group.

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## REPORT OF THE GOVERNORS For the year ended 31 August 2021

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### PUBLIC BENEFIT

#### Bursary Policy

The governors are committed to broadening access to the school through transformational bursaries. It is important that access to the education the school offers is not restricted only to those who can afford the fees. Crosfields pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences which help pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

Transformational bursaries are awarded for a high proportion or even full fee and provide for children with significant potential but for whom independent education would be otherwise wholly out of reach. The governors also acknowledge that there is a need to provide fee assistance to those families who need a lower level of support with the payment of schools fees. A number of families who have been adversely affected financially as a result of Coronavirus have been supported this year. All bursaries are discretionary and may be awarded in the form of a discount depending on the financial, compassionate or other pertinent circumstances of applicants. Bursary awards are subject to testing of parental means.

In 2020-21, 8 pupils in Years 7 – 8 were recipients of substantial bursary awards in excess of 60% of the fees (£101,997) and a further child was provided with fee assistance following a change in family circumstances (£9,720).

Crosfields has no endowment income. In funding our awards, we are mindful of the need to maintain a balance between fee-paying parents, many of whom make considerable personal sacrifice to fund their child's education, and those benefiting from the awards. For the first time, we asked Leavers to donate their deposit to a new Bursary Support Fund. Six families agreed to do this and the Fund has already been able to provide a laptop to a new pupil on a full bursary for September 2021. Fee discounts are offered to staff in order to attract and retain the best staff. Further details of our bursary policy and how to apply are available from the school.

#### Community Engagement

The school provides support to the wider community in a number of ways:

- Through Crosfields Enterprises, we have continued to build links within the local community sports clubs who use our facilities outside of school hours for badminton, trampolining, cricket, netball, football, archery, swimming, synchronised swimming, karate and hockey. We were one of the first sports facilities locally to reopen and were able to support a number of clubs who could not access their usual facilities.
- We were able to open some facilities during lockdown for use by local elite athletes who were in training for world events and the Olympic Games. Later in the summer, we provided facilities for the Berkshire Cricket Foundation in support of the South Asian cricket community
- Ultimate Activity camps and Performance Cricket courses have offered local children access to our facilities during the Easter and Summer Holidays.
- Pupils have continued to support charitable initiatives throughout the year. The annual Harvest Festival celebrations contributed almost 600kg of food items to Reading based food charity, Readifood, and Wokingham Food Bank.
- The Oaks Interact Club (Years 7 & 8) raised over £2,000 for Children in Need through the sale of Pudsey merchandise. Pupils were encouraged to wear merchandise to school to show their support. The Club also planted bulbs to raise awareness for the Rotary Club's *Purple for Polio* campaign. Crosfields donated the bulbs for planting.
- Santa for Seniors and First Days were the recipients of over 350 Christmas gifts following generous donations from Crosfields families. Items were distributed within the local community and pupils made a wonderful selection of Christmas cards and wrote a personal message to local residents.

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## REPORT OF THE GOVERNORS For the year ended 31 August 2021

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- In March, the whole school community were encouraged to support Comic Relief by sporting red noses and £460 was raised.
- Children and staff donated over 1,500 books to the Children's Book Project charity. This was a fabulous effort, with items being distributed to children with limited access to books.
- Pupils in Years 5 and 6, aptly named 'The Craft-a-Holics', raised £140 for FourPaws UK by making jewellery and stationery items and selling them to other pupils at breaktimes.

### REVIEW OF PERFORMANCE AND ACHIEVEMENTS FOR THE YEAR

#### Operational Performance

The policy of the charitable company is to achieve a high standard of learning within a safe, happy, caring and stimulating environment. The school aims to develop the particular aptitudes of all pupils and help them to fulfil their potential. The school has high levels of expectation and ensures that appropriate challenges are set across a wide curriculum. Staff appraise curriculum content and teaching methods on a regular basis to ensure a continued high quality of education.

The Independent Schools Inspectorate undertook a Material Change Inspection on behalf of the Department of Education in April 2021. The focus of this inspection was to assess the school's ability to educate pupils to age 16 (Year 11) through a review of policies, schemes of work and facilities. The Department of Education confirmed the extension of education provision to Year 11 and an increase in pupil numbers to 790.

The average number of pupils in the school during the year was 590 (570 – 2020).

#### Achievements

The 2020/21 academic year brought a shift in focus for the senior end of the school. While a number of pupils were still supported to successfully apply for entry into grammar schools at the end of Year 6, we were pleased that around 2/3rds of the cohort chose to stay at Crosfields to continue their education with us, undoubtedly buoyed by the prospect of the new senior school. Year 8 saw a similar proportion moving on to local state and independent schools, including a number with scholarships. We were again pleased that 2/3rds chose to stay at Crosfields, becoming our 'pioneer' Year 9 cohort. We awarded 11 internal scholarships for Year 7 and a further 7 scholarships for the first Year 9 cohort.

As we are all well aware, the 2020/21 academic year was once again a 'COVID year'. The year started as it was to go on, with much disruption. Year group bubbles, staggered timings, masks, cleaning, risk assessments and much more beside were all obstacles to overcome to just get into the classroom. Classroom teaching was the holy grail for some between staff and pupils having to isolate and a national lockdown for the majority of the Spring Term. The silver lining in all of this was that the whole community were able to display immense resilience, commitment, and determination to eek the most out of the year academically. Staff went over and above to provide a stimulating environment while in school and to ensure the continuity of education during remote learning. Crosfields built on the lessons learnt from the 2019/20 academic year and were able to provide an even greater offering including more 'live' lessons across the school and as close to a full timetable as possible. Our vulnerable and key worker children provision was enhanced, where we regularly supported 100 pupils in school on a daily basis. This was led by teaching assistants and nursery nurses with teaching staff providing lessons remotely via Teams and Seesaw. We monitored, took on feedback and adjusted the offering as the year progressed. This included adjusting gaps between lessons and introducing a 'Press Pause' day to reduce screen time.

Despite the disruption, pupils were still offered a full, broad, and balanced curriculum where they were given the opportunity to excel. Pre-Prep continued to provide a varied and deep curriculum from Nursery to Year 2. Year 3 were offered mosaic and ancient Egypt workshops in school and a virtual workshop on the Romans. They also benefited from an adventure trip to Runways End where they took part in archery, caving, climbing, and team building games. Year 4 took part in the CREST award where they completed 8 experiments as well as virtual visits to a Dentist and the Ure Museum and a physical visit to Ufton Court. In Years 5 & 6 pupils took part in the national

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## REPORT OF THE GOVERNORS For the year ended 31 August 2021

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Get Set Geography challenge. Pupils were also able to devise and perform Drama performances in front of an audience of their parents as COVID restrictions eased toward the end of the year.

In Years 7 & 8 there was a languages week, Maths challenge and author visits. Crosfields continued the tradition of being a 'reading school' with all pupils being encouraged to read for pleasure leading to 304,595,993 words read on the Accelerated Reader programme. On top of all of this, we were still able to provide a full and enriching programme of academic enrichment through the activities schedule which included robotics, cookery and forest schools.

Last academic year the music department produced a series of popular recorded concerts for a variety of instruments (Piano, Vocal and Drums and Strings) and ages (Reception – Year 2, Year 3&4 and Year 5 upwards). Although there were not any in-house exams, pupils were still able to submit their digital entries for the different grades as well as attending exam centres. We had over 75 examined musicians with a 100% pass rate and 2/3rd of the cohort achieved merits or distinctions. Our Senior String Quartet, as well as soloists, supported the online Woodley Festival. The school's choirs and the whole community came together for a pre-recorded Speech Day and our "Christmas at Crosfields" film for parents.

Art has continued to flourish at Crosfields with a Wellbeing Art Competition and our own YouTube channel providing the stimulus during lockdown. We have also had pupils participating in a range of external art competitions and our end of year art exhibition was hosted online.

Building on both pupil and staff IT literacy skills gained during last year's lockdown, pupils in Years 7 & 8 have brought in their own devices to support their learning in school. Significant donations have added to the school's own investment in technology to complement lessons. Chromebooks and iPads are now widely available through Pre-Prep and Years 3 – 6.

The Learning Empowerment Team support around 5.5% of pupils with diagnosed learning needs including DCD (Developmental Coordination Disorder/Dyspraxia), dyscalculia, ADHD, ASD, Executive Function, hearing impairment, Speech, Language & Communication and Social Emotional & Mental Health (anxiety). An additional 21% of pupils receive support through small booster group and in-class provision. These are pupils with slow processing, weak working memory or fine and gross motor needs are provided with additional assistance even though they have not had a specific need diagnosed. A SEND Review (June 2021) has noted that the school is, 'fully committed to ensuring pupils with SEND at Crosfields are provided with the highest quality educational experience. There has been a significant amount of resource put into SEND, and additional SEN support at Crosfields is included within the school fees demonstrating a clear and genuine commitment.' 43% of pupils have English as an Additional Language and as a result a permanent qualified EAL teacher has joined the team from September 2021.

Sport continues to thrive at the school. Coronavirus had a huge impact on competitive sport from September 2020 to April 2021 with the external fixtures programme and IAPS competitions unable to take place. In their absence, the emphasis was placed on internal competition and challenge which was well-received by pupils and parents. Lockdown and social-distancing restrictions limited the time that could be spent on each sport, and stopped some sports e.g. Rugby/Netball from being possible in their normal formats. Focus was placed on individual skills development and internal game play with adapted rules. Two pupils were selected for the ISFA South-Central representative football team in 2020-2021 although the planned ISFA regional tournament was unable to occur.

The Summer Term saw the return of cricket fixtures and the continued improvement in coaching and delivery. Girls' cricket continues to go from strength to strength with many girls moving to playing with a hard ball and two Year 7 girls representing the County. Our Under 13 Girls' team were runners-up in the Berkshire U13 League and Under 12 Boys reached the final of the Berkshire U12 Cup. Following on from last year's indoor successes, the rowing team took to the water for the first time with weekly sessions at Reading Rowing Club.

Following the guidance set out by Swim England, the Swim School was able to operate a near normal timetable of lessons for some 200 pupils throughout the Autumn and Summer terms. The swimming squads continued to train and although no inter-school or national competitions could take place, they were able to participate in virtual galas, inter-squad and inter-house events.

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## REPORT OF THE GOVERNORS For the year ended 31 August 2021

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### Volunteers

The Crosfields Parents Association (CPA) is an organisation established to support the school. Whilst unable to host events in school, the CPA has continued to keep the school community connected through online events throughout the year.

### STRATEGIC REVIEW

#### Future Development – Project 16

In 2018, The governors, in conjunction with the Headmaster, made a strategic decision to extend the school through to 16 years of age (year 11, GCSEs) in response to parental demand and the local market for independent education (Project 16 – P16). The school's vision is:

- **Coeducation and Diversity.** The modern workplace is a hugely diverse environment. At Crosfields we believe that there are positive benefits in educating children in an environment that promotes acceptance and respect regardless of gender, ethnicity, nationality, culture and religious beliefs. We are convinced that boys and girls positively benefit, both academically and socially, from being educated together.
- **Academics.** Pupils will be stretched and supported academically. All will be given the opportunity to excel, whatever their ability. We have been incredibly successful, and have a strong track record in preparing them for a range of schools, even the most academically demanding. At Crosfields, all children will be taught imaginatively, thoroughly and broadly.
- **Small Classes.** Feedback from the parental survey confirmed that small classes are important. We fully support this and will continue to offer small classes.
- **Breadth.** At Crosfields we encourage children to experiment and to challenge themselves. The importance of an effective Co-curricular programme at secondary level cannot be underestimated. Not only is there growing evidence that it has a positive impact on academic progress, but also the soft skills (communication, responsibility, flexibility and integrity) which it promotes is recognised as being important towards success at post-secondary level education and in the work place environment. Co-curricular will enrich a pupil, both during and after school life. An effective programme will provide the necessary balance between emotional, academic and social development for a young adult.
- **Pastoral Care and Wellbeing.** Pastoral care has been a particular strength of Crosfields and we will continue to emphasise the importance of mental health across the school. We recognise the need to evolve, to reflect the needs of teenage children with the additional challenges and pressures presented by today's social media and public examinations.

Construction on the new senior school building comprising 9 classrooms, library, performance space, café, medical facilities and administrative functions has progressed well and beneficial occupancy was given on 18 October 2021 for full operational use in November 2021. Pupils and staff have been involved in interior design decisions and have also worked alongside our catering partner, Thomas Franks, to develop the new senior school menu for "The Hatch" café. The new building gives the senior school a sense of its own identity. The building has achieved a Very Good BREEAM assessment and we intend to use this as a springboard for more sustainable approaches to future developments. Ancillary projects completed during the year include the creation of a 3<sup>rd</sup> science lab with a 4<sup>th</sup> to be ready for September 2022; the refurbishment and conversion of the old swimming pool to senior changing rooms and a staff room; the refit of Acorns to provide a new Medical Room and a Music Room for the Junior School and the move of the Estates Team to Oak Lodge

Numbers for our first P16 cohort – Year 7 in September 2019 – was particularly strong and whilst a number of pupils have moved on to other public schools, we have attracted a number of new pupils. The pioneer cohort for our first Year 9 stands at a very respectable 48. Pupil numbers in Year 8 are a concern and recruitment activity will need to focus on Year 9 entry for September 2022 to maintain momentum. Positively, Year 7 numbers are currently 62 and there is considerable interest for September 2022.

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## REPORT OF THE GOVERNORS For the year ended 31 August 2021

Staff recruitment into the senior school has been particularly strong with applicants encouraged by the ambitions of the school and the opportunity to shape its future. New secondary specialists have been appointed in Art, Drama, Spanish, PE and SEN for September 2021.

### The "Big Split"

Over the course of the year, the Headmaster has led the development of the school organisation and principles for September 2021 and beyond. Our intention is to keep the school as one Crosfields with the same ethos, values and principles and within that we will have a Junior School (Nursery to Year 6) and a Senior School (Year 7 – 11). To respond to this separation of schools the leadership in the school has been restructured with separate Senior Leadership Teams for Junior School and Senior School. New internal appointments were made for the Deputy Head Academic and Deputy Head Pastoral of the Junior School. The Headmaster, Bursar, Second Master and Director of Studies will sit on both teams.

The current Heads of Department will be complemented by Subject Leads in the Junior School. These appointments will be phased in over time. Heads of Houses have appointed for both the Junior School and the Senior School. These will form the basis of the pastoral network. Both pupils and staff participated in choosing the names of the new Houses - Corylus, Ilex, Quercus and Salix. In the Senior School, a Form in each year group is aligned to one.

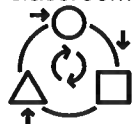
The Support Team organisation has also been reviewed. An Assistant Bursar has been appointed and new posts created in Finance, HR, Estates, Medical, Marketing and External Relations to ensure that the team is positioned to provide the necessary support for the growing school.

### Learner Profile

Staff have collaborated on a new Learner Profile that will cross both the Junior School and Senior School.

ASPIRE - "*direct one's hopes or ambitions towards achieving something*".

At Crosfields, we want our pupils to **ASPIRE** to be the best version of themselves, both inside and outside of the classroom. Pupils will be encouraged to:



**Adapt** - pupils will be encouraged to develop their critical thinking, decision making, and research skills. They will be able to show leadership where appropriate.



**Support** –across all areas of the school pupils will be balanced, non-judgemental, and celebrate diversity. They will communicate, collaborate, and show teamwork.



**Persist** - regardless of whether things are going well or not, pupils will show perseverance, resilience, and determination.



**Inquire** - pupils should question and be curious, probing, and imaginative. They should be adventurous in their approach and be able to work well independently.



**Reflect** - pupils should consider their strengths and weaknesses and work to develop their problem solving and metacognitive skills.

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## REPORT OF THE GOVERNORS For the year ended 31 August 2021

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**Engage** – explore, be enthusiastic, diligent, and involved in learning and all other areas.

### Future Developments

Alongside P16, the School Development Plan to 'To Inspire and To be Inspired' continues to move forward. The plan has 3 distinct strands Welfare, IT and Inspiring Talks with initiatives for pupils, staff and parents running throughout. The school has moved to iSAMS in September 2021 which will provide a more coherent approach to managing pupil, staff and admission data as well as supporting communication with parents.

A Strategic Marketing Review was undertaken by Ambleglow Ltd providing valuable insight into our marketing activity alongside competitor schools. The recommendations of the report are being implemented and a new integrated marketing strategy aligned to the school's longer term strategic planning and development plan is being implemented over the course of the year.

The governors aspire to establish a Development Office to build and develop donor support in respect of bursary programme and foster a stronger alumni network. Whilst funding was not available this year to establish the posts, we are working alongside Juliette Corbett Consulting on small scale projects to develop more philanthropy amongst the school community. Over £2,000 has been donated towards books in the new Senior School library.

## GOVERNANCE AND MANAGEMENT

### Governance

Governors are appointed at Board meeting and confirmed at the Annual General Meeting. Governors will normally serve for an initial period of 3 years but are eligible to stand for re-election. Governors are selected for the relevant experience and specialist skills which they provide to the school in order to enhance debate and decision making and enable the Board of Governors to carry out its duties effectively and efficiently. The Board consists currently of 16 Governors drawn from a wide range of professions including legal, accountancy, IT, local government, project management and as well as past and current parents and experienced educators. Governors do not receive any remuneration for their time. All governors are made aware of the need for independence and to declare any conflict of interest which may arise between the school and their own personal or business affairs.

The Board operates within the framework of the Charity Governance Code and applies its principles throughout its work and decision-making.

Crosfields School is a member of The Independent Association of Preparatory Schools (IAPS) for the promotion and maintenance of preparatory school standards and more recently has become a member of Independent Schools Association (ISA) who specialise in smaller schools and provide specific advice at senior level. It also maintains membership of the Independent School Bursar's Association (ISBA) and Association of Governing Bodies of Independent Schools (AGBIS).

### Recruitment and Training

New governors are frequently existing or former parents and already have a good knowledge of the school. An induction programme is in place to cover the responsibilities of governors as trustees and directors. Governors have made extensive use of the AGBIS webinar programme this year. We aim to encourage more visits in order to provide a broader perspective on the governance and management of the school now that coronavirus restrictions have been lifted.

### Organisational Management and Structure

The full Board of Governors meets each term, or more frequently if required, and determines the overall policy of the school. There are 6 sub committees:

- the Education and Welfare Committee (EWC) focusing on curriculum and welfare;

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## REPORT OF THE GOVERNORS For the year ended 31 August 2021

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- the Finance Committee (FC) focusing on financial and legal matters;
- the Building and Estates Committee (BEC) focusing on the maintenance and development of all existing and proposed new buildings and facilities;
- the IT Committee (ITC) focusing on IT infrastructure, support, training and IT teaching and learning;
- and the Health & Safety Committee (H&S) to ensure that the entire premises of the school, including outdoor facilities, are fit for purpose and suitable for the age of children cared for and the activities undertaken. In addition to the Headmaster and the Bursar there is at least one member of staff on each subcommittee.
- The Remuneration and Appraisal Committee recommends the remuneration package of the Headmaster and Bursar

In addition:

- Governors have established a P16 Programme Board to oversee the educational developments, infrastructure and finance for the new senior school. The Board comprises the Chair of Governors, the Chairs of the main Committees, Headmaster and Bursar.
- A Pay and Pensions Working Group has undertaken considerable work in respect of the continued viability and future approach to staff pensions and informed the Board on their findings. The Board have entered into a consultation with members of the teaching staff and will withdraw from membership of Teachers Pension Scheme on 1 January 2023.
- A Corporate Social Responsibility Group (CSR) has also been formed looking at the wider sustainable, ethical and charitable impact of the school's activities.

Meetings have been held virtually using Microsoft Teams throughout the past year although some face-to-face meetings are now being scheduled.

The Senior Leadership Teams are responsible for the day to day management of the Junior School and Senior School under the leadership of the Headmaster. Members of the Senior Leadership Teams support the work of the Board.

The Senior Leadership remuneration is based on the school's leadership scale. The Remuneration and Appraisal Committee are responsible for recommending the remuneration package of the Headmaster and Bursar (re-established Autumn 2020) and for undertaking their biennial performance appraisal. Yearly pay awards may be made for all staff and are agreed through the budget setting cycle.

### **Serious Incidents**

A serious incident had been previously reported to the Charity Commission in relation to a historical safeguarding issue. In December 2021, a former Headmaster was found guilty of 3 charges of indecent assault relating to a pupil at Crosfields in the early 1990s. He has been sentenced to 11 years in prison for these offences alongside 2 other offences at another school. As Trustees, we are shocked that someone in a position of trust and responsibility should have behaved in such an appalling way. However, he has been brought to justice thanks to the courage of those who were prepared to speak out about what he had done, and we hope this helps them achieve some degree of closure as a result.

An independent review of the school's safeguarding policy and practice has been undertaken and recommendations have been implemented to ensure the very highest provision is in place.

### **FINANCIAL REVIEW**

The financial year generated a surplus of £800k (2020 £38k). Income from all activities was £8,379k (2020 £7,455k) with expenditure totalling £7,579k (2020 £7,407k). This was a better than expected outcome given the uncertainties of the year although some of this is down to the timing of P16 expenditure which was expected in the 2021 financial year but will now be borne in 2022. When the country entered lockdown again in early January 2021, Governors quickly agreed to provide a discount against Summer Term fees based on the savings arising from the school's partial closure. Fifty-two members of staff were furloughed but this number was less than the first lockdown as the nursery nurses and teaching assistants were providing supervision for vulnerable and key worker children. We also took the opportunity to undertake maintenance tasks by retaining the Estates Team. The

# Crosfields School Trust Limited

## REPORT OF THE GOVERNORS For the year ended 31 August 2021

savings arising from reduced catering, no trips were noted but the loss of Enterprise Income for 3 months offset this and a 6% fee reduction for the Summer Term (representing a £149k loss in income) was offered.

Aside from the normal levels of expenditure, the School has utilised the Development Loan facility offered by Lloyds Bank to help fund the development of the senior school building and enabling works. The total capital costs incurred to date are £7,607k part of which was self-funded. The project included a sizeable contingency fund and this is being drawn upon to cover additional costs in respect of highways requirements of Wokingham Borough Council; additional landscaping around the new building; fire and acoustics as well as minor adjustment to design and finishes. Separate funds have also been set aside for fit out including IT, furnishings and equipment.

Pupil numbers have continued to grow as the school prepares for the opening of its senior school, the number of children in the school increased in the financial year to an average of 590. The total number of pupils enrolled at the start of the current year was 635.

The school has a wholly owned trading subsidiary, Crosfields Enterprises Ltd, through which non-charitable activities are undertaken. The surplus generated from the trading company is gift aided back to the school. The revenue generated by Enterprises was substantially depleted as a result of its closure from December 2020. Facilities were able to reopen from March 2021, firstly for elite athletes and then for youth activities. The value of the gift aid donation for 2020-21 is £15k (£11k – 2020)

### Reserves Policy

The policy of the governors, through effective budgetary control, is to seek to generate an annual surplus of income over expenditure that enables the school to continue a programme of refurbishment and development whilst servicing its loans and securing its long-term viability. This has been modelled for the next 7 years and underpins the development of project 16 and our ability to finance bank loans for the new senior school building.

The finances, budgets and spend are regularly reviewed at the Finance, Building and Estates, P16 Programme Board and Board of Governors meetings. The school's unrestricted funds at the end of the year were £8,650k (2020-£7,856k). Total reserves amount to £15,802k (2020 - £9,760k) all of which is tied up in fixed assets. The governors are of the opinion that the school is well placed to operate efficiently with the day to day working capital being met by careful management of school fees and other sources of income received and bank overdraft where necessary. The school does not have any current free reserves as it is investing in the development of the P16 programme.

### Risk Management

The Board of Governors conducts regular reviews of major risks to the school and its activities, focusing on those risks which may affect the charitable company's viability and reputation. Undoubtedly the risks surrounding the global COVID pandemic have remained at the top of the Board's Watch List. The School has had to remain flexible in its approach to operations and cautious in respect of its financial commitments. A detailed and dynamic risk assessment has been in place that is reliant upon the government's extant guidance for school operations and the Senior Leadership Team's response to the day to day situation in school. From September 2021, the majority of restrictions have been lifted and although certain contingencies had to be put in place as case numbers rose towards the end of 2021 and early 2022, there is a greater sense of normality with competitive sports matches with spectators, live audiences for performances, face to face meetings with parents and singing in Collect.

Pupil numbers will always be a matter to be closely monitored. The longer term impact on family finances post lockdown is yet to be seen and perhaps somewhat fortuitously, for every family who has had to withdraw their children, new pupils have been recruited. With the expansion of the senior school there is an inherent risk that families will not put their trust in the school without a track record nor a completed building. Staff recruitment has brought in the necessary experience for GCSEs, assessment criteria for admissions is robust and the building is now completed so these factors are diminishing. Indeed registrations for Year 7 entry in September 2022 is already very high. Within the Early Years, a dip in the birth rate has resulted in Reception places remaining unfilled. More intense marketing activity is being organised to mitigate against this going forward and we have opened an additional class in Year 3.

The future risk of substantial increases in employer contributions to teachers' pensions has been on the Board's agenda for the past 2 years. The Board opened a staff consultation in October 2021 to look at the viability of

# Crosfields School Trust Limited

## REPORT OF THE GOVERNORS For the year ended 31 August 2021

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continued membership versus an alternative provision and in February 2022 announced their intention to withdraw from membership of Teachers Pension Scheme on 1 January 2023.

Funding of P16 infrastructure has been a combination of bank lending and self-funded capital investment. Phase 1 which includes the new senior school building and enabling works has been completed except for works to the main entrance and south entrance under s278 of the Highways Act and demolition of the White Building. Contingency funds were set aside at the onset and these have been nearly exhausted now. Prior to moving forward with Phase 2 – a 7 classroom block with ancillary offices – the White Building must be demolished. Planning permission has been granted and funds set aside. The presence of asbestos within the building is known but the location and quantity is not fully understood. This may have a deleterious impact on the funding available for the work. Phase 2 building is now being scoped and the Board will be looking closely at the timing of the work against the requirement for the space and the availability of funding.

From an operational perspective, new supporting management systems – iSAMS and Assurity+ - and access to online compliance platform, School Bus, has improved the visibility and management of emerging threats.

### **Going Concern**

Following the precedent of 2019-20, when the School was forced to close to the majority of pupils early in 2021 parents sought a reduction in school fees. Governors agreed a 6% reduction against fees in the following Summer Term to reflect the net savings made during the period of school closure.

The Finance Committee on behalf of the Board reviewing the school's ongoing forecasts and projections on a termly basis to ensure that it remains financially viable. With regard to the next accounting period, the year ending 31 August 2022, a deficit is expected but cash generation is in line with financial modelling. The most significant areas that are likely to affect the charity's net assets increasing operating costs as a result of general inflationary pressures in the economy. This is particularly being felt in relation to maintenance costs and availability of materials and equipment and food costs. Income from Enterprises is returning to pre-Covid growth and will provide a valuable income stream to the charitable company.

Beyond 2022, financial modelling continues to support the position that a strong surplus will be generated under normal operations and planned CAPEX in support of P16 is achievable. Projected pupil numbers are strong especially in terms of entry into the Senior School at Year 7. The cash-flow projections for future years indicate that the school will be able to meet its liabilities as they fall due from within current banking facilities.

Governors review the ongoing risks on a termly basis. The risks around Covid-19 and BREXIT have been largely assimilated but Governors have identified a number of potential strategic and economic shocks that could occur and are largely out of the school's control. Competition from both Shiplake and Reading Blue Coat Schools going co-educational in September 2023 will need to be watched carefully to ensure the current interest in the Senior School is not diluted. The falling birth rate at primary school age will also require aggressive marketing and recruitment to ensure that we gain market share in the local market. The Social and Healthcare Levy to be introduced in April 2022 will increase Employer's contributions by 1.25% (estimated to be £17k in 2021-22 and £40k in 2022-23). There are also long term concerns within the sector around a loss in mandatory rate relief (worth approximately £285k per year), imposition of VAT on school fees and a loss of charitable status or a new levy on surpluses of charitable schools. More immediate is inflation running at near 5% and the underlying expectation of a compensatory pay award to staff for September 2022. Governors have now acted in anticipation of a rise in Employer's contributions to teachers' pensions in April 24 and following a consultation with teachers and the School will withdraw from TPS on 1 January 2023.

The risks to the future projections beyond the next 12 months based on sub-optimal pupil numbers and rising cost base would have an impact on surpluses. Bank covenants and loan repayments could still be met but there would be pressure on future capital expenditure. Governors would have to reassess the affordability of such plans before making any commitments.

As such, governors remain satisfied that the school can continue operating for the foreseeable future and accounts have been prepared in the knowledge that the school is a financially viable organisation.

The governors have reviewed the accounts, financial model, future plans and risks and are confident that the charity is a going concern.

# Crosfields School Trust Limited

## REPORT OF THE GOVERNORS For the year ended 31 August 2021

### GOVERNORS RESPONSIBILITIES

The governors (who are also directors of Crosfields School Trust Limited for the purposes of Company law) are responsible for preparing the Strategic Report, the Report of the Governors and the 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 that give a true and fair view of the charitable company's state of affairs and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the governors are required to:

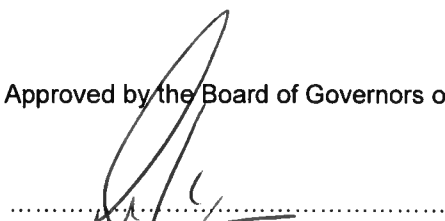
- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

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

The governors confirm that they have complied with the duty in section 17 (5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The governors have referred to the guidance in the Charity's Commission general guidance on Public Benefit when reviewing the school's aims and objectives and in planning the school's future activities. In particular, the governors have considered how planned activities will contribute to the aims and objectives they have set.

The governors confirm that so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as governors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information."

Approved by the Board of Governors on 21<sup>st</sup> March 2022 and signed on their behalf by: -



C Bradfield - Chair of Governors

# Crosfields School Trust Limited

## Report of the Independent Auditor to the Governors of Crosfields School Trust Limited

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### Opinion on financial statements

We have audited the financial statements of Crosfields School Trust Limited ("the Parent Charitable Company") and its subsidiary ("the Group") for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities (Incorporating an Income & Expenditure Account), the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 August 2021 and of the Group's net movement in funds, including income and expenditure and the Parent Charitable Company's income and expenditure for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and of the Parent 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 governors with respect to going concern are described in the relevant sections of this report.

### Other information

The governors are responsible for the other information. The other information comprises the information included in the Report of the Governors, other than the financial statements and our auditor's report thereon.

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

# Crosfields School Trust Limited

## Report of the Independent Auditor to the Governors of Crosfields School Trust Limited

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

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Governors, which includes the Directors' Report and the Strategic Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report, which are included in the Report of the Governors, have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic Report or the Report of the Governors.

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

### Responsibilities of governors

As explained more fully in the governors' responsibilities statement set out on page 15, the governors (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 governors 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 governors are responsible for assessing the Group's and the Parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the Group's and the Parent charitable company or to cease operations, or have no realistic alternative but to do so.

# Crosfields School Trust Limited

## Report of the Independent Auditor to the Governors of Crosfields School Trust Limited

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### Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and industry, we identified that the principal risks of non-compliance with laws and regulations, company law and charity law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and Charities Act 2011.

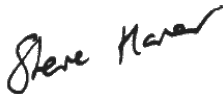
We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates. Audit procedures performed by the engagement team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

- Inspection of correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of noncompliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

### Use of our report

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



Steven Harper (Senior Statutory Auditor)  
for and on behalf of Haysmacintyre LLP, statutory auditor  
10 Queen Street Place  
EC4R 1AG  
United Kingdom

Date: 09 May 2022

## Crosfields School Trust Limited

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income & Expenditure Account) For the year ended 31 August 2021

	Note	General funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b>Income from:</b>					
Donations and legacies	4	63,112	45,929	109,041	182,463
Charitable activities					
Fees receivable	2	7,957,704	-	7,957,704	6,901,236
Ancillary income	5	109,933	-	109,933	159,546
Other trading activities					
Income from trading activities	3	178,609	-	178,609	177,457
Rents and lettings	7	23,773	-	23,773	21,641
Investment income	6	-	-	-	13,012
<b>Total income</b>		<b>8,333,131</b>	<b>45,929</b>	<b>8,379,060</b>	<b>7,455,355</b>
<b>Expenditure on:</b>					
Charitable activities	8	7,379,730	-	7,379,730	7,216,027
Cost of raising funds	8	17,602	-	17,602	2,388
Costs of trading activities	3,8	182,048	-	182,048	188,874
<b>Total expenditure</b>		<b>7,579,380</b>	<b>-</b>	<b>7,579,380</b>	<b>7,407,289</b>
<b>Net income before tax</b>		<b>753,751</b>	<b>45,929</b>	<b>799,680</b>	<b>48,066</b>
<b>Tax payable</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,248)</b>
<b>Transfers between funds</b>	20	<b>40,422</b>	<b>(40,422)</b>	<b>-</b>	<b>-</b>
<b>Net income and net movement in funds</b>		<b>794,173</b>	<b>5,507</b>	<b>799,680</b>	<b>37,818</b>
Total funds brought forward		7,856,334	-	7,856,334	7,818,516
<b>Total funds carried forward</b>	20	<b>8,650,507</b>	<b>5,507</b>	<b>8,656,014</b>	<b>7,856,334</b>

The amounts relate to continuing activities. All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 22 to 40 form part of these accounts.

# Crosfields School Trust Limited

## CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION At 31 August 2021

**Registered number 00584278**

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
<b>Fixed assets</b>					
Tangible fixed assets	11	15,802,556	9,760,371	15,802,556	9,760,371
Investment property	12	-	640,000	-	640,000
Investments in subsidiaries	12	-	-	1	1
		<u>15,802,556</u>	<u>10,400,371</u>	<u>15,802,557</u>	<u>10,400,372</u>
<b>Current assets</b>					
Stocks		133	1,798	133	1,798
Debtors	13	279,494	322,074	372,195	312,326
Cash at bank and in hand		436,267	61,803	330,850	45,360
		<u>715,894</u>	<u>385,675</u>	<u>703,178</u>	<u>359,484</u>
<b>Creditors: amounts falling due within one year</b>	14	(2,574,785)	(2,034,593)	(2,572,856)	(2,019,189)
		<u>(1,858,891)</u>	<u>(1,648,918)</u>	<u>(1,869,678)</u>	<u>(1,659,705)</u>
<b>Net current liabilities</b>					
<b>Total assets less current liabilities</b>		13,943,665	8,751,453	13,932,879	8,740,667
<b>Creditors: amounts falling due after more than one year</b>	15	(5,287,651)	(895,119)	(5,287,651)	(895,119)
		<u>8,656,014</u>	<u>7,856,334</u>	<u>8,645,228</u>	<u>7,845,548</u>
<b>Net assets</b>					
<b>Funds</b>					
<b>Unrestricted funds</b>					
General funds	20	8,650,507	7,856,334	8,639,721	7,845,548
Restricted funds	20	5,507	-	5,507	-
		<u>8,656,014</u>	<u>7,856,334</u>	<u>8,645,228</u>	<u>7,845,548</u>

The charitable company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Statement of Financial Activities. The parent company's net income for the year, was £799,680 (2020: £105,443).

The financial statements were approved and authorised for issue by the Board of Governors of Crosfields School Trust Limited on 21<sup>st</sup> March 2022 and signed on their behalf by:

  
.....  
**C S Bradfield**  
Chair of Governors

The notes on pages 22 to 40 form part of these accounts.

# Crosfields School Trust Limited

## CONSOLIDATED STATEMENT OF CASHFLOWS For the year ended 31 August 2021

	Note	Group 2021 £	Group 2020 £
Net income for the reporting period (as per the Statement of Financial Activities)		799,680	37,818
Adjustments for:			
Depreciation of tangible fixed assets		425,540	442,104
Interest receivable		-	(75)
Investment property rental income		-	(12,937)
Gain on investment property		-	-
Interest payable		43,300	13,768
Decrease in stock		1,665	1,624
(Increase)/decrease in debtors		42,580	(34,217)
Increase/(decrease) in creditors		871,964	(127,890)
(Decrease)/increase in pension deficit contribution liability		(4,935)	(3,738)
<b>Cash generated from operations</b>		<b>2,179,794</b>	<b>316,457</b>
<b>Cash flows from investing activities</b>			
Interest received	6	-	75
Rental income		-	12,937
Purchase of tangible fixed assets	11	(6,467,724)	(870,626)
Sale of investment property		640,000	-
<b>Net cash used in investing activities</b>		<b>(5,827,724)</b>	<b>(857,614)</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowing		-	(400,000)
New bank loan		4,392,532	895,119
Interest paid		(43,300)	(13,768)
<b>Net cash from/(used in) financing activities</b>		<b>4,349,232</b>	<b>481,351</b>
Increase/(Decrease) in cash and cash equivalents in the year		<b>701,302</b>	<b>(59,806)</b>
Cash and cash equivalents at the beginning of the year		(265,035)	(205,229)
<b>Total cash and cash equivalents at the end of the year</b>		<b>436,267</b>	<b>(265,035)</b>
<b>Relating:</b>			
Bank balances included in cash at bank and in hand	22	436,267	61,803
Bank overdraft		-	(326,838)
		<b>436,267</b>	<b>(265,035)</b>

The notes on pages 22 to 40 form part of these accounts.

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 August 2021

### 1 Accounting policies

#### Company status

Crosfields School Trust Limited ("the Company") is a private company limited by guarantee, incorporated in England and Wales under the Companies Act 2006. The address of the Company's registered office and principal place of business is Crosfields School, Shinfield Road, Shinfield, Reading, RG2 9BL. The members of the Company are the governors. The Company number and members of the Company are named on page 1.

#### Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - Charities SORP (FRS 102), UK Generally Accepted Accounting Practice (UK GAAP) including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated.

Monetary amounts in these accounts are rounded to the nearest £ except where otherwise indicated.

#### Going concern

The group has net current liabilities of £1,858,891 (2020 - £1,648,918) at the Statement of Financial Position date. The year ended 31 August 2021 gave rise to a net movement in funds of £799,680. In considering whether the going concern basis is appropriate, the governors have considered the surplus and cash-flow projections prepared for future years. These indicate that the charitable company will be able to meet its liabilities as they fall due and together with arrangements with their bankers forecast that the charitable company will be able to operate within the facilities currently available. The governors have no reason to believe that the current facilities will not be continued and confirm that there is no material uncertainty as to the future of the charitable company. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the statement of governors' responsibilities.

COVID-19 has created material uncertainty for schools in assessing their forward plans. The two main areas of uncertainty relate to the operating model and the financing of the school.

#### Operating model

Despite concerns as to the impact of Covid and other economic pressures on pupil recruitment and retention, pupil numbers have continued to grow and the school anticipates an average of 636 pupils this year versus 634 in the agreed budget and 644 within the current P16 Financial Model (2020 – 593).

For this year 2021-22, the net fee income should exceed the agreed budget but income from extras will be down because of the cancellation of trips (reduced outgoings largely offset this). Income from Enterprises has returned to pre-Covid growth and will provide a valuable income stream. Expenditure is being managed assiduously but general inflationary pressures in the economy are a concern. This is particularly acute in relation to maintenance costs, availability of materials and equipment and food costs.

The end of financial year forecast shows a deficit of approximately £84k but a strong cash generation figure of £372k (EBITDA).

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 1 Accounting policies *(continued)*

#### Going concern *(continued)*

##### Financing

The P16 Financial Model which looks in detail at the implications of P16 development, including growth in pupil numbers (income), staff recruitment, expenditure patterns and exceptional costs alongside the capital development plan, was reviewed by Crowe in August 2020 and again in May 2021 as part of the finalisation of the development loan from Lloyds Bank. The report supported the methodology, validated the underpinning principles and provided assurance to Governors in respect of their responsibilities under s124 of the Charities Act.

The P16 Financial Model has been refreshed with the most up to date data and it continues to demonstrate that a strong surplus will be generated under normal operations and planned CAPEX in support of P16 is achievable. The cash-flow projections for future years indicate that the charitable company will be able to meet its liabilities as they fall due and, together with banking arrangements, forecast that the charitable company will be able to operate within the facilities currently available. The school currently operates under a bank overdraft facility of £750k renewable 30 May 2022, and has refinanced their loan during the current year. The loan repayments commence two years after the initial drawdown. The loan facility is available for £8.5m which is repayable by 31 December 2034.

Governors review the ongoing risks on a termly basis and are aware that Covid-19 and BREXIT constitute significant external risk largely out with their control. There are also risks to the future projections based on pupil numbers. A pessimistic view of pupil numbers for 2021/22, representing a 6% fall in pupil numbers overall, when extrapolated out over the following 4 years would have a substantial impact on income. Bank covenants and loan repayments could still be met but there would be pressure on the funding of Phase 2 of the building plans. Governors would have to reassess the affordability of such plans before making any commitments.

#### **Basis of consolidation**

The group accounts consolidate the accounts of Crosfields School Trust Limited and its subsidiary undertaking, Crosfields School Enterprises Limited on a line by line basis. The accounts are made up to 31 August 2021. No separate Statement of Financial activities or income and expenditure has been presented for the charitable company alone as permitted by the Companies Act 2006 and the Charities SORP.

The results of the subsidiary undertaking for the year are disclosed in note 3 of the accounts.

FRS102 allows qualifying entities certain disclosure exemptions. The charity, only, has taken advantage of the exemptions for the following disclosure requirement:

- Section 7 "Statement of Cash Flows" - presentation of an entity only Statement of Cash Flow and related notes and disclosures.

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

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### 1 Accounting policies *(continued)*

#### **Fund accounting**

The funds of the School are accounted for as unrestricted or restricted income, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

General funds are unrestricted funds that are available for use at the discretion of the governors in furtherance of the general objectives of the charitable company and have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the governors for particular purposes. The aim of the designated fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

#### **Income**

All incoming resources are included in the Statement of Financial Activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### **Fees and similar income**

Fees receivable, 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, bursaries and other remissions granted by the school.

Fees received for education to be provided in future years are carried forward as fees received in advance in the Statement of Financial Position. These fees are released to the Statement of Financial Activities over the period in which the school provides the services in future years.

#### **Expenditure**

Expenditure is accounted for on an accrual basis. Expenditure is allocated to specific activities without the need for apportionment. The irrecoverable element of VAT is included within the item of expense to which it relates.

Governance costs comprise the costs of running the charitable company, such as the costs of board and committee meetings, preparing statutory accounts and satisfying public accountability.

During the year, the School has revised its analysis of expenditure and staff numbers reporting to reflect expenditure more accurately between appropriate categories. Expenditure shown in notes 8 and 10 for 31 August 2021 is in line with the revised allocation. For the year ended 31 August 2020 notes 8 and 10 have been restated in line with the methodology used for the current year.

#### **Donated services**

Donated services and facilities are only included as income (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated market value to the charity of the service or facility received.

#### **Grant Income**

Payments received from the government for furloughed employees are a form of grant. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised in income in the period in which it becomes receivable and the related expense is incurred.

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 1 Accounting policies *(continued)*

#### Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities on a straight line basis over the period in which the cost is incurred.

#### Tangible fixed assets and depreciation

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Subsequent costs of repair, renovation and replacement expenditure are written off as incurred in the consolidated statement of financial activities, unless it is probable that such costs will generate future economic benefits.

School buildings are recorded at their historical cost to the charitable company. Depreciation is provided on all tangible assets, except freehold land, in order to write off their cost less residual value over their estimated useful lives at the following annual rates:

	<b>Straight line basis</b>
	%
<b>Freehold property:</b>	
Buildings	-
Artificial turf pitch*	-
Sensory garden	-
<b>Furniture, fixtures and equipment:</b>	
Tractor	-
Computer equipment (educational)	-
Computer equipment (administrative)	-
Other	-

Items costing less than £5,000 are written off as an expense as acquired.

\*The artificial pitch is split between the shockpad and carpet which is depreciated over 12 years and all other items are depreciated over 20 years.

#### Investments in subsidiaries

Investments in subsidiaries are stated at cost less any assessed impairment in the asset.

#### Stocks

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

#### Pension schemes

The charitable company contributes to the Teachers' Pension Scheme, which is a defined benefit scheme, at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme attributable to the charitable company. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised by the scheme administrator.

The charitable company also contributes into a defined contribution scheme for non-teaching staff and a defined benefit scheme. The present value of future contributions relating to the funding of a pension deficit is recognised as a liability.

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 1 Accounting policies *(continued)*

#### Financial Instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument, and are offset only when the group has a legal enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise and settle the liability simultaneously.

#### *Financial assets*

Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairments losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the statement of financial activities.

#### *Financial liabilities*

Financial instruments are classified as liabilities according to the substance of the contractual arrangements entered into. Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

Where the arrangements with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

#### *Borrowings*

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

#### *Derecognising financial assets and liabilities*

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or subsequently all the risks and rewards of ownership are transferred to another party, or if some significant risks or rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

#### Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of financial affairs.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the UK.

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 1 Accounting policies *(continued)*

#### Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Significant estimates included within the financial statements include provision for fee debtors, which require a judgement by management regarding the likelihood of recovery. Management review and assess fee debtors on an individual account basis and provide for debts as appropriate.

Depreciation is another key estimate in the accounts which requires management judgement over the useful life of the assets. The policy has been set out in the notes above.

### 2 Fees receivable

	2021	2020
	£	£
Fees receivable consist of:		
Gross fees	8,538,430	7,835,717
Less: Total bursaries, grants and allowances	(429,777)	(448,769)
Less: COVID 19 Discounts	(150,949)	(485,712)
	<u>7,957,704</u>	<u>6,901,236</u>

All fees receivable were unrestricted in the current and prior year.

### 3 Trading income and expenditure

Crosfields School Trust Limited owns 100% of Crosfields School Enterprises Limited. This company hires out the sports hall, swimming pool and other facilities at Crosfields Sports Centre and donates its annual taxable profits to the charitable company under the Gift Aid Scheme. Trading results extracted from its audited financial statements are shown below:

	2021	Restated 2020
	£	£
Turnover	178,609	177,457
Administrative expenses	(182,048)	(188,874)
Government grants (HMRC Furlough scheme, see note 4)	18,978	32,541
Tax charge in relation to Gift Aid	-	(10,248)
	<u>15,539</u>	<u>10,786</u>
Profit for the year	15,539	10,786
Gift aid	(15,539)	(10,787)
	<u>-</u>	<u>-</u>
Net assets	-	-

A gift aid payment for 2020 profits of £10,787 has been accrued as a prior year adjustment to reflect that a deed of covenant is in place which creates a legal obligation for the profits to be paid to the Crosfields School Trust Limited.

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

<b>4 Donations and legacies</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Donations	45,929	29,952
HMRC Furlough scheme income	63,112	152,511
	<b>109,041</b>	<b>182,463</b>

£45,929 of donations and legacies were restricted in the current year (2020 £Nil).

<b>5 Ancillary income</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Extra-curricular activities	86,305	141,423
Other income	23,628	18,123
	<b>109,933</b>	<b>159,546</b>

All ancillary income was unrestricted in the current and prior year.

<b>6 Investment income</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Bank interest receivable	-	75
Investment property rental income	-	12,937
	<b>-</b>	<b>13,012</b>

All investment income was unrestricted in the current and prior year.

<b>7 Other income</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Rents receivable	23,773	21,641
	<b>23,773</b>	<b>21,641</b>

All other income was unrestricted in the current and prior year.

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 8 Analysis of expenditure

2021	Staff costs £	Other £	Depreciation £	Total 2021 £
<b>Charitable activities</b>				
School operating costs				
- Teaching	4,077,672	526,033	65,326	4,669,031
- Welfare	221,912	265,181	516	487,609
- Premises	320,516	815,429	358,777	1,494,722
- Support costs	482,043	145,884	921	628,848
- Governance costs	-	46,511	-	46,511
Bank charges and interest	-	44,226	-	44,226
Bad debts	-	8,783	-	8,783
	<u>5,102,143</u>	<u>1,852,047</u>	<u>425,540</u>	<u>7,379,730</u>
<b>Cost of raising funds</b>	-	17,602	-	17,602
<b>Cost of trading activities</b>	137,069	44,979	-	182,048
	<u>5,239,212</u>	<u>1,914,628</u>	<u>425,540</u>	<u>7,579,380</u>
2020 (Restated)	Staff costs £	Other £	Depreciation £	Total 2020 £
<b>Charitable activities</b>				
School operating costs				
- Teaching	3,865,622	502,814	75,818	4,444,254
- Welfare	207,428	236,832	1,281	445,541
- Premises	307,041	889,458	365,005	1,561,504
- Support costs	547,278	146,490	-	693,768
- Governance costs	-	26,855	-	26,855
Bank charges and interest	-	23,071	-	23,071
Bad debts	-	21,034	-	21,034
	<u>4,927,369</u>	<u>1,846,554</u>	<u>442,104</u>	<u>7,216,027</u>
<b>Cost of raising funds</b>	-	2,388	-	2,388
<b>Cost of trading activities</b>	138,521	50,353	-	188,874
	<u>5,065,890</u>	<u>1,899,295</u>	<u>442,104</u>	<u>7,407,289</u>

All expenditure on charitable activities was unrestricted in the current and prior year.

During the year, the School has restated its analysis of expenditure and staff numbers reporting to reflect expenditure more accurately between appropriate categories.

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

9 Expenditure	2021 £	2020 £
<b>Charitable activities include:</b>		
Operating lease charges	8,172	4,276
Depreciation	425,540	442,104
Auditors' remuneration (excl VAT)		
Audit fees - Crosfields School Trust	12,500	17,500
- Crosfields School Enterprises Limited	2,250	2,500
Preparation of statutory accounts	2,000	2,000
Taxation - compliance services to the subsidiary	950	750
Loan interest	43,300	13,768
	485,112	482,832

The employer's liability insurance of the charitable company includes indemnity insurance for the governors. The cost of this insurance is £648 (2020 - £360).

10 Staff costs	2021 £	2020 £
Wages and salaries	4,118,564	3,956,634
Social security costs	398,689	397,565
Pension contributions	726,894	715,429
Pension deficit contribution cost	(4,935)	(3,738)
	5,239,212	5,065,890

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

	2021 Number	Restated 2020 Number
Teaching	93	86
Welfare	1	6
Premises	19	20
Support	15	13
Trading	19	18
	147	143

The governors received Nil remuneration or other benefit for the year (2020 - Nil). The governors were reimbursed for expenses totalling £Nil in the year (2020 - £462).

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 10 Staff costs *(continued)*

The numbers of employees whose remuneration exceeded £60,000 during the year, were:

	2021 Number	2020 Number
£60,001 - £70,000	3	3
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
£110,001 - £120,000	-	-
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
	<hr/>	<hr/>
The number of those higher paid employees who accrued benefits under a defined benefit pension scheme during the year, were:	4	4
	<hr/>	<hr/>
	£	£
Pension contributions for above employees	91,835	68,864
	<hr/>	<hr/>

Aggregate employee costs of the senior leadership team, as disclosed on page 2, including salary, benefits, pension contributions and national insurance) in the year totalled £783,631 (2020 - £752,501).

During the year, severance pay was awarded to 1 employee, with payments for compensation and pay in lieu of notice totalling £5,000 (2020 – two employees - £15,726).

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 11 Tangible fixed assets – Group and Charity

	Freehold property	Assets under construction	Furniture, fixtures and equipment	Total £
	£	£	£	£
<i>Cost</i>				
At 1 September 2020	11,611,701	1,271,589	3,057,824	15,941,114
Additions	104,304	6,270,324	93,096	6,467,724
Disposals	(513,772)	-	(266,143)	(779,915)
	11,202,233	7,541,913	2,884,777	21,628,923
<i>Depreciation</i>				
At 1 September 2020	3,615,331	-	2,565,411	6,180,742
Charge for year	245,511	-	180,029	425,540
Disposals	(513,772)	-	(266,143)	(779,915)
	3,347,070	-	2,479,297	5,826,367
<i>Net book value</i>				
At 31 August 2021	7,855,163	7,541,913	405,480	15,802,556
At 31 August 2020	7,996,370	1,271,589	492,412	9,760,371

### 12 Fixed assets investments- Group and Charity

	Total £
<b>Investment property</b>	
At 31 August 2020	640,000
Sale of investment property	(640,000)
	-
At 31 August 2021	-

The property was sold for £640,000 during the year ended 31 August 2021.

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 12 Fixed assets investments- Group and Charity (continued)

	2021	2020		
Investment in subsidiaries (Charity only)	£	£		
Investment in subsidiary company	1	1		
Company	Registered Office	Company number	Class	Shares held %
Crosfields School Enterprises Limited	Crosfields School Shinfield Road, Shinfield, Reading, Berkshire, RG2 9BL	08332333	Ordinary	100

### 13 Debtors

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Trade debtors	74,673	122,126	65,927	108,076
Other debtors	2,017	45,753	2,017	45,753
Amounts owed by subsidiary undertaking	-	-	115,940	4,302
Prepayments and accrued income	202,804	154,195	188,311	154,195
	279,494	322,074	372,195	312,326

Amounts owed by group undertakings are interest free and repayable on demand.

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

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Bank overdraft (secured)	-	326,838	-	326,838
Trade creditors	831,956	536,106	831,956	536,106
Taxation and social security	106,948	115,206	106,948	115,206
Accruals	184,487	108,135	182,558	102,984
School fees received in advance	804,249	455,161	804,249	455,161
Deposits held	329,085	254,585	329,085	254,585
Other creditors	270,402	185,969	270,402	175,716
Pension liability (Note 16)	47,658	52,593	47,658	52,593
	2,574,785	2,034,593	2,572,856	2,019,189

School fees received in advance relates to fees for the next school year, which some parents pay in advance. Deposits held include an amount of £299,000 (2020 - £243,100) relating to acceptance deposits, all of which are considered as owed within one year given that only one terms notice is required to be given by pupils.

Amounts owed to group undertakings are interest free and repayable on demand.

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 15 Loan creditor

	2021 £	2020 £
<b>Amounts falling due after more than one year</b>		
Bank loan	5,287,651	895,119
The bank loan is repayable by instalments:		
- due after five years	2,950,151	604,205
- due within two to five years	2,337,500	268,536
- due within one to two years	-	22,378
- due after more than one year	5,287,651	895,119
- due within one year	-	-
	5,287,651	895,119

There is one loan in place included within the loan creditor. This is for a facility in place of £8,500,000. As at the year end, £5,287,651 has been drawn down and is repayable by 31 December 2034. Interest is charged at 2.16% above base rate.

The bank loan is secured by way of a fixed charge over the charitable company's freehold land and buildings.

### 16 Defined benefit pension scheme liability

The movement on the pension provision is as follows:

	2021 £	2021 £	2020 £	2020 £
Provision b/fwd		52,593		56,331
Employer contributions relating to the recovery plan	(4,986)		(4,841)	
Unwinding of the discount rate	448		591	
Impact of the change in recovery plan during the year	(397)		512	
		(4,935)		(3,738)
Net movement				
Provision c/fwd		47,658		52,593

The above provision relates to the requirement under the FRS102 that the charity must recognise as a liability the present value of future contributions relating to the funding of a pension deficit. For further details see Note 23.

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 17 Operating lease commitment

At 31 August 2021 the group had total future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Due within one year	3,048	3,612
Due between one and five years	-	2,412
	3,048	6,024

### 18 Capital commitments

At 31 August 2021 the school had the following capital commitments:

	2021 £	2020 £
Contracts for future capital expenditure not provided in the financial statements	551,382	200,939
	551,382	200,939

### 19 Analysis of net assets between funds

Group 2021	Fixed assets £	Investments £	Net current assets/ (liabilities) £	Long term liabilities £	Total £
General fund	15,802,556	-	(1,864,398)	(5,287,651)	8,650,507
Restricted fund	-	-	5,507	-	5,507
	15,802,556	-	(1,858,891)	(5,287,651)	8,656,014
Group 2020	Fixed assets £	Investments £	Net current assets/ (liabilities) £	Long term liabilities £	Total £
General fund	9,760,371	640,000	(1,648,918)	(895,119)	7,856,334
	9,760,371	640,000	(1,648,918)	(895,119)	7,856,334

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 19 Analysis of net assets between funds *(continued)*

Charity 2021	Fixed assets £	Investments £	Net current assets/ (liabilities) £	Long term liabilities £	Total £
General fund	15,802,556	1	(1,875,185)	(5,287,651)	8,639,721
Restricted fund	-	-	5,507	-	5,507
	<u>15,802,556</u>	<u>1</u>	<u>(1,869,678)</u>	<u>(5,287,651)</u>	<u>8,645,228</u>
Charity 2020	Fixed assets £	Investments £	Net current assets/ (liabilities) £	Long term liabilities £	Total £
General fund	9,760,371	640,001	(1,659,705)	(895,119)	7,845,548
	<u>9,760,371</u>	<u>640,001</u>	<u>(1,659,705)</u>	<u>(895,119)</u>	<u>7,845,548</u>

### 20 Total Funds

Group 2021	Balance 1 September 2020 £	Income £	Expenditure £	Transfers/ gains/tax £	Balance 31 August 2021 £
<b>Unrestricted funds</b>					
General fund	7,856,334	8,333,131	(7,579,380)	40,422	8,650,507
<b>Restricted fund</b>					
Books fund	-	1,362	-	-	1,362
Bursary fund	-	4,145	-	-	4,145
Laptop fund	-	40,422	-	(40,422)	-
<b>Total restricted</b>	<u>-</u>	<u>45,929</u>	<u>-</u>	<u>(40,422)</u>	<u>5,507</u>
<b>Total funds</b>	<u>7,856,334</u>	<u>8,379,060</u>	<u>(7,579,380)</u>	<u>-</u>	<u>8,656,014</u>

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 20 Total Funds (continued)

Group 2020	Balance 1 September 2019 £	Income £	Expenditure £	Transfers / gains/tax £	Balance 31 August 2020 £
<b>Designated fund</b>					
Prize fund	1,526	-	-	(1,526)	-
<b>General fund</b>	7,816,990	7,455,355	(7,407,289)	(8,722)	7,856,334
	<u>7,818,516</u>	<u>7,455,355</u>	<u>(7,407,289)</u>	<u>(10,248)</u>	<u>7,856,334</u>
<b>Charity 2021</b>	<b>Balance 1 September 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers/ gains/tax £</b>	<b>Balance 31 August 2021 £</b>
<b>General fund</b>	7,845,548	8,151,083	(7,397,332)	40,422	8,639,721
<b>Restricted fund</b>					
Books fund	-	1,362	-	-	1,362
Bursary fund	-	4,145	-	-	4,145
Laptop fund	-	40,422	-	(40,422)	-
<b>Total restricted</b>	-	<u>45,929</u>	-	<u>(40,422)</u>	<u>5,507</u>
<b>Total funds</b>	<u>7,845,548</u>	<u>8,197,012</u>	<u>(7,397,332)</u>	-	<u>8,645,228</u>
<b>Charity 2020</b>	<b>Balance 1 September 2019 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers/ gains/tax £</b>	<b>Balance 31 August 2020 £</b>
<b>Designated fund</b>					
Prize fund	1,526	-	-	(1,526)	-
<b>General fund</b>	7,738,579	7,356,309	(7,250,866)	1,526	7,845,548
	<u>7,740,105</u>	<u>7,356,309</u>	<u>(7,250,866)</u>	-	<u>7,845,548</u>

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

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General funds are unrestricted funds that are available for use at the discretion of the governors in furtherance of the general objectives of the charitable company and have not been designated for other purposes.

Incoming resources of the charity includes £15,539 (2020: £10,786) of gift aid received from its subsidiary.

The prize fund is monies set aside for the provision of prizes awarded to children.

Restricted funds are as follows:

- Book fund relates to donations raised for spending on school books.
- Bursary fund relates to donations for spending on future bursaries.
- Laptop fund relates to a donation received in the current year to fund the purchase of 40 laptops. These assets were purchased in the year and therefore this fund has been transferred to unrestricted.

## 21 Pensions

The charitable company operates three pension schemes:

### a) Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £597,285 (2020: £585,199) and at the year-end £72,051 (2020 - £69,676) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 21 Pensions *(continued)*

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

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

#### b) Support Staff Group Pension Scheme

The charitable Company runs a defined contribution scheme for support staff with Aegon. The cost for the year represents the charitable company's contributions to the scheme of £121,509 (2020 - £118,391) and at the year-end £16,234 (2020 - £2,207) was accrued in respect of contributions to this scheme.

#### c) The Pensions Trust

The charitable company participates in The Pensions Trust scheme, which is a multi-employer scheme providing benefits to some 66 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charitable company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2017. This actuarial valuation was certified on 27 December 2018 and showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Total contributions paid into the scheme by the charitable company amounted to £8,100 (2020 - £8,100). At the year-end amounts recorded in creditors were £Nil (2020 - £Nil).

Full details are available regarding The Pensions Trust on their website [www.tpt.org.uk](http://www.tpt.org.uk)

# Crosfields School Trust Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* For the year ended 31 August 2021

### 22 Analysis of net debt

	Balance 1 September 2020 £	Cashflows £	Balance 31 August 2021 £
Cash at bank and in hand	61,803	374,464	<b>436,267</b>
Bank overdrafts	(326,838)	326,838	-
Debt due within 1 year	-	-	-
Debt due after 1 year	(895,119)	(4,392,532)	<b>(5,287,651)</b>
	(1,160,154)	(3,691,230)	<b>(4,851,384)</b>

### 23 Related party transactions

Owing to the nature of the school's operations and the composition of the governing body being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a governor may have an interest. All transactions involving these organisations are in accordance with the school's normal procedures.

In the current period £Nil was paid to Twyford Surgery, a surgery owned by a governor, for flu jabs (2020 - £613).

The total donations in aggregate received from governors in the year were £40,422 (2020 – £Nil)

The school has a number of pupils who are family members of governors. Fees are payable at the same level as other pupils and entitlement to fee remission is considered in line with the school's stated policy for such awards.

Transactions between the school and its subsidiary Crosfields School Enterprises Limited are disclosed below:

	2021 £	Restated 2020 £
Recharged expenses	<b>129,918</b>	155,191
Gift Aid	<b>15,539</b>	10,786
Amounts owed by/(to) Crosfields School Enterprises Limited	<b>115,940</b>	4,302

There were no other related party transaction in the year.