

REGISTERED CHARITY NUMBER: 309235

**THE BURFORD SCHOOL FOUNDATION
REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

THE BURFORD SCHOOL FOUNDATION

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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THE BURFORD SCHOOL FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The governors (known as and referred to herein as the "Trustees") of Burford School Foundation (the Foundation) have the pleasure in presenting their report and the financial statement of the Foundation for the year ended 31 December 2022. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and activities

Objects as set out in the Scheme

The application of funds shall be as stated in the Scheme dated 23rd July 1990:

1. For defraying the cost of maintaining the property owned by the Foundation and all other charges and expenses incurred in the management of the Foundation.
2. For providing such special benefits of any kind for any educational institution attended by children resident in the area of benefit (the civil parish of Burford) as may be from time to time agreed by the Trustees of the Foundation and of the school concerned.
3. For promoting the education of persons under 25 years who either reside in the area of benefit or have attended as a pupil of a school in the area of benefit for at least 2 years and are in need of financial assistance.

Activities

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit in setting our policies and in carrying out and planning our future activities in accordance with those policies. The Trustees consider that the activities are for the public benefit because they are all educational and contribute to the educational institutions of Burford and also individuals in need of financial support towards their education.

The Trustees set an annual grant expenditure budget which takes into account the projected income of the Foundation and known calls anticipated for the maintenance of its property and the funding of management costs.

At Primary and Secondary School level, services, equipment and general items are purchased according to the needs identified by the teaching staff of the school.

At Higher and Further Educational Level periodic grant and bursary payments are made to students in established financial need, to finance equipment, travel, study courses or any other identified financial requirement, as judged worthy by the Trustees.

All grant and bursary decisions in accordance with the Foundation's governing documents, its policies, and with reference to the annual budget and monthly management accounts.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In 2022, the Foundation provided a £376,491 for additional teaching, equipment, subscriptions and general items proposed by the School's staff and Head teacher

The Primary School received £40,920 for additional teaching, equipment and general items proposed by the School's staff and Head teacher.

Grants and bursaries to individuals in Higher and Further Education in 2022 amounted to £3,250.

THE BURFORD SCHOOL FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Fundraising activities

The Foundation owns both domestic and commercial properties which are an open market resource to generate funds. The vagaries of the housing and commercial market affect the Foundation's income. During 2022, a change of tenants in its properties caused breaks in rental receipts.

The Foundation sold the final area of former farmland, known as the Shilton Road field, for development. The proceeds of sale have been and will be invested.

The Foundation does not engage in other fundraising activities.

FINANCIAL REVIEW

Financial position

The total net expenditure for the Foundation in 2022 was £725,247 (2021: £3,524,345 total net income). The main reason for the change in the total net income was due to the significant losses incurred on the value of the investments held by the Foundation during the year.

Total expenditure in 2022 was £572,991 (2021: £963,018).

Reserves policy

Until now the Foundation has not had, and has not needed, a formal reserves policy and has always operated on a cashflow basis according to the income from its rental properties.

The Foundation has seen a need to formulate a reserves policy going forward and has therefore adopted a Total Returns policy, the details of which are provided below.

Total Returns policy

When Burford School had Grammar School status it owned a farm. Farm activities were ceased when the school became a state comprehensive, and the milk quota was sold. Some farmland had been leased from OCC but some was school owned and, with the boarding houses and Church Lane rental properties passed into the ownership of the Burford School Foundation. While most former farmland was contiguous with the main school land one field on the Shilton Road was isolated and only used for sheep grazing by local farmers. The land could not be developed under the terms of the WODC Local Plan 2011 but when the plan expired and the NPPF had been published with its "Presumption in favour of Sustainable Development" the Foundation decided to progress a planning application.

Prior to the sale of the Shilton Road field the Foundation was dependent upon rental income from buildings and limited investment income from the sale of others. This limited its ability to supply grants to schools and students while maintaining the buildings.

Planning permission for 91 houses, 60 assisted living apartments and a 64-bed care home was granted on appeal in January 2017. The Foundation had been advised and guided through the process by professionals on the basis of a Promotion Agreement. These same professionals proceeded to market and sell the land which resulted in the sale as three properties, 1,2 and 3 at different junctures.

Concurrent with the above process two trustees, now retired, studied the investment and options for investment aided by an adviser. Decisions were made by the trustees to place the bulk of the income from the land sale with Cazenove for management, a total of £9.7m. A smaller amount which followed the main income on a timeline was placed with CCLA to bolster funds already held by them. This process increased an £800k holding to £2m and has latterly been increased to a £3m holding. This investment operated by CCLA on a Total Return basis raised initially £7k/quarter, rising to £14k per quarter and will eventually raise an anticipated £21k per quarter.

THE BURFORD SCHOOL FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Total Returns policy - continued

Although the trustee opted by resolution in late 2019 to use a Total Return method of operating the Cazenove investment no formal legal advice had been sought. During 2021 and 2022 legal advice was sought from VWV of Bristol and a Total Return Policy was drafted and agreed in December 2022. That policy had not yet become operative although the Foundation did withdraw some growth capital from the Cazenove fund in December 2020 in order to build an "all weather" pitch complex for the school on former farmland contiguous with the school playing fields.

The Total Return (UTR) policy was adopted by resolution at 13 December 2022 meeting of the Foundation and a UTR of £102k was identified but not applied to investment at that stage.

The Foundation is also upgrading its Constitution (Scheme) but that has not yet been formally adopted.

Basis of the valuation

The Shilton Road field had two possible valuations. Prior to granting planning permission in January 2017 the field was poor quality farming land. Cotswold brash not suitable for arable and only suitable for grazing. 15 acres at a value of £10,000 per acre gave the field a £150,000 initial value.

After the grant of Planning Permission Strutt & Parker, Oxford, were able to sell the entire field for £16m of which the Foundation earned £12m. The Foundation did have costs and were obliged to build a 300 metre dry stone wall along one boundary at a cost of £85,000. The Foundation lodged £9.7m with Cazenove for management (the proceeds of the sale of Property 1 and 2).

The dilemma for the Foundation was whether to choose £150,000 as the initial value leaving £9.6m as the Unapplied Total Return available to be spent or to choose the value at sale £9.7m as the initial value leaving very little as Unapplied Total Return.

Considering the long history of the school, it was founded in 1571, and the limited duration of each trusteeship, 12 or 15 years maximum, it was decided to declare the high value as the "permanent endowment", £9.7m, so that it would be protected and more useful over a longer period of time.

Adverse investment conditions prevailing at present mean that there is no capital growth, and the endowment value is falling behind its real time value during periods of 8% to 10% inflation.

Our financial advisers, Yoke and Co, and fund manager at Cazenove are doing their best to hold value and are succeeding to a commendable extent.

Current categorisation of funds held

Definitions to be used in the accounts:

Investment Fund - this is the money lodged with Cazenove and subject to having its value maintained by investment from the UTR.

Permanent Endowment - this is the property (previously valued at £4.166m), the CCLA fund (which is operated as Total Return by CCLA) and the Cazenove fund which we are obligated to operate as Total Return using our UTR. The permanent endowment cannot be spent.

Assets - they are the permanent endowment (which comprise the £9.7m and £4.166m in property) total £13.9m at the year end.

THE BURFORD SCHOOL FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Current categorisation of funds held - continued

The above will be shown as restricted and unrestricted amounts in the accounts.

The 2022 accounts cannot stand alone for audit as we did not use any of the declared UTR, £102k, to pay into the investment fund. Consequently, there will be a "carry over" so that the overage payment into CCLA can be accounted for and show compliance with the Total Return Policy. We still have in excess of £102k in cash so I'll investigate returning that to the investment fund.

In April 2023 and July 2023, the Foundation received additional overage payments from Property 1 developers Lioncourt of £1.09m and £0.06m respectively. These have been reflected in the accounts for 2022 representing a known event at the year-end that has since been quantified.

The 2023 accounts will absorb the "carry over" monies and show cognisance of the Total Return (UTR) policy and that should make the audit easier in 2024.

PRINCIPLE RISKS AND UNCERTAINTIES

Principal risks to date have rested with the vagaries of the property market and rental income.

Going forward, those risks will remain but will be eclipsed by the investment risks associated with the market performance for those investments resulting from the completed sale of the Shilton Road field. The proceeds of the sale were invested by Cazenove on an ethical basis agreed by the Trustees and according to advice from independent sources.

Risk has been minimised but is ever present.

The Foundation is formulating policies to accommodate and mitigate risk as much as possible. Expert advice is being obtained.

FUTURE PLANS

The Foundation is long established and conservative in its operations. These attitudes will probably govern the ongoing actions, but no definite future plans have been formulated and agreed.

Updating the Scheme and instigating Total Return investment policies are currently in hand with expert guidance.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Foundation is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The Foundation is governed by a Scheme which was approved and sealed by the Charity Commission on 23 July 1990.

That Scheme is currently under review due to the Foundation's changed circumstance of its increase in capital as a result of the sale of the Shilton Road field.

Governance and management

Day to day management is delegated by the Trustees to specific responsible roles. Overall, the chair manages meetings and the interface with beneficiaries.

THE BURFORD SCHOOL FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Governance and management - continued

A Grants Committee considers applications from institutions and individuals and proposes payments in accordance with policies agreed by the Trustees, for approval by Trustees.

Property maintenance is the responsibility of Trustees who instruct contractors and tradesmen as required. Purchasing guidelines have been agreed by the Trustees. Managing agents have been appointed for project management of building work.

Tenancies are managed by a further Trustee working in conjunction with a local estate agent.

A further Trustee acts as treasurer in accordance with rules for financial expenditure limits and co-signatory requirements.

All the above Trustees are responsible to the plenary Trustee meetings and all actions are subject to report, resolution and recording in the Foundation's meeting minutes.

No staff are employed, and no honoraria are paid. Expert advice is sought on a payment for services basis only.

Recruitment and appointment of new trustees

The recruitment of Trustees is undertaken in accordance with the governing document, Charity Commission guidance and through the use of local media for open recruitment. New Trustees are given a full induction into their role as Trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

309235

Principal address

1 Wychwood Drive
Milton-under-Wychwood
Chipping Norton
OX7 6JA

Trustees

A C Beaney
R Reavley
K Sparrowhawk (resigned 31/3/2022)
D A Cotterill
C Walton
L Evans
N F Johnson (resigned 15/9/2022)
P Bush (resigned 31/5/2022)
M Albrighton FRSA
T Putt
A Jackson (appointed 6/9/2022)
H Ashton (appointed 12/9/2022)
M Ebelis (appointed 13/12/2022)

THE BURFORD SCHOOL FOUNDATION

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 20 October 2023 and signed on its behalf by:


.....
A C Beaney – Chairman and Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE BURFORD SCHOOL FOUNDATION

Opinion

We have audited the financial statements of The Burford School Foundation (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE BURFORD SCHOOL FOUNDATION

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

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

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

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

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

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

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE BURFORD SCHOOL FOUNDATION**

Auditor's responsibilities for the audit of the financial statements - continued

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

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

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

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Kirtland (Senior Statutory Auditor)
For and on behalf of Critchleys Audit LLP

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Chartered Accountants
Statutory Auditor

23-38 Hythe Bridge Street
Oxford
Oxfordshire
OX1 2EP

Dated: 20 October 2023

THE BURFORD SCHOOL FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted fund £	Endowment fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	2	309,458	-	309,458	302,634
Other income		<u>852</u>	<u>-</u>	<u>852</u>	<u>1,182</u>
Total		<u>310,310</u>	<u>-</u>	<u>310,310</u>	<u>303,816</u>
EXPENDITURE ON					
Investment management costs	3	127,450	-	127,450	152,730
Charitable activities	4				
Charitable activities		<u>445,541</u>	<u>-</u>	<u>445,541</u>	<u>810,288</u>
Total		<u>572,991</u>	<u>-</u>	<u>572,991</u>	<u>963,018</u>
Net gains/(losses) on investments		<u>-</u>	<u>(462,566)</u>	<u>(462,566)</u>	<u>4,183,547</u>
NET INCOME/(EXPENDITURE)		<u>(262,681)</u>	<u>(462,566)</u>	<u>(725,247)</u>	<u>3,524,345</u>
Transfers between funds	13	<u>818,862</u>	<u>(818,862)</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>556,181</u>	<u>(1,281,428)</u>	<u>(725,247)</u>	<u>3,524,345</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>(553,404)</u>	<u>18,455,635</u>	<u>17,902,231</u>	<u>14,377,886</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>2,777</u></u>	<u><u>17,174,207</u></u>	<u><u>17,176,984</u></u>	<u><u>17,902,231</u></u>

The notes form part of these financial statements

THE BURFORD SCHOOL FOUNDATION

BALANCE SHEET
31 DECEMBER 2022

	Notes	Unrestricted fund £	Endowment fund £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Investments					
Investments	9	-	11,770,433	11,770,433	12,866,898
Investment property	10	-	<u>4,166,000</u>	<u>4,166,000</u>	<u>4,166,000</u>
		-	15,936,433	15,936,433	17,032,898
CURRENT ASSETS					
Debtors	11	18,723	1,152,028	1,170,751	13,584
Cash at bank		<u>1,577</u>	<u>92,546</u>	<u>94,123</u>	<u>1,482,104</u>
		20,300	1,244,574	1,264,874	1,495,688
CREDITORS					
Amounts falling due within one year	12	(17,523)	(6,800)	(24,323)	(626,355)
		<u>2,777</u>	<u>1,237,774</u>	<u>1,240,551</u>	<u>869,333</u>
NET CURRENT ASSETS					
		<u>2,777</u>	<u>1,237,774</u>	<u>1,240,551</u>	<u>869,333</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>2,777</u>	<u>17,174,207</u>	<u>17,176,984</u>	<u>17,902,231</u>
NET ASSETS					
		<u>2,777</u>	<u>17,174,207</u>	<u>17,176,984</u>	<u>17,902,231</u>
FUNDS					
	13			2,777	(553,404)
Unrestricted funds				<u>17,174,207</u>	<u>18,455,635</u>
Endowment funds					
TOTAL FUNDS					
				<u>17,176,984</u>	<u>17,902,231</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20 October 2023 and were signed on its behalf by:

A Beaney
A C Beaney – Chairman and Trustee

The notes form part of these financial statements

THE BURFORD SCHOOL FOUNDATION

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(3,646,499)</u>	<u>(174,435)</u>
Net cash used in operating activities		<u>(3,646,499)</u>	<u>(174,435)</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(1,635,217)	(4,248,188)
Sale of fixed asset investments		1,922,183	4,986,261
Sale of investment property		1,970,890	1,470,870
Reclassification of cash equivalents		-	(1,263,561)
Interest received		<u>662</u>	<u>190</u>
Net cash provided by investing activities		<u>2,258,518</u>	<u>945,572</u>
Change in cash and cash equivalents in the reporting period			
		(1,387,981)	771,137
Cash and cash equivalents at the beginning of the reporting period		<u>1,482,104</u>	<u>710,967</u>
Cash and cash equivalents at the end of the reporting period		<u>94,123</u>	<u>1,482,104</u>

The notes form part of these financial statements

THE BURFORD SCHOOL FOUNDATION

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(725,247)	3,524,345
Adjustments for:		
Gain on investments	(1,161,392)	(4,183,547)
Interest received	(662)	(190)
Increase in debtors	(1,157,167)	(129)
(Decrease)/increase in creditors	<u>(602,031)</u>	<u>485,086</u>
Net cash used in operations	<u>(3,646,499)</u>	<u>(174,435)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/22 £	Cash flow £	At 31/12/22 £
Net cash			
Cash at bank	<u>1,482,104</u>	<u>(1,387,981)</u>	<u>94,123</u>
	<u>1,482,104</u>	<u>(1,387,981)</u>	<u>94,123</u>
Total	<u>1,482,104</u>	<u>(1,387,981)</u>	<u>94,123</u>

The notes form part of these financial statements

THE BURFORD SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

CORONAVIRUS (COVID-19) IMPACT

According to the trustees, as of the date of signing the financial statements, there has been no impact of Covid-19 on these financial statements. The trustees continue to monitor the impact of this pandemic and to make adjustments to the financial plans as necessary.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The primary income of the charity is that from rental of property as well as dividends from investment.

Other income represents the profit on the sale of land or rental of land. There are overage agreements in place which have not been accounted for in these accounts as the trustees have no way of quantifying the potential outcome or whether it would even materialise. Such income will be accounted for when received.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

INVESTMENT PROPERTY

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

TAXATION

The charity is exempt from tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

THE BURFORD SCHOOL FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

FUND ACCOUNTING

A total return policy was adopted 12 December 2022. The trustees are able to decide on those unapplied total return funds that can be made available towards unrestricted funds. The balances in those funds are shown in Note 13.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. INVESTMENT INCOME

	2022	2021
	£	£
Rents received	89,046	98,394
Investment income	219,750	204,050
Interest received	<u>662</u>	<u>190</u>
	<u><u>309,458</u></u>	<u><u>302,634</u></u>

3. INVESTMENT MANAGEMENT COSTS

INVESTMENT MANAGEMENT COSTS

	2022	2021
	£	£
Investment management fees	38,714	37,042
Professional fees	18,345	13,047
Property repairs	<u>70,391</u>	<u>102,641</u>
	<u><u>127,450</u></u>	<u><u>152,730</u></u>

4. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Charitable activities	<u>428,461</u>	<u>17,080</u>	<u><u>445,541</u></u>

5. GRANTS PAYABLE

	2022	2021
	£	£
Charitable activities	<u>428,461</u>	<u>793,318</u>

The total grants paid to institutions during the year was as follows:

	2022	2021
	£	£
Burford Primary School	40,920	11,929
Burford School	376,491	775,039
Burford Pre-school	<u>7,800</u>	<u>-</u>
	<u><u>425,211</u></u>	<u><u>786,968</u></u>

THE BURFORD SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

6. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Charitable activities	<u>5,688</u>	<u>11,392</u>	<u>17,080</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Investment income	302,634	-	302,634
Other income	<u>1,182</u>	<u>-</u>	<u>1,182</u>
Total	<u>303,816</u>	<u>-</u>	<u>303,816</u>
EXPENDITURE ON			
Investment management costs	152,730	-	152,730
Charitable activities			
Charitable activities	<u>810,288</u>	<u>-</u>	<u>810,288</u>
Total	<u>963,018</u>	<u>-</u>	<u>963,018</u>
Net gains on investments	<u>-</u>	<u>4,183,547</u>	<u>4,183,547</u>
NET INCOME/(EXPENDITURE)	(659,202)	4,183,547	3,524,345
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>105,798</u>	<u>14,272,088</u>	<u>14,377,886</u>
TOTAL FUNDS CARRIED FORWARD	<u>(553,404)</u>	<u>18,455,635</u>	<u>17,902,231</u>

THE BURFORD SCHOOL FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2022	12,866,898
Additions	1,635,217
Disposals	(1,922,183)
Revaluations	<u>(809,499)</u>
At 31 December 2022	<u>11,770,433</u>
NET BOOK VALUE	
At 31 December 2022	<u>11,770,433</u>
At 31 December 2021	<u>12,866,898</u>

There were no investment assets outside the UK.

Cost or valuation at 31 December 2022 is represented by:

	Listed investments £
Valuation in 2022	<u>11,770,433</u>

10. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2022 and 31 December 2022	<u>4,166,000</u>
NET BOOK VALUE	
At 31 December 2022	<u>4,166,000</u>
At 31 December 2021	<u>4,166,000</u>

The fair values of the investment properties have been arrived at on the basis of a valuation carried out by the trustees in October 2021. The valuation was made in consultation with an external surveyor by reference to market for similar properties.

Fair value at 31 December 2022 is represented by:

	£
Valuation in 2021	<u>4,166,000</u>

THE BURFORD SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	1,398	6,448
Other debtors	1,152,028	-
Accrued income	14,932	5,320
Prepayments	2,393	1,816
	<u>1,170,751</u>	<u>13,584</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	7,432	613,716
Other creditors	16,891	12,639
	<u>24,323</u>	<u>626,355</u>

13. MOVEMENT IN FUNDS

	At 1/1/22	Net movement in funds	Transfers between funds	At 31/12/22
	£	£	£	£
Unrestricted funds				
General fund	(553,404)	(262,681)	818,862	2,777
Endowment funds				
Permanent endowment	18,455,635	(462,566)	(818,862)	17,174,207
	<u>17,902,231</u>	<u>(725,247)</u>	<u>-</u>	<u>17,176,984</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	310,310	(572,991)	-	(262,681)
Endowment funds				
Permanent endowment	-	-	(462,566)	(462,566)
	<u>310,310</u>	<u>(572,991)</u>	<u>(462,566)</u>	<u>(725,247)</u>

THE BURFORD SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	105,798	(659,202)	(553,404)
Endowment funds			
Permanent endowment	14,272,088	4,183,547	18,455,635
TOTAL FUNDS	<u>14,377,886</u>	<u>3,524,345</u>	<u>17,902,231</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	303,816	(963,018)	-	(659,202)
Endowment funds				
Permanent endowment	-	-	4,183,547	4,183,547
TOTAL FUNDS	<u>303,816</u>	<u>(963,018)</u>	<u>4,183,547</u>	<u>3,524,345</u>

THE BURFORD SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

13. MOVEMENT IN FUNDS - continued

Endowment funds	Trust for Investment £	Unapplied Total Return £	Total Endowment £
At the beginning of the accounting period	18,455,635	-	18,455,635
Movements in the accounting period			
Resolution 13 December 2022 allocated permanent endowment transfer balance	(4,549,414)	4,549,414	-
Investment return: realised and unrealised gains and (losses)	-	(462,566)	(462,566)
	(4,549,414)	4,086,848	(462,566)
Unapplied total return allocated to the income fund in the reporting period	-	(818,862)	-
Unapplied total return allocated to endowment for Indexation in the reporting period	-	-	-
Net movement in the reporting period	(4,549,414)	3,267,985	(462,566)
At the end of the accounting period			
Permanent endowment	13,906,221	-	13,906,221
Unapplied total return	-	3,267,985	3,267,985
Total	<u>13,906,221</u>	<u>3,267,985</u>	<u>17,174,207</u>

14. RELATED PARTY DISCLOSURES

There were the following related party transactions for the year ended 31 December 2022:

- 1 trustee paid £522 to the Trust relating to parking; and
- 1 trustee's partner paid £330 to the Trust for the fire escape easement over the Trust's land.

There were the following related party transactions for the year ended 31 December 2021:

- 1 trustee paid £522 to the Trust relating to parking;
- 3 trustees were reimbursed for expenses they paid on behalf of the Trust totalling £1,367; and
- 1 trustee's partner paid £330 to the Trust for the fire escape easement over the Trust's land.