

Chard School

**Annual Report and Financial Statements
Year Ended 31 August 2023**

Charity registration number: 310219

Chard School

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Chard School

Trustee's Report

The trustee presents the annual report together with the financial statements of the charity for the year ended 31 August 2023.

Objectives and activities

Objects and aims

The object of the Charity is to provide and run a school in Chard for boys and girls within the local community and surrounding area.

The school is a small independent co-educational day school for 4-11 years old, situated in the historic Somerset town of Chard.

In setting out its objectives and the planning of activities the sole Trustee, Chard Independent School, has 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.

Public benefit

To ensure that Chard School continues to fulfil its charitable obligations to enable access to the school to children from all backgrounds, in addition to the assisted places for lower income families.

The Trustee actively seeks ways and means of supporting the school such as running an annual scholarship campaign and offering additional bursaries where necessary. The school accepts Early Years vouchers making its high quality early years education more widely accessible.

The school opens its facilities to outside groups, for example, art, craft and music, ensuring that a range of local children are able to access Chard School. The school regularly engages with local charity and non-profit organisations, such as the St Mary's Church Remembrance Service and the Chard Together exhibition. A commitment to fund-raising for charities, both at home and overseas, educates the children in the needs of others and directly benefits less privileged children.

Chard School

Trustee's Report (continued)

Achievements and performance

Achievements

The school is actively concerned in raising money for charity, especially local charities and other good causes, through fund raising events such as mufti-days, cake sales the selling of Royal British Legion Items and collections at school events. The funds for the past year were given to the British Legion Poppy Appeal, The Church of the Good Shepherd, Children in Need, Comic Relief, RSPCA and The Dog's Trust.

The school continues to forge links with other local schools. The sports teams played a number of fixtures both at home and away against both local preparatory school and state schools during the academic year. These fixtures included hockey, football, cross country, tag rugby, athletics, netball, rounders and cricket.

To expand the learning experience of all pupils, the school provides a number of popular after-school clubs including craft clubs, sports clubs, outdoor clubs, academic clubs, science clubs, music clubs and debating club.

Art work of pupils of all ages is regularly exhibited at many local art exhibitions and horticultural shows including the Ilminster Arts Festival, exhibitions at Chard Museum, Chard Library, Berenson's Solicitors, Chard Horticultural Show and Chard Guildhall.

Pupils go on school trips and visits to places of local interest and public facilities including Chard Museum, Chard Library, Chard Leisure Centre, the Church of the Good Shpherd, Forest School trips to ROAM, the factory of Numatic International, Charmouth Beach, Seaton wetlands and Tramway. The Year 5 & 6 children enjoy a school residential trip annually. There is participation in key local civic events e.g. teh annual Chard Town Remembrance March and Service at which the headboy and headgirl lay a wreath in memory of former pupils of who are among the Fallen.

Pupils participate in many challenging stage productions involving drama, music and dance. Productions including the Pre-prep and Prep Harvest Festival Services, Prep Remembrance Service, Pre-Prep Nativity play, the Christmas Carol Service, the Easter Musical led by Year 3 & 4 of Humpty Dumpty. Cerdic end of year show 'Beauty & the Beast'.

Music lessons are popular with pupils studying a wide range of musical instruments including piano, clarinet, flute, violin, recorder, guitar, ukulele, brass, drums as well as singing.

In 2023 Pupils in Year 6 left for Colyton Grammar School, Wellington School, St. John's School in Sidmouth, Queen's College, Woodroffe and Beaminster, Scholarships were awarded including an academic scholarships to Wellington School.

Chard School

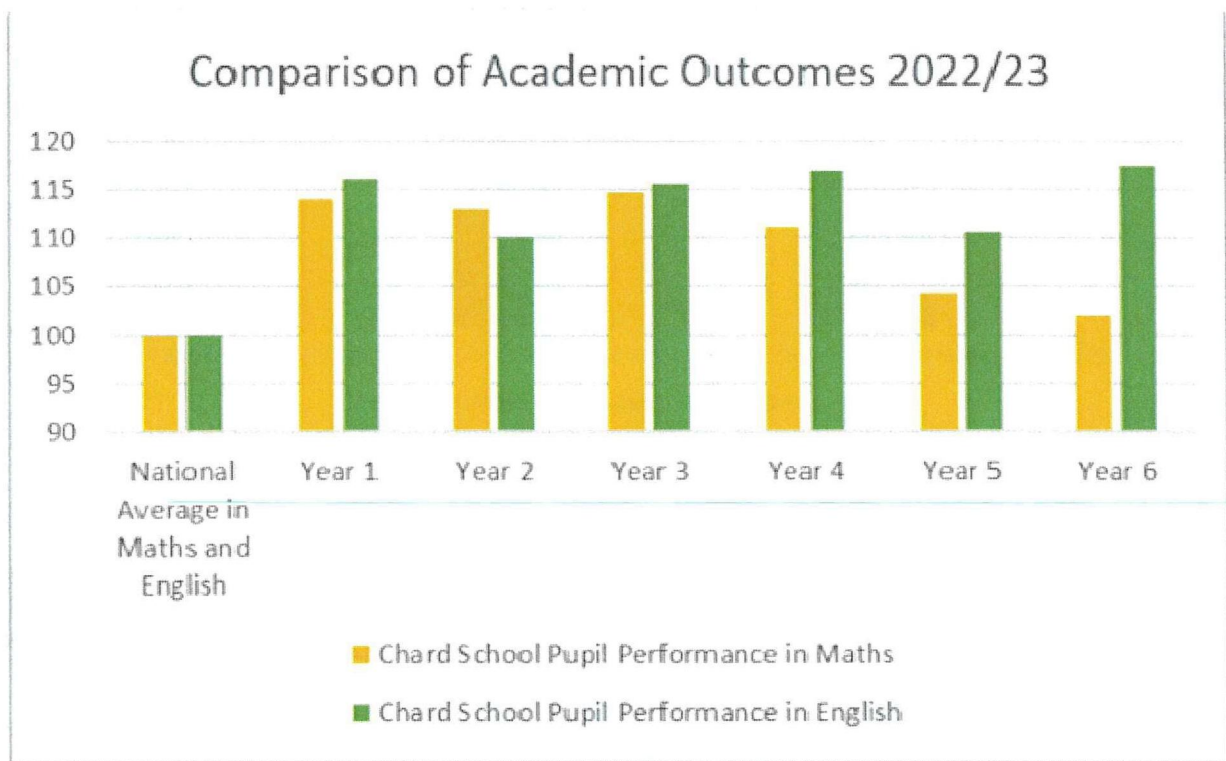
Trustee's Report (continued)

Summative assessment

The summative assessment that takes place at Chard School includes:

- Reading and Spelling age assessments (September: Year 1 +). The most recent tests show that:
14 out of 30 pupils are above the national average spelling ability for their age group
21 out of 30 pupils are above the national average for reading ability for their age group
 - GL Assessment progress tests in Maths, English and Science (Year R+)
- Here is a graph showing the academic achievements of Chard School Pupils in the academic year 2022/23. Data for this academic year will be collected in the Summer Term 2024.

These results show the comparison of achievement between the Pre-Prep and Prep School and their national equivalent.

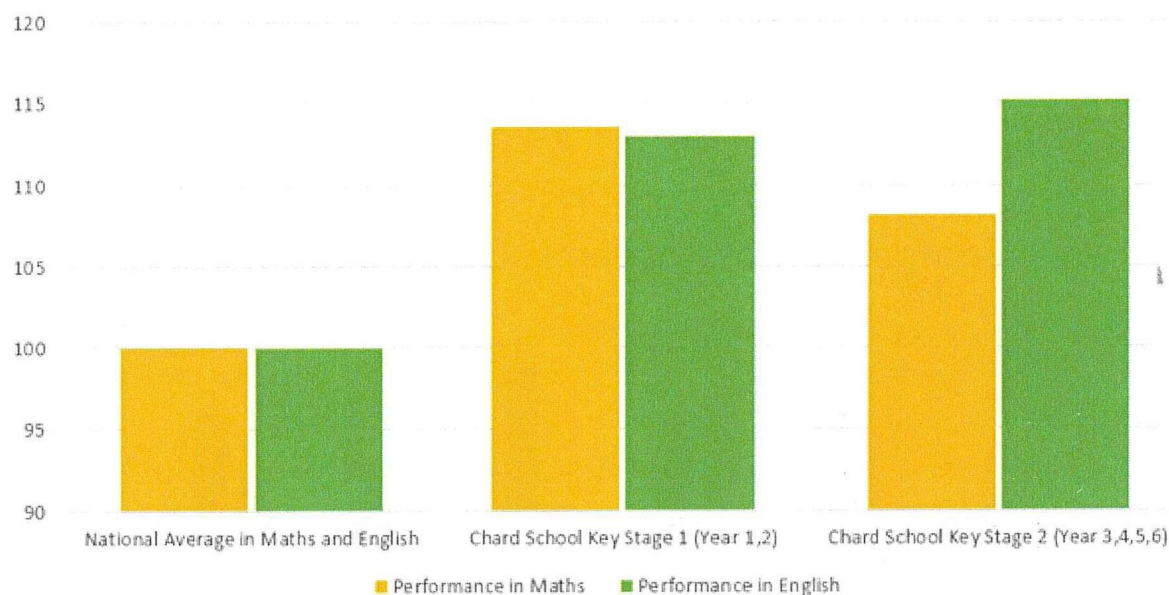


Chard School

Trustee's Report (continued)

These results, alongside teacher assessment, are used to inform our decisions when assessing children during and at the end of each year. The results of these summative assessments are tracked and monitored at three separate points during the year, where decisions are made about each child's provision.

2023 - Comparison of Academic Outcomes



Financial review

Policy on reserves and investments

The Trustee aims to maintain sufficient free reserves in unrestricted funds to meet all income and expenditure fluctuations as they arise and, due to the uncertainty of income streams, to retain sufficient funds to enable the school to operate with reduced numbers for a period of at least one year without reducing its ability to accept additional pupils. Reserves are set at a level to cover fixed costs.

At year end, restricted reserves were £nil (2022 - £nil) and permanent endowment funds were £3,035 (2022 - £8,111). A description of reserves is provided in Note 20.

The charity does not currently hold any significant investment portfolios and the cash balance is retained to fund the ongoing charitable activities of the school.

Chard School

Trustee's Report (continued)

Plans for future periods

Aims and key objectives for future periods

Chard School is in a period of financial recovery following a period of prolonged reduced pupil numbers. During Spring 2024 the school has c.50 pupils on-roll. The school has recruited since January 2024 an additional 9 pupils (excluding staff children) this trend is expected to continue and the school is conservatively forecasting to recruit a further 7 pupils per term. This will take the expected pupils on roll to 67 in Summer term 2025, at which point based on the forecasted cost model the school will return to profitability and replenish cash reserves. In extremis the school holds a £30,000 loan (repayable by demand) from the Old Cerdics' Association which will be drawn down upon if the need arises.

Longer term plans see the school expanding further and utilising the VAT risk as a potential opportunity to increase pupil numbers to more than 100 pupils.

Discounts on school fees

To support the recruitment of new pupils the school has offered the following discounts:

1. Staff child incentive.
2. Staff referral bonus, payable to staff who refer any children who join the school.
3. 30% new joiner incentive. This applies to the first year only.
4. 15% referral incentive for existing parents who refer others to join the school. This applies to one year only.
5. 10% Old Cerdics' incentive for the whole school period for any direct decedents of the Old Cerdics' Association members.
6. For existing families, the previous discounts remain in place as follows:
 - a. Family discounts are given on second and third children at the rates of 6% and 12% respectively per term.
 - b. Assisted places have been awarded to lower income families. The total discounts and assisted places awarded over the financial year were 5.1% (2022 - 6.0%) of the total gross fee income.
 - c. The school also accepts Early Years funding vouchers.

The discount incentive will be reviewed soon but at the time of writing (March 2023) remains in place.

The Old Cerdics Association

The Old Cerdics Association (former pupils) founded on 1st December 1929 continues to welcome both past and present pupils to its ranks. Staff employed at the school automatically become Honorary Members during their tenure at the school. In furthering its aims and objectives the Association takes an active interest in the school and is represented at all major school events. One of the Directors of the Trustee is an Old Cerdic.

Chard School

Trustee's Report (continued)

Old Cerdics Association Scholarship Fund

The Old Cerdics Scholarship Fund is a charity linked to the school administered separately by Trustees appointed annually by the Association. It continues to support the school financially and during the year made direct contributions of £2,000 towards scholarships awarded by the school. At the discretion of the Head Teacher the Fund also continued to make two termly awards of £100 each in the name of the Old Cerdics Academic Award and the Lawrence Powell Music Award to children in their final year at the school. The estimated value of the fund at 31st August 2023 stood at £31,866 compared with £31,828 for the previous year of which £31,548 (£31,534) was invested in equity linked COIF Charity Funds managed by CCLA Investment Management Limited. The balance was held on deposit with immediate access.

As well as donations from The Old Cerdic Association to support refurbishments at the school, individual Old Cerdics have also made generous personal donations to the school in the year. These funds were used towards bursaries and school refurbishments.

Structure, governance and management

Nature of governing document

Chard School was established under a Trust Deed dated 24 May 1971, and constitutes a unincorporated charity, as defined by Charity Commission scheme. It is a registered charity under the Charity Commission with the registration number 310219.

Recruitment and appointment of Directors

The sole Trustee of Chard School is Chard Independent School (company registration number 08904859), a registered charity. Its Directors are appointed for a term of 5 years by resolution of the Board passed at a special meeting. On completion of a 5 year term, Directors may be re-appointed for a further 5 year term subject to the approval of the Board. New Directors may be appointed not more than 3 months before the term of an existing Director expires or should a Director resign, with effect from the date of expiry or resignation. The current provision is for a Board ideally consisting of not less than 8 and not more than 12 co-opted Directors. The Board are currently recruiting for additional members to join the board.

Induction and training of the Directors of the Trustee

All new Directors of the Trustee charity follow a pre-determined induction programme which is based on an adapted form of that used for paid staff. The induction process for newly appointed Directors comprises of an approach from the Chairman of the Board, followed by an offer to attend the next board meeting and a tour of the premises. A welcome pack is then provided including a brief history of the charity, a copy of various documents including latest board minutes, latest available accounts, trust deed (Chard School), memorandum and articles of association (Chard Independent School) and Charity Commissioner's guidance "The Essential Trustee". We are members of both AGBIS (The Association of Governing Bodies of Independent Schools) and IAPS (The Independent Association of Prep Schools) which both provide excellent training for our Directors.

Chard School

Trustee's Report (continued)

Organisational structure

The Trustee takes decisions on all aspects of the school's activities. Its board meets regularly, meeting at least three times throughout the year to determine the general policy of the Charity and review its overall management and control, for which it is legally responsible. The work of implementing most of the Trustee's policies is carried out by various committees which meet as and when necessary.

The Trustee organises the number of pupils attending the school and the subjects taught. It appoints a head to control the internal running of the school, including choices of the teaching methods, arrangement of classes, teaching staff, school hours, management and discipline. The Head and Finance Officer act as key management personnel supported by other teaching members of the Senior Management Team. The remuneration of key management personnel is set by the Trustee with due recognition to the financial restrictions within the Charity.

Chard School

Trustee's Report (continued)

Major risks and management of those risks

Decline in pupil numbers

The key identified risk to the continued prosperity of the school has always been a decline in pupil numbers. The impact of coronavirus lockdown and the subsequent cost of living crisis have had an impact on pupil numbers to such an extent that the Senior Leadership and Governors announced in December 2023 that the school would close at Easter 2024. This decision was quickly reversed following a surge in parent support and the election of several new governors to the school governing body. With renewed focus and rigour, the parent task force and the governing body has worked together with the Senior Leadership and teaching staff of the school to develop an action plan. The key actions mitigating the declining pupil numbers are as follows:

1. Marketing and sales. The announcement and reversal of the decision to close the school quickly galvanised a marketing and sales committee to provide the school with much greater resource at no additional cost. The school immediately issued a rallying press release to communicate its new fee incentives. A new 'Chard Prep School' trading style was branded in order to immediately communicate the school's independent status, with accompanying strategic USP messaging. The school has increased its online presence with better content quality, cadence, tactical email marketing and expansion further into social media channels such as Facebook, Instagram and Linked-In, and with a concurrent complete overhaul of the website, . The expanded distribution of rebranded physical media such as flyers, roadside posters and various decals has also contributed to enhanced visibility. This has seen a huge increase in the number of potential pupils attending open days with 9 booked in January and a further 6 for March. In addition, there have been 4 private tours for families in the meantime. In total this is 19 families touring the school, an increase from 2 in the previous autumn term. Conversion into sales has also increased. Since term commenced in January 9 new pupils have enrolled / are scheduled to start (excluding staff children). This trend is expected to continue with the extension of incentivised discounts (currently 30% for the first year for new joiners).

2. Cost control. Several very hard decisions relating to reducing costs have been made. This includes the redundancy of Senior Leadership Team. In addition, several other staff have voluntarily departed which has forced a reshuffle of the staffing / teaching model. Where the declining pupil numbers allow, the teaching model has been adapted to condense year groups, thus allowing for fewer teaching staff. Support staff costs have been cut with facilities and cleaning being outsourced rather than directly employed and a replacement bookkeeper bursar has been recruited. Finally, a Head of School has been recruited, due to start in Summer Term 2024. This position is a hybrid management and teaching role. She will also assume the responsibilities of Designated Safeguarding Lead, as well as being responsible for driving and delivering recruitment and retention efforts, and managing administrative and financial tasks. The Head of School and will lead the school into its next chapter.

Chard School

Trustee's Report (continued)

3. Retention. New incentives to retain pupil numbers have been mobilised. Although too numerous to list here the key ones are:

- a. Free after- school clubs for volunteer / teacher led activities. This now includes, debate club, crochet club, school choir and a Rugby club.
- b. A focussed 11+ programme to support pupils for Colyton and academic scholarships exams.
- c. Providing better school meals. The parent task force has reviewed alternative local suppliers and are in the process of switching, this is in response to pupil and parent feedback on current school meals.

The positive effect of these key activities has resulted in the governing body making the decision to keep the school open past Easter and into the future. The school is targeting and forecasting at least an additional 7 pupils per term to Summer 2025 at which point the school will return to profitability and replenish the cash reserves that has carried it through the current reduced pupil predicament. Furthermore, the growth in school numbers has been and continues to be (with recent recruitment) skewed towards the lower end of the school, this represents a huge opportunity as the healthy pre-prep numbers transition to the upper school in due course. Adding further assertion that the current predicament is temporary rather than long-term and giving confidence in the recovery plan.

Two further risks are worthy of note and are under active mitigation by the governing body:

1. The impact of VAT on school fees. Competitor analysis of prep schools in the surrounding area (c.15-mile radius) identified Chard Prep School as being the second cheapest offering (when full-fees are being paid). With the current incentivised discount on offer Chard Prep School is the cheapest by c.20%. The governing body see this as an opportunity whereby the Chard Prep School Offering will remain affordable but other prep school offerings will not remain affordable for some parents. Furthermore, although the current incentivised discounts will not remain indefinitely, the bursary and scholarship programme will be reviewed and re-introduced to help parents retain their children at Chard and encourage new pupils to join.

2. The school estate. The c. 300-year-old building poses a risk in terms of upkeep. To mitigate this risk a newly appointed Estates Governor has identified more efficient and cost-effective ways of tendering for school contracts (the most recent being the overhaul of the school fire safety system) and identified ways to reduce the current day-to-day facilities and upkeep costs. The very active school Alumni group (Old Cerdics' Association) are also conducting a fund-raising drive to support the maintenance of the historic school buildings. Further funding and grants will continue to be identified and sourced from other alternative means as / if the opportunity arises.

Chard School

Trustee's Report (continued)

Reference and Administrative Details

Trustee	Chard Independent School
Directors of Chard Independent School	Mrs S M Dare Mr N Mayfield (resigned 9 February 2024) Mrs E Sherman (resigned 12 July 2023) Mr T Moran Mrs A Lightfoot (resigned 11 January 2024) Mrs A L Poole (appointed 24 November 2022 and resigned 12 July 2023) Mrs G L Buckley (appointed 11 January 2024) Mr M A Buckley (appointed 11 January 2024) Mrs A M Dugdale (appointed 1 March 2024) Mr S Hull (appointed 21 September 2023) Ms Z Prien (appointed 23 January 2024) Mr J M Salt (appointed 11 January 2024) Mr M D Sitch (appointed 8 February 2024) Mr T Wooten (appointed 11 January 2024) Rev. D Perreau (appointed 10 August 2023 and resigned 8 February 2024) Mrs A Dugdale (appointed 1 March 2024) Mr P J Higgs (appointed 12 March 2024)
Headteacher	Mrs K Hill NPQH BAEd (Hons)

Chard School

Trustee's Report (continued)

Reference and Administrative Details (continued)

Charity Registration Number 310219

Principal Office Chard School
Fore Street
Chard
Somerset
TA20 1QA

Independent Examiner Francis Clark LLP
Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

The annual report was approved by the trustee of the charity on 28.6.24 and signed on its behalf by:



.....
Mr J M Salt
Director of Chard Independent School - the Trustee

Chard School

Statement of Trustee's Responsibilities

The trustee are responsible for preparing the trustee' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustee 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 of the charity for that period. In preparing these financial statements, the trustee are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustee are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustee 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.

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

Chard School

Independent Examiner's Report to the trustees of Chard School

I report to the trustee on my examination of the accounts of Chard School for the year ended 31 August 2023.

Responsibilities and basis of report

As the charity trustee of Chard School you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Chard School's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since Chard School's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of Chard School as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Sharon Austen FCCA
Francis Clark LLP

Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

Date: 28 June 2024

Chard School

Statement of Financial Activities

Year Ended 31 August 2023

	Note	Unrestricted funds £	Endowment funds £	Total Unrestricted funds 2023 £	Total Unrestricted funds 2022 £	Endowment funds £	Total Endowment funds 2023 £	Total Endowment funds 2022 £
Income and Endowments from:								
Donations, grants and legacies	2	3,987	-	3,987	15,603	-	15,603	15,603
Charitable activities	3	531,348	-	531,348	474,743	-	474,743	474,743
Investment income	4	36	-	36	14	-	14	14
Other income	5	17,685	-	17,685	116,015	-	116,015	116,015
Total Income		553,056	-	553,056	606,375	-	606,375	606,375
Expenditure on:								
Charitable activities	6	(582,327)	(5,076)	(587,403)	(576,220)	(1,422)	(577,642)	(577,642)
Total Expenditure		(582,327)	(5,076)	(587,403)	(576,220)	(1,422)	(577,642)	(577,642)
Losses on investment assets		(116)	-	(116)	(300)	-	(300)	(300)
Net movement in funds		(29,387)	(5,076)	(34,463)	29,855	(1,422)	28,433	28,433
Reconciliation of funds								
Total funds brought forward		178,811	8,111	186,922	148,956	9,533	158,489	158,489
Total funds carried forward	20	149,424	3,035	152,459	178,811	8,111	186,922	186,922

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 17 to 30 form an integral part of these financial statements.

Chard School

Balance Sheet

31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	10	49,384	51,783
Investments	11	<u>1,203</u>	<u>1,319</u>
		<u>50,587</u>	<u>53,102</u>
Current assets			
Debtors	12	142,681	131,885
Cash at bank and in hand	13	<u>201,665</u>	<u>255,943</u>
		344,346	387,828
Creditors: Amounts falling due within one year	14	<u>(42,468)</u>	<u>(41,522)</u>
Net current assets		<u>301,878</u>	<u>346,306</u>
Total assets less current liabilities		352,465	399,408
Creditors: Amounts falling due after more than one year	15	(34,104)	(39,978)
Deferred income	16	<u>(165,902)</u>	<u>(172,508)</u>
Net assets		<u>152,459</u>	<u>186,922</u>
Funds of the charity:			
Endowment		3,035	8,111
Unrestricted income funds			
Unrestricted		<u>149,424</u>	<u>178,811</u>
Total funds	20	<u>152,459</u>	<u>186,922</u>

The financial statements on pages 14 to 30 were approved by the trustee, and authorised for issue on 28.6.24 and signed on their behalf by:



Chard School

Cash Flow Statement

Year Ended 31 August 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (expenditure)/income		(34,463)	28,433
Adjustments to cash flows from non-cash items			
Depreciation		2,988	2,951
Investment income	4	(36)	(14)
Revaluation of investments		116	300
		<u>(31,395)</u>	<u>31,670</u>
Working capital adjustments			
Decrease in stocks		-	906
(Increase)/decrease in debtors	12	(10,796)	24,614
Increase in creditors	14	946	5,532
(Decrease)/increase in deferred income	15	<u>(6,606)</u>	<u>19,104</u>
Net cash flows from operating activities		<u>(47,851)</u>	<u>81,826</u>
Cash flows from investing activities			
Interest receivable and similar income	4	36	14
Purchase of tangible fixed assets	10	<u>(589)</u>	<u>-</u>
Net cash flows from investing activities		(553)	14
Cash flows from financing activities			
Repayment of loans during the period		<u>(5,874)</u>	<u>(2,324)</u>
Net (decrease)/increase in cash and cash equivalents		(54,278)	79,516
Cash and cash equivalents at 1 September		<u>255,943</u>	<u>176,427</u>
Cash and cash equivalents at 31 August		<u><u>201,665</u></u>	<u><u>255,943</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023

1 Accounting policies

Statement of compliance

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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Chard School meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

The Trustee and its directors have considered the funds of the Charity as at 31 August 2023 and at the date of approval of these financial statements. The senior management team of the school have prepared detailed business and action plans including projections extending beyond 12 months of the date of approval of these financial statements. On the basis of these plans, and having made all necessary inquiries, the Trustee and its directors are satisfied that the going concern basis of accounting remains appropriate.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Fees consist of charges billed for the school year ending 31 August, less bursaries and allowances. Fees received in advance for education to be provided in future years are carried forward as deferred income.

Donations, grants and legacies

Donations, grants and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023 (continued)

Investment income

All investment income is treated as unrestricted even where it has arisen from endowment funds and is included in the statement of financial activities as soon as it is received by the charity.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and Trustee's meetings and reimbursed expenses.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Buildings	2% straight line for assets not fully depreciated
Office equipment	20% straight line

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023 (continued)

Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.

Financial instruments

Classification

The charity holds the following financial instruments:

- Short term trade and other debtors and creditors; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023 (continued)

Key sources of estimation uncertainty

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

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

The key judgement that has a significant impact on the financial statement is in respect of going concern, as described above.

It is the view of the Trustee and its directors that there are no significant accounting estimates.

2 Income from donations and legacies

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Donations and legacies:			
Donations	3,987	3,987	8,921
Grants, including capital grants:			
Small business grant fund	-	-	5,845
Furlough grant	-	-	837
	<u>3,987</u>	<u>3,987</u>	<u>15,603</u>

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023 (continued)

3 Income from charitable activities

	Unrestricted funds	Total	Total
	General	2023	2022
	£	£	£
Preparatory school fees	353,361	353,361	349,932
Pre-preparatory school fees	161,420	161,420	104,349
Other educational charitable activities	16,567	16,567	20,462
	<u>531,348</u>	<u>531,348</u>	<u>474,743</u>

4 Investment income

	Unrestricted funds	Total	Total
	General	2023	2022
	£	£	£
Interest receivable and similar income; Interest receivable on bank deposits	<u>36</u>	<u>36</u>	<u>14</u>

5 Other income

	Unrestricted funds	Total	Total
	General	2023	2022
	£	£	£
Business interruption insurance claim	-	-	100,000
Rental income	17,685	17,685	16,015
	<u>17,685</u>	<u>17,685</u>	<u>116,015</u>

6 Expenditure on charitable activities

	Activity undertaken directly	Activity support costs	Total	Total
	£	£	2023	2022
	£	£	£	£
Educational activities	<u>541,382</u>	<u>46,021</u>	<u>587,403</u>	<u>577,642</u>

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023 (continued)

7 Analysis of governance and support costs

Support costs allocated to charitable activities

	Governance costs £	Insurance costs £	Establishment costs £	Other support costs £	Total 2023 £	Total 2022 £
Charity activities	<u>13,927</u>	<u>16,474</u>	<u>8,236</u>	<u>7,384</u>	<u>46,021</u>	<u>43,788</u>

Governance costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Independent examiner fees			
Examination of the financial statements	4,232	4,232	3,163
Teachers pension review	760	760	594
Legal and professional fees	1,276	1,276	1,595
Other governance costs	<u>7,659</u>	<u>7,659</u>	<u>5,182</u>
	<u>13,927</u>	<u>13,927</u>	<u>10,534</u>

8 Trustee remuneration and expenses

Neither the Trustee nor any of its directors have received any reimbursed expenses or any other remuneration from the charity during the current or preceding year.

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023 (continued)

9 Staff costs

The aggregate payroll costs were as follows:

	2023	2022
	£	£
Staff costs during the year were:		
Wages and salaries	391,821	366,376
Social security costs	32,740	27,946
Pension costs	68,058	64,194
Other staff costs	998	521
	<u>493,617</u>	<u>459,037</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2023	2022
	No	No
Average number of employees during the year	<u>22</u>	<u>23</u>

The number of employees whose emoluments fell within the following bands was:

	2023
	No
£60,001 - £70,000	<u>1</u>

The total employee benefits of the key management personnel of the charity were £151,100 (2022 - £140,829).

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023 (continued)

10 Tangible fixed assets

	Land and buildings £	Computer equipment £	Total £
Cost			
At 1 September 2022	115,843	7,719	123,562
Additions	<u>-</u>	<u>589</u>	<u>589</u>
At 31 August 2023	<u>115,843</u>	<u>8,308</u>	<u>124,151</u>
Depreciation			
At 1 September 2022	65,826	5,953	71,779
Charge for the year	<u>1,696</u>	<u>1,292</u>	<u>2,988</u>
At 31 August 2023	<u>67,522</u>	<u>7,245</u>	<u>74,767</u>
Net book value			
At 31 August 2023	<u>48,321</u>	<u>1,063</u>	<u>49,384</u>
At 31 August 2022	<u>50,017</u>	<u>1,766</u>	<u>51,783</u>

Land and buildings consist of property improvements and other assets constructed on land adjacent to the properties. The school land and buildings were originally gifted to the school for educational use and have no original cost.

The market value of these assets is not reflected in the accounts, since it is not easily determined, due to the location and nature of these historic buildings. The most recent insurance value of the buildings, at 1 February 2018, including the science lab was £8,284,056. As the fair value of the buildings is not available, the Trustee also considers that there would be no benefit to the Charity to include the property at market valuation. Since the charity is responsible for keeping the original buildings in fit and useful condition in perpetuity, the costs of doing so are written off as and when incurred.

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023 (continued)

11 Fixed asset investments

	Listed investments £	Total £
Valuation		
At 1 September 2022	1,319	1,319
Revaluation	<u>(116)</u>	<u>(116)</u>
At 31 August 2023	<u>1,203</u>	<u>1,203</u>
Net book value		
At 31 August 2023	<u>1,203</u>	<u>1,203</u>
At 31 August 2022	<u>1,319</u>	<u>1,319</u>

The original cost of the investments held at the balance sheet date was £1,570 (2022 - £1,570).

12 Debtors

	2023 £	2022 £
Trade debtors	122,710	110,819
Other debtors	9,815	9,553
Prepayments	<u>10,156</u>	<u>11,513</u>
	<u>142,681</u>	<u>131,885</u>

13 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	444	301
Cash at bank	<u>201,221</u>	<u>255,642</u>
	<u>201,665</u>	<u>255,943</u>

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023 (continued)

14 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	3,548	6,369
Other loans	6,031	6,031
Other taxation and social security	7,262	-
Other creditors	18,102	17,127
Accruals	7,525	11,995
	<u>42,468</u>	<u>41,522</u>

15 Creditors: amounts falling due after one year

	2023	2022
	£	£
Other loans	<u>34,104</u>	<u>39,978</u>

16 Deferred income

	2023	2022
	£	£
Deferred income at 1 September 2022	172,508	153,404
Resources deferred in the period	165,902	172,508
Amounts released from previous periods	<u>(172,508)</u>	<u>(153,404)</u>
Deferred income at 31 August 2023	<u>165,902</u>	<u>172,508</u>

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023 (continued)

17 Pension and other schemes

Defined contribution pension scheme

The charity's teaching staff belong to the Teachers' Pension Scheme. For non-teaching staff, the charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the schemes and amounted to £68,058 (2022 - £64,194).

A copy of the valuation report and supporting documentation is on the Teacher's Pension website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Charity has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Charity has set out above the information available on the scheme.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract. Teachers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education in April 2019.

The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £198 billion giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). The Department for Education agreed to pay a teacher pension employer contribution grant to cover the additional costs for state schools during the 2019-20 academic year and a further amount was received to assist with additional costs in 2020-21.

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023 (continued)

18 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements in respect of non-cancellable operating leases was £924 (2022 - £1,666).

19 Related party transactions

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

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023 (continued)

20 Funds

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2023 £
Unrestricted funds					
General	178,811	552,992	(582,263)	(116)	149,424
Endowment funds					
Permanent	8,111	-	(5,076)	-	3,035
Total funds	<u>186,922</u>	<u>552,992</u>	<u>(587,339)</u>	<u>(116)</u>	<u>152,459</u>
	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2022 £
Unrestricted funds					
General	148,956	606,311	(576,156)	(300)	178,811
Endowment funds					
Permanent	9,533	-	(1,422)	-	8,111
Total funds	<u>158,489</u>	<u>606,311</u>	<u>(577,578)</u>	<u>(300)</u>	<u>186,922</u>

The specific purposes for which the funds are to be applied are as follows:

Endowment Fund

In the year ended 31 August 2015, an endowment was received from a former pupil of the school. It was the wish of this pupil that the income from the fund be used to further encourage and reward good citizenship, sportsmanship and character, as determined by the governing body of the school, hence it is treated as an endowment fund. It is expected these funds will be used up over a period of several years.

Chard School

Notes to the Financial Statements

Year Ended 31 August 2023 (continued)

21 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted funds	Endowment funds	
	General funds	Permanent funds	Total funds
	£	£	£
Tangible fixed assets	49,384	-	49,384
Fixed asset investments	1,203	-	1,203
Current assets	341,311	3,035	344,346
Current liabilities	(42,468)	-	(42,468)
Non-current liabilities	(34,104)	-	(34,104)
Deferred income	(165,902)	-	(165,902)
Total net assets	149,424	3,035	152,459

Fund balances at 31 August 2022 are represented by:

	Unrestricted funds	Endowment funds	
	General funds	Permanent funds	Total funds
	£	£	£
Tangible fixed assets	51,783	-	51,783
Fixed asset investments	1,319	-	1,319
Current assets	379,717	8,111	387,828
Current liabilities	(41,522)	-	(41,522)
Non-current liabilities	(39,978)	-	(39,978)
Deferred income	(172,508)	-	(172,508)
Total net assets	178,811	8,111	186,922