

REPORT OF THE GOVERNORS, STRATEGIC REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019
FOR
HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

**HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 31 AUGUST 2019**

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**HANFORD SCHOOL CHARITABLE TRUST LIMITED
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**COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2019**

GOVERNORS:	A D Hussey – Chairman Mrs L J F Sunnucks - Chairman G D Anderson Mrs A Brooks P Evitt Brig A T L Potts Mrs K M Saker M D Mortimer M Steinmetz J M Scott C N P Stourton Dr R M Sullivan Ms S J Thomas Mrs C Watson Mrs C C White Mrs C M M Witheridge	- appointed 1 September 2018 - resigned 31 August 2019 - resigned 31 August 2019 - appointed 10 October 2019 - resigned 31 August 2019 - appointed 1 September 2019 - appointed 10 October 2019 - resigned 31 August 2019 - resigned 23 September 2019
SECRETARY AND CLERK TO THE GOVERNORS:	Mrs F Speers	
HEADMASTER:	R Johnston	
REGISTERED OFFICE:	Hanford School Child Okeford Blandford Forum DT11 8HN	
REGISTERED NUMBER:	02572565 (England and Wales)	
REGISTERED CHARITY NUMBER:	01001751	
AUDITORS:	Fawcetts LLP Chartered Accountants and Statutory Auditors Windover House St Ann Street Salisbury SP1 2DR	
BANKERS:	HSBC Bank plc 17 Market Place Blandford Forum Dorset DT11 7AG	

**HANFORD SCHOOL CHARITABLE TRUST LIMITED
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**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2019**

The Governors present their annual report, together with their Strategic Report, and the audited financial statements of the company for the year ended 31 August 2019 and confirm they comply with the Charities Act 2011, the governing document and the Charities SORP 2015 (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

Hanford School Charitable Trust Limited was incorporated on 9 January 1991 changing its name to the present name on 29 July 2004. The company is registered with the Charity Commission for England and Wales (registration number 1001751). It is incorporated and registered in England and Wales as a company limited by guarantee and not having a share capital (company number 2572565), its current Memorandum and Articles of Association being dated 9 January 1991 and amended 8 July 2004.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Board of Governors

The Governors of the charitable company who served throughout the year, except where indicated, are shown on page 1. The Governors are the members of the charitable company. The board of Governors is a self appointed body.

The School is governed by a Governing Body whose members are also directors of the charitable company (for the purposes of company law) and charity trustees (for the purposes of charity law). The Governors are responsible for formulating the strategy and policies for the School. The Governors normally meet three times a year and may, on occasion, meet on such additional occasions as they see fit. The Governors have appointed a Finance and General Purposes Committee, an Education Committee and a Nominations and Governance Committee to assist with the management and supervision of the School. All committees comprise members of the Governing Body with the Headmaster in attendance and meet at least once per term, or as required, prior to the full Governors meeting.

The Governors wish to thank Lucinda Sunnucks, who has been a Governor from 2004 and Chair since 2014, for her invaluable contribution to the success of Hanford School. Lucinda stepped down from the Board in August 2019.

Recruitment and Training of the Governors

It is a policy to recruit governors from a wide variety of backgrounds to enhance the governing body's strategic judgement. New governors are elected by current members of the Governing Body. The Governing Body aims to provide a balance between those who know the School and the local area, and those who may come from further away and are able to provide a broad range of skills, experience and professional expertise to support the charitable objects. Governors typically serve two terms of 3 years.

The School has a structured governor training programme which is overseen by the Nominations and Governance Committee. During the year Governors and senior staff have attended a number of external seminars and conferences.

Risk Management

The Governors continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. An annual audit, overseen by the Finance and General Purposes Committee, ensures that risks are identified, assessed and controlled. A range of professional advice is sought, as necessary, on an on-going basis.

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**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2019**

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OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The principal Objects of the Charity, as set out in its Memorandum of Association, are the advancement of education for children and to advance religious education in accordance with the doctrines and principles of the Christian faith.

As will be reported elsewhere, the School has continued to play an active and supporting role in the local community. In addition, the provision of bursaries has remained a key element of the School's charitable activities.

Policy

The Hanford School Charitable Trust Limited aims to provide a happy, purposeful community based on Christian values and to:

- educate all pupils to the highest standard of which each is capable whilst being sensitive to their various stages of development;
- promote a sense of social responsibility and appreciation of the needs and gifts of others;
- celebrate and foster the unique interests and talents of each individual;
- be committed to the development of good practice and sound procedures in all areas of child protection;
- encourage links with the School and wider community;

Principal Activity for the Year

The principal activity of the charitable company in the year under review was that of providing education (including social and physical training) for children attending Hanford School in Dorset.

Public Benefit

The Governors have given due regard to the Charity Commission's guidance [PB3] on reporting public benefit when planning the charity's activities.

The paragraphs in this report set out our activities, achievements and performance during the year, which are directly related to the objects and purposes for which the School exists. The School achieves its objects and purposes through the provision of bursaries and making facilities available for use by the local community and sharing the educational experience with local schools. The benefits of this support are fully compliant with Principles 1a and 1b of the Charity Commission Principles on Public Benefit. The value of means tested bursaries increased 24% to £209,069 for 2019 (2018: £169,366).

In addition, the School provides the RDA with access to its facilities, invites pupils from local schools to attend events and festivals at Hanford (most recently adventurers and explorers week), supports staff who are governors of local schools and raises money for charity through specific fundraising events as well as donations after Sunday chapel. The Hanford Brownies pack brings together children from the School and from the local community.

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REPORT OF THE GOVERNORS
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STRATEGIC REPORT

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Enrolment

Pupil numbers increased throughout the year from 98 in September 2018 (September 2017: 85) to 111 girls in July 2019 (July 2018: 105).

Curriculum

As part of our commitment to providing an inspirational and adventurous education, we have redefined our philosophy and carried out a thorough review of the curriculum, starting with a careful consideration of the merits of the CE syllabus.

There was unanimous agreement amongst the staff that CE provides a well-balanced and rigorous syllabus, which is sufficiently challenging for the girls and which prepares them well for GCSE and beyond.

All our Common Entrance candidates again gained entry to senior schools of their first choice, including: Bryanston, King's School Bruton, Cheltenham Ladies' College, Downe House, Marlborough, St Mary's Ascot, St Mary's Calne and Sherborne Girls. Furthermore, it was an outstanding year for scholarships with a total of thirteen awards across the curriculum, five of them academic, four art, three for sport and one for music.

The girls have also achieved success in a range of external educational competitions, both nationally and locally, from, for example, the UK Maths Trust Challenges to a History essay writing competition at King's College, Taunton.

We have continued to broaden the curriculum, trialling Mandarin this year and developing outdoor and practical learning for our juniors. Furthermore, we began the year with an Adventurers' and Explorers' Festival, designed to develop the girls' interests through a combination of practical workshops and inspirational speakers. It set the tone for an exciting year during which the girls challenged themselves, as individuals and as part of a larger group. The Festivals are integral to our innovative approach to education and a testament to its success.

Legacy

During the previous year the School was bequeathed a generous legacy from the late Miss Sarah Canning which included cash, investments and properties within the curtilage of the School. This legacy further ensures the school's continued ability to provide **an outstanding and enlightened education for girls**, according to the Canning family's ethos; that children will be best prepared for their adult lives if they can feel free to develop in their own time and in as carefree and diverting an environment as possible. For over 70 years, Hanford Girls have been achieving academic, scholarship and sporting success with the education and facilities that the School provides, and they continue to do so. Accordingly, the Governors do not intend to use Miss Canning's legacy to extend the facilities at the School beyond what is needed to fulfil the aims and ethos of the School.

The Governors believe that the funds from the legacy, together with our fundraising, are best directed to maintaining and enhancing teaching standards, as well as a programme of refurbishment of the school buildings and facilities. The programme of refurbishment commenced in 2019 with extensive repairs to the roof taking place during the summer holidays. The properties bequeathed to Hanford are gradually being refurbished and brought into use to make Hanford School an even more attractive place to work and to enable the staff to enhance the performance of their duties for the benefit of the children.

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Sport

Sport is an important aspect of life at Hanford and plays an essential role in developing strengths and talents, whatever they may be, of all our girls. Many fixtures have been played and much success has resulted from them.

The autumn term was busy with Hockey, Netball, Cross Country and Swimming fixtures. The Hockey teams had some strong matches and pleasing results against other schools, both local and further afield. The end of the term arrived with the hotly contested House Gymnastic Competition. As with all the House competitions, and every sport has one, there is a sense that they can matter more than the School matches! Every girl participated; judging is usually done by staff and sometimes ex-members of staff.

The Spring term brings with it lots of Cross Country and Netball. The teams ran well at the County Cross Country event with Hanford finishing 2nd in the U15 age group. Three girls were selected to represent Dorset at the South West competition which was subsequently cancelled due to bad weather. At the National Prep Schools Cross Country Championships, hosted by Malvern College, the U13 team finished 2nd (out of 21 schools) and the U11 team finished 4th in the Small Schools race where a total of 46 schools took part. At the North Dorset Netball tournaments both the U12's and the U13's won and went on to represent the North at the County where the U13 team finished a commendable 3rd.

Rounders, Athletics, Tennis, Swimming and Cricket were all played in the Summer term. Our athletes were particularly successful. 11 girls were selected to compete at the County Championships with a number of these reaching finals, a champion in the 800m Minor Girls and three 2nd places – one in the Shot, one in the High Jump and one in the Hurdles event. Superb performances at the Senior Wessex Athletics resulted in five girls selected to compete at the Nationals in the Alexander Stadium, Birmingham. The tennis teams also enjoyed their share of success with the U13s winning the North Dorset competition and the U12s being placed 2nd.

Music

Music is an important part of life at Hanford. All except 6 of our girls plays one musical instrument with many playing two. Another real strength of the Music at Hanford is its strong Choral tradition and this is nowhere more apparent than in the Carol Services and Nativity Play. Each girl, with the exception of a small few, sing in at least one choir and the Chapel Choir continues to be the showcase of the School's finest singers. We were lucky enough to be professionally recorded at Bryanston back in June and a CD is in production. The Chapel Choir performs an anthem in the Sunday Chapel Services and this is also a platform to allow the Junior and Senior Choirs to perform.

The instrumental side of the department is also flourishing with the introduction last term of a Wind Band and various smaller string ensembles. We have also appointed a new Trumpet teacher who already has two pupils. A Music Committee has been introduced and this assists with the practising timetable as well as the general organisation of the Department.

ABRSM Exams continue to form a central assessment opportunity for the School with 23 girls alone sitting the exams in the Summer Term. Also, for the first time, three of our pupils sat Clarinet exams for the Trinity Board as well as a drummer who passed her Grade 2 Trinity Rock and Pop exam. An Aural Group has been introduced in order to support this side of the course.

Girls continue to participate in the Prep School Orchestral Days at Bryanston and the Choral Day at Monkton Combe and support charities such as Steps2Recovery with its annual Carol Service in Chelsea.

The Parents' Day Concert was a showcase of much of the girls' talent, especially from this year's leavers, one of whom headed off to Cheltenham Ladies' College as a Music Exhibitioner.

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Creativity

The quality of art at Hanford remains simply outstanding and scholarship success continues. Hanford believes that every child is creative and teaching is built around inspiring them by providing a lively and stimulating environment to nurture and discover their talents. The girls work from observation, explore and research through techniques and a wide range of materials, learning to critically think and explore ideas and subjects through the work of artists and makers. The girls enjoy a wide variety of different disciplines and media including: painting, drawing, printmaking, clay, wire, papier mâché, plaster and textiles. The ability to work in so many different mediums, both two and three dimensionally, ensures the girls can explore the limits of their creativity. Handwork, a timetabled lesson, teaches girls how to knit, stitch, felt and weave in the earlier years.

Further up the school they use sewing machines to make an impressive variety of garments including bags, pyjamas, shorts, skirts in various styles and a fitted dress in the UV1th. Sharing work publicly is an important part of creativity and something Hanford encourages. We invite a wide variety of artists into school to do workshops as well as taking the girls to visit museums and galleries. The gardens and animals at Hanford are a constant inspiration, whether drawing vegetables in a still life composition, sketching outside or embroidering textile flowers. From Year 6 girls have a lesson of Art Appreciation each week, as part of the PHSE programme, discussing sensitive issues with the girls in a creative environment through looking at society and issues through paintings. In addition, 6th form girls can spend extra time working on Art in the evenings to create a portfolio of work to take to their senior school. A large number of Art/Design scholarships are awarded each year.

Drama

Drama is a key element of life at Hanford and there were a number of wonderful – and uniquely Hanford – plays performed during the year: the Nativity Play in December; the Junior and Vth Form plays in March; and the School play ('Harriet Potter and the Headmaster's Lemon') on Parents' Day. The Young Shakespeare Company visits us at least once a year and the English Department offers various theatre trips over the course of the academic year.

Extra-curricular

Girls throughout the school have enjoyed a wide range of trips, visits and extra-curricular activities, including: the Year 8 trip to Normandy and the Year 6 trip to the Christmas markets in Lille and Bruges; the leavers' trip to Studland; the Year 4 visit to the Tutankhamun Exhibition in Dorchester; the Year 6 trip to the Chalke Valley History; the Year 7 cross-curricular trip to the Houses of Parliament, Banqueting House and National Gallery; the Year 8 trip to the Mandela Exhibition and the Florence Nightingale Museum and another to MShed in Bristol for a workshop on the Trans-Atlantic Slave trade; various trips to Mill-on-the-Bruce Activity Centre; the Year 8 day trip to the National Oceanography Centre in Southampton; the Year 6 visit to the synagogue in Bournemouth; day trips to senior schools, such as St Mary's Shaftesbury Fashion Show, in which the Year 8 girls wore the dresses and aprons that they had made, 'Cracking the Code' and a lecture on Gases in the Air (both at Sherborne Girls), and the first Performing Arts Day at Bryanston.

The Juniors have worked closely with St Nicholas in Child Okeford which has involved several school visits.

All year groups have enjoyed theatre trips including the Year 8 visit to 'Matilda' at the Mayflower in Southampton and the annual Shakespeare play at Bryanston. Girls from Year 7 participated in the MUN debate at Bryanston and some from Year 6 took part in a debating competition at Milton Abbey.

Other extra-curricular activities have also taken place at school such as the annual workshop and performance by the Young Shakespeare Company, a visit from Abi Elphinstone (a well-regarded children's author), and visits from various external speakers, including one by the former Chair of the Bar Association about careers in the law.

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Extra-curricular (continued)

At the beginning of the autumn term, all year groups thoroughly enjoyed various talks and workshops during the Adventurers' and Explorers' Festival week which inspired them to set themselves a challenge. Year 4 climbed the climbing wall at Bryanston; Year 6 camped overnight and Year 7 took part in a charity challenge in the spring term, sleeping rough in the gym.

The autumn term also saw the annual Advent Fair at which the girls sold the goods they had made to raise funds for charity. In the summer term, a number of girls in Year 7 returned from half-term early to take part in the Clarendon Way Walk, walking some 13 miles from Broughton to Salisbury and raising money for Naomi House and Jack's Place.

Riding and the stables remain a key part of life at Hanford. The girls have continued to catch ponies in the morning throughout the year and to take part in early morning rides in the local countryside. In the summer term, almost all of the girls took part in the school tetrathlon, selecting to take part in any three of the events: riding, pistol shooting, running and swimming. A team also took part in the tetrathlon at Sandroyd in May.

In addition to the extensive activities programme, which is an integral part of curriculum, there is a wide programme of events and activities for the large number of girls who board at weekends, including tree-climbing, dog walks, swimming, arts and crafts, evening barbecues, pizza-making, bingo, beetle drives and film nights. Some day girls even stay for Saturday night to take part in the activities and parents are encouraged to help us in the garden.

Following the redesigning of the walled garden, it has been used for outdoor learning and for the junior gardens. Each girl in Year 6 plants and labels a tree in the walled garden with their name, the variety and the date. A bushcraft area is also being developed in the arboretum for building fires, outdoor cooking and wood carving. Garden produce, including 400 litres of apple juice (which is made and bottled each year) is sold to raise funds.

Parents' Day was another highlight of the year with art displays, a music concert involving every girl in the school, gymnastics and swimming displays and a whole school play in the garden in the afternoon.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The results for the year and financial position of the charitable company are shown in the attached financial statements.

Total incoming resources decreased by 37.5% on the previous year from £3,735,625 to £2,335,812. However, 2018 included the legacy of £1,671,764 kindly bequeathed by the late Miss Sarah Canning. Excluding this legacy, incoming resources increased by 13.4% from £2,063,861 to £2,341,091. School operating costs (including depreciation) increased by 5.0% to £2,133,171 which, together with means tested bursaries increasing by 23.3% to £208,769, results in net expenditure for the year of £6,428 (2018: Net income £1,535,321) before the revaluation of investments. Excluding depreciation of £215,680, net income for the year of £209,252 was achieved (2018: Net income £1,747,070 – excluding depreciation).

The cash position at the end of the year was £437,317 (2018: £257,710). The Governors believe that the outcomes in the year reflect a combination of increased pupil numbers coupled with careful management of expenditure. Investment in safety and security, plant, equipment, and improvement to property continued during the year with £258,659 (2018: £19,053) invested in total. This includes £151,866 relating to roof improvements funded by the legacy bequeathed by the late Miss Sarah Canning. The cost of repairs and maintenance to the fabric of the buildings decreased by 10.7% on the previous year to £71,006 (2018: £79,483).

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FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

During the audit, evidence was found of:

- strong oversight by management;
- clear lines of communication between management;
- clearly defined roles and segregation of duties;
- a disciplined reporting environment with visual management authorisation;
- a strong culture of compliance throughout the finance function.

In addition there were no areas of weakness identified that suggest improvement or internal controls to mitigate fraud are required.

The Governors are confident that the high level of enquiries for entry to the School will continue and look forward to the future with confidence. The Headmaster and his management team will continue to monitor expenditure carefully and maximise the use of the School's resources. This ensures the School will be able to continue its investment in facilities to raise the standards of the education offered by the School.

Key Management Personnel

The Key Management Personnel of the School comprise the Governors and the Senior Leadership Team. The Senior Leadership Team consists of the Headmaster, Deputy Head / Director of Sport, Bursar, Head of Pastoral Care, Head of Boarding, Director of Studies, and Senior Teachers. Key management personnel received total remuneration of £273,819 (2018: £191,673) and pension contributions of £35,387 (2018: £24,021) for seven employees (2018: six).

Grant-Making Policy

Our bursary awards are available to all who meet our general entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk. These over-riding principles are set out in the School's Bursaries Policy.

Reserves Policy

The Governors' policy on the funding of reserves is based on the Charity Commission document CC19 and therefore recognises the need to hold reserves in order to deal with adverse changes in the levels of income and expenditure in future years. Although there are currently no free reserves the School owns investment assets, some of which could be realised to sufficiently cover three months' running costs, if circumstance ever required.

Investment Policy

The Governors are empowered to invest the monies of the School not immediately required for its purposes, in or upon such investments, securities or property as may be thought fit but so that monies subject or representing property subject to the jurisdiction of the Charity Commissioners shall only be invested in such securities and with such sanction (if any) as may for the time being be prescribed by law. The Governors are currently in the process of preparing a new investment policy in light of the investments kindly bequeathed by the late Miss Sarah Canning.

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STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of the company for the purposes of company law and trustees of the charity for the purposes of charity law) are responsible for preparing the Report of the Governors (including the Strategic Report) 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, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The Governors are responsible for keeping adequate 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

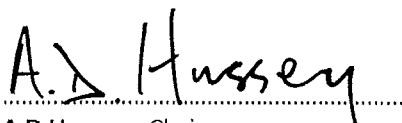
So far as the Governors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each Governor has taken all the steps that he or she ought to have taken as a Governor in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Fawcetts LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD OF GOVERNORS:

The Governors (in their capacity as directors of the company and trustees of the charity) approve the Report of the Governors and the Strategic Report for the year ended 31 August 2019.



A D Hussey - Chairman
Governor

Date: 27/4/20

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HANFORD SCHOOL CHARITABLE TRUST LIMITED**

Opinion

We have audited the financial statements of Hanford School Charitable Trust Limited (the 'charitable company') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 charitable company's affairs as at 31 August 2019 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Report of the Governors (including Strategic Report), other than the financial statements and our Report of the Auditors thereon. The Governors are responsible for the other information. 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. 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 Report of the Directors 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 Report of the Directors included within the Report of the Governors have been prepared in accordance with applicable legal requirements

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**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HANFORD SCHOOL CHARITABLE TRUST LIMITED**

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Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors included within the Report of the Governors.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 Statement of Governors' Responsibilities set out on page seven, the Governors (who are also directors of the charitable company for the purposes of company law and trustees of the charity for the purposes of charity 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

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. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.


Nicholas Jones FCCA (Senior Statutory Auditor)

for and on behalf of Fawcetts LLP

Chartered Accountants

and Statutory Auditors

Windover House, St Ann Street

Salisbury

SP1 2DR

Date: 30 April 2020

HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019

		Unrestricted	Restricted	Total	Total
INCOME AND EXPENDITURE	Notes	£	£	2019	2018
				£	£
INCOME AND ENDOWMENTS FROM:					
Charitable activities					
Fees receivable		2,206,760	-	2,206,760	1,978,513
Recharges		75,721	-	75,721	65,093
Other income		1,333	-	1,333	5,169
Donations and legacies	2				
Donations		-	55,511	55,511	15,086
Legacies		(5,279)	-	(5,279)	1,671,764
Investments	3	1,766	-	1,766	-
TOTAL INCOME		<u>2,280,301</u>	<u>55,511</u>	<u>2,335,812</u>	<u>3,735,625</u>
EXPENDITURE ON:					
Charitable activities					
Bursaries donated		209,069	-	209,069	169,366
School operating costs		1,959,122	174,049	2,133,171	2,030,938
TOTAL EXPENDITURE	7	<u>2,168,191</u>	<u>174,049</u>	<u>2,342,240</u>	<u>2,200,304</u>
NET INCOME / (EXPENDITURE)		<u>112,110</u>	<u>(118,538)</u>	<u>(6,428)</u>	<u>1,535,321</u>
Unrealised gains on revaluation of investments		10,079	-	10,079	-
NET MOVEMENT IN FUNDS		<u>122,189</u>	<u>(118,538)</u>	<u>3,651</u>	<u>1,535,321</u>
RECONCILIATION OF FUNDS					
Total funds brought forward at 1 September 2018		1,972,064	14,845,648	16,817,712	15,282,391
TOTAL FUNDS CARRIED FORWARD at 31 August 2019		<u>2,094,253</u>	<u>14,727,110</u>	<u>16,821,363</u>	<u>16,817,712</u>

Details of comparatives by fund are disclosed in Note 22.

CONTINUING OPERATIONS

None of the charitable company's activities were acquired or discontinued during the current and previous years.

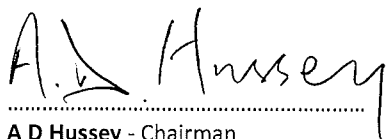
The notes form part of these financial statements

HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE – COMPANY NUMBER 02572565)

BALANCE SHEET
31 AUGUST 2019

		2019		2018	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	8		16,382,742		16,366,743
Investments	9		443,124		435,479
CURRENT ASSETS					
Debtors	10	481,413		634,615	
Cash at bank and in hand		<u>437,317</u>		<u>257,710</u>	
		918,730		892,325	
CREDITORS					
Amounts falling due within one year	11	<u>(885,358)</u>		<u>(833,364)</u>	
NET CURRENT ASSETS			<u>33,372</u>		<u>58,961</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			16,859,238		16,861,183
CREDITORS: Amounts falling due after more than one year	12		<u>(37,875)</u>		<u>(43,471)</u>
NET ASSETS			<u>16,821,363</u>		<u>16,817,712</u>
FUNDS:					
Restricted funds	15		14,727,110		14,845,648
Unrestricted funds - general	16		2,073,209		1,951,020
Unrestricted funds - designated	16		<u>21,044</u>		<u>21,044</u>
TOTAL CHARITY FUNDS			<u>16,821,363</u>		<u>16,817,712</u>

The financial statements were approved and authorised for issue by the Board of Governors on 27 April 2020 and were signed on its behalf by:



A D Hussey - Chairman
Governor

The notes form part of these financial statements

HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	2019 £	2018 £
Net cash flow from operating activities (a)	436,500	(13,444)
Cash flow from investing activities		
Payments to acquire tangible fixed assets	(258,659)	(19,053)
Dividends received	851	-
Interest received	915	-
Net cash flow from investing activities	(256,893)	(19,053)
Cash flow from financing activities		
Interest paid	-	-
Net cash flow from financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	179,607	(32,497)
Cash and cash equivalents at 1 September 2018	257,710	290,207
Cash and cash equivalents at 31 August 2019	<u>437,317</u>	<u>257,710</u>
Cash and cash equivalents consists of:		
Cash at bank and in hand	257,710	257,710
Cash and cash equivalents at 31 August 2019	<u>437,317</u>	<u>257,710</u>
(a) Reconciliation of net expenditure to net cash flow from operating activities		
Net income / (expenditure) for the year as per the Statement of Financial Activities	3,651	1,535,321
Dividends receivable	(851)	-
Interest receivable	(915)	-
Depreciation of tangible fixed assets	215,680	211,749
Loss on disposal of tangible fixed assets	23,746	233
Revaluation of fixed asset investments	(10,079)	-
Tangible fixed assets legacy – freehold property	-	(925,000)
Fixed asset investments legacy – listed & other investments	2,434	(435,479)
Decrease / (Increase) in debtors	153,202	(259,478)
Increase / (Decrease) in creditors	49,632	(140,790)
Net cash flow from operating activities	<u>436,500</u>	<u>(13,444)</u>

The notes form part of these financial statements

**HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. ACCOUNTING POLICIES

General information and basis of preparation

Hanford School Charitable Trust Limited is a company limited by guarantee incorporated and registered in England and Wales. The school constitutes a Public Benefit Entity as defined by FRS 102. 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 United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP 2015 (FRS 102)), the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in Sterling (£) which is the functional currency of the charitable company.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of the general objectives of the School and which 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 and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the School is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. The income and net incoming resources are attributable to the one principal activity of the charitable company.

Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the School.

Donations, legacies and fund accounting

Donations and legacies received for the general purposes of the School are included as unrestricted funds. Donations and legacies for activities restricted by the wishes of the donor are taken to "restricted funds" where these wishes are legally binding on the Governors. Income from legacies is recognised at the earlier of the School being notified of an impending distribution or the legacy being received.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. The irrecoverable element of VAT is included with the item of expense to which it relates.

HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the SoFA. The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition, or valuation.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land	- Not depreciated
Buildings	- 1% straight line
Improvements to property	- 5% on reducing balance
Plant and equipment	- 20% on reducing balance
Motor vehicles	- 20% on reducing balance
Computer equipment	- 20% straight line

Fixed asset investments

Listed investments are included at their market value. Realised and unrealised gains and losses are recognised in the SoFA in the year in which they arise.

Other investments are initially accounted for at cost and reviewed annually for impairment.

Debtors

Debtors are measured at their recoverable amounts.

Creditors and provisions

Creditors and provisions are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SoFA unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Advance fees scheme

The School offers parents the opportunity to pay for up to five years tuition fees in advance in accordance with a written contract. This is treated as deferred income until the pupil joins the School whereupon the prepaid amount for each term is charged against the remaining balance and taken to income. Any shortfall is treated as a deduction from School fee income and any excess accrued is treated as additional School income.

Operating lease commitments

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SoFA on a straight-line basis over the period of the lease. Any incentives related to the lease have been spread over the lease term.

HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter. The interest element of these obligations is charged to the income and expenditure account over the relevant period. The capital element of the future payments is treated as a liability.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs

The School's teaching staff have the option to be members of a pension scheme which is operated by the Teachers' Pensions Scheme. This is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the scheme on a consistent and reliable basis and therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. Contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable. For non-teaching staff, the School contributes to a defined contribution group personal pension plan.

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to Sterling (£) at the balance sheet date at the year-end exchange rate.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the Governors are required to make judgement estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Judgements made by the Governors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets, and the provision for bad and doubtful debts which are discussed above. The accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2019

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations				
General donations	-	-	-	100
Hanford 140	-	35,004	35,004	11,986
Leavers programme	-	2,507	2,507	-
Sports	-	3,000	3,000	-
Swimming pool	-	15,000	15,000	-
Bursaries	-	-	-	3,000
	-	55,511	55,511	15,086
Legacies				
The late Miss Sarah Canning	(5,279)	-	(5,279)	1,671,764
Total	<u>(5,279)</u>	<u>55,511</u>	<u>50,232</u>	<u>1,686,850</u>

The Report of the Governors sets out how the School has utilised elements of the legacy kindly bequeathed by the late Miss Sarah Canning in 2018.

3. INCOME FROM INVESTMENTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Dividends – UK listed equities	851	-	851	-
Interest – cash deposits	915	-	915	-
Total	<u>1,766</u>	<u>-</u>	<u>1,766</u>	<u>-</u>

HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2019

4. STAFF COSTS

	2019	2018
	£	£
Wages and salaries	1,151,784	1,107,339
Social security costs	90,122	87,403
Pension contributions	<u>108,214</u>	<u>106,462</u>
	<u>1,350,120</u>	<u>1,301,204</u>

The number of employees during the year was as follows:

	2019	2018
	No.	No.
Teaching and care staff	35	36
Other staff	<u>24</u>	<u>24</u>
	<u>59</u>	<u>60</u>

The number of employees whose emoluments exceeded £60,000 for the year was one (2018: None):

	2019	2018
	No.	No.
£70,001 - £80,000	1	1
The number with retirement benefits accruing in:		
- Defined benefit schemes was	<u>1</u>	<u>1</u>

During the year there were redundancy or termination payments made which amounted to £17,865 (2018: £6,473). There was £Nil (2018: £2,500) outstanding at the year-end.

The key management personnel of the School comprise the Governors and the Senior Leadership Team. The Senior Leadership Team consists of the Headmaster, Deputy Head / Director of Sport, Bursar, Head of Pastoral Care, Head of Boarding, Director of Studies, and Senior Teachers. Key management personnel received total remuneration of £273,819 (2018: £191,673) and pension contributions of £35,387 (2018: £24,021) for seven employees (2018: six).

None of the Governors (both in their capacity as directors of the charitable company and trustees of the charity), nor any persons connected to them, received nor waived any remuneration or other material benefits from the School or any connected organisation. During the year none of the Governors, nor any persons connected to them, received reimbursed expenses (2018: None).

HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2019

5. NET INCOMING RESOURCES

Net incoming resources are stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	215,680	211,749
Depreciation - assets held under hire purchase agreements	-	-
Loss on disposal of fixed assets	23,746	233
Auditors' remuneration - audit services	3,700	3,700
- non-audit services	<u>8,404</u>	<u>6,548</u>
 Governors' emoluments and other benefits etc	 <u>-</u>	 <u>-</u>

6. TAXATION

The charity is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

7. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff salaries and costs	Other	Depreciation	2019 Total	2018 Total
	£	£	£	£	£
Charitable activities:					
Bursaries donated	-	209,069	-	209,069	169,366
 School operating costs:					
Teaching costs	894,559	104,240	25,658	1,024,457	988,746
Welfare	255,256	98,859	-	354,115	346,236
Premises	61,525	248,299	189,819	499,643	466,849
Support costs of schooling	138,780	103,869	203	242,852	218,859
Governance	<u>-</u>	<u>12,104</u>	<u>-</u>	<u>12,104</u>	<u>10,248</u>
	1,350,120	567,371	215,680	2,133,171	2,030,938
 Raising funds:					
Finance and other costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total resources expended	 <u>1,350,120</u>	 <u>776,440</u>	 <u>215,680</u>	 <u>2,342,240</u>	 <u>2,200,304</u>

Expenditure on charitable activities was £2,342,240 (2018: £2,200,304) of which £2,168,191 was unrestricted (2018: £2,028,762) and £174,049 was restricted (2018: £171,542).

HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2019

8. TANGIBLE FIXED ASSETS

	Land and Buildings £	Improvements to Property £	Plant and equipment £
COST OR VALUATION			
At 1 September 2018	16,600,000	177,243	216,526
Additions	-	235,076	7,261
Disposals	-	(40,395)	(7,634)
At 31 August 2019	16,600,000	371,924	216,153
DEPRECIATION			
At 1 September 2018	470,250	42,179	149,526
Charge for year	166,000	10,330	13,489
Eliminated on disposals	-	(13,823)	(7,226)
At 31 August 2019	636,250	38,686	155,789
NET BOOK VALUE			
At 31 August 2019	15,963,750	333,238	60,364
At 31 August 2018	16,129,750	135,064	67,000
	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION			
At 1 September 2018	20,476	171,979	17,186,224
Additions	-	16,322	258,659
Disposals	-	(16,177)	(64,206)
At 31 August 2019	20,476	172,124	17,380,677
DEPRECIATION			
At 1 September 2018	16,839	140,687	819,481
Charge for year	726	25,135	215,680
Eliminated on disposals	-	(16,177)	(37,226)
At 31 August 2019	17,565	149,645	997,935
NET BOOK VALUE			
At 31 August 2019	2,911	22,479	16,382,742
At 31 August 2018	3,637	31,292	16,366,743

HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2019

9. FIXED ASSET INVESTMENTS

	Listed Investments £	Other Investments £	Totals £
COST OR VALUATION			
At 1 September 2018	408,629	26,850	435,479
Additions	3,016	1,750	4,766
Disposals	(7,200)	-	(7,200)
Revaluation	10,079	-	10,079
At 31 August 2019	414,524	28,600	443,124
NET BOOK VALUE			
At 31 August 2019	414,524	28,600	443,124
At 31 August 2018	408,629	26,850	435,479

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	439,115	428,375
Other debtors	42,058	202,021
Prepayments	240	4,219
	481,413	634,615

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank overdraft (see note 12)	-	-
Trade creditors	30,944	18,134
Other creditors	75,718	83,523
Taxation and social security	36,308	27,674
Deferred income - autumn term fees	575,532	626,716
Advance fees scheme (see note 14)	99,492	65,505
Accrued expenses	67,364	11,812
	885,358	833,364

HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2019

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Advance fees scheme (see note 14)	<u>37,875</u>	<u>43,471</u>
	<u><u>37,875</u></u>	<u><u>43,471</u></u>

13. SECURED DEBTS

An overdraft facility of £200,000 was established with the School's bankers in the prior year and is secured against the property known as Hanford House.

14. ADVANCE FEES SCHEME

Parents may enter into a contract to pay the School up to the equivalent of five years' tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one year's notice. Assuming the related pupils will remain in the School, advance fees will be applied as follows:

	2019	2018
	£	£
Within 2 to 5 years	15,150	-
Within 1 to 2 years	<u>22,725</u>	<u>43,471</u>
	<u>37,875</u>	43,471
Within 1 year	<u>99,492</u>	<u>65,505</u>
	<u><u>137,367</u></u>	<u><u>108,976</u></u>

HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2019

15. RESTRICTED FUNDS

Analysis of movement in restricted funds

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2019 £
Fixed asset fund	14,806,048	-	(151,542)	-	14,654,506
ICT	20,000	-	(20,000)	-	-
Hanford 140	16,600	35,004	-	-	51,604
Leavers programme	-	2,507	(2,507)	-	-
Bursaries	3,000	-	-	-	3,000
Sports	-	3,000	-	-	3,000
Swimming pool	-	15,000	-	-	15,000
	<u>14,845,648</u>	<u>55,511</u>	<u>(174,049)</u>	<u>-</u>	<u>14,727,110</u>

The fixed asset fund represents the net book value of the property known as Hanford House, Child Okeford, Blandford Forum, Dorset DT11 8HN. This fund has been established in recognition of the fact that the property is central to the objectives of the charitable company and does not represent reserves available to finance its operations.

The ICT restricted fund represents donations to the School where the donor has requested that the funds be used in this area. The funds were fully utilised during the year.

Following the celebration of Hanford's 70th birthday in 2017 the 'Hanford 140' fund has been established to secure its future for the next 70 years. A more formal fundraising plan is currently in development.

The Leavers programme represents donations received from girls and their families who have left in the year. The monies received in 2019 have been put towards the purchase of garden benches and a 'King Kong' swing set.

The bursaries restricted fund represents donations to the School where the donor has requested that the funds be used in this area.

The sports restricted fund represents a donation to the School where the donor has requested that the funds be used in this area.

The swimming pool restricted fund represents a donation from The Jack-Rabbit Foundation to the School where the donor has requested that the funds be used in this area.

HANFORD SCHOOL CHARITABLE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2019

15. RESTRICTED FUNDS (continued)

Analysis of movement in restricted funds – previous year

	Balance at 1 September 2017	Incoming resources	Resources expended	Transfers	Balance at 31 August 2018
	£	£	£	£	£
Fixed asset fund	14,957,590	-	(151,542)	-	14,806,048
ICT	40,000	-	(20,000)	-	20,000
Hanford 140	4,614	11,986	-	-	16,600
Bursaries	-	3,000	-	-	3,000
	<u>15,002,204</u>	<u>14,986</u>	<u>(171,542)</u>	<u>-</u>	<u>14,845,648</u>

16. UNRESTRICTED FUNDS

Analysis of movement in unrestricted funds

	General fund £	Designated fund £	Total £
Balance at 1 September 2018	1,951,020	21,044	1,972,064
Surplus for the year	122,189	-	122,189
Transfers between funds	-	-	-
Balance as at 31 August 2019	<u>2,073,209</u>	<u>21,044</u>	<u>2,094,253</u>

The designated funds represent amounts committed by the Governors to the hardship fund. The fund is utilised in specific circumstances to assist with the continuity of education for pupils.

Analysis of movement in unrestricted funds – previous year

	General fund £	Designated fund £	Total £
Balance at 1 September 2017	259,143	21,044	280,187
Surplus for the year	1,691,877	-	1,691,877
Transfers between funds	-	-	-
Balance as at 31 August 2018	<u>1,951,020</u>	<u>21,044</u>	<u>1,972,064</u>

HANFORD SCHOOL CHARITABLE TRUST LIMITED
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17. ALLOCATION OF THE CHARITY NET ASSETS

The net assets are held for the various funds as follows:

	Unrestricted funds General £	Unrestricted funds Designated £	Restricted funds £	Total £
Tangible fixed assets	1,728,236	-	14,654,506	16,382,742
Investments	443,124	-	-	443,124
Current assets	825,082	21,044	72,604	918,730
Current liabilities	(885,358)	-	-	(885,358)
Creditors more than one year	<u>(37,875)</u>	<u>-</u>	<u>-</u>	<u>(37,875)</u>
	<u>2,073,209</u>	<u>21,044</u>	<u>14,727,110</u>	<u>16,821,363</u>

18. PENSION COMMITMENTS

During the year the teaching staff had the option to be members of a defined benefit pension scheme operated by the Teachers' Pension Agency. For other employees, the School contributes to personal pension plans and these are defined contribution schemes. Due to the large increase in contribution rates with effect from 1 September 2019, the Governors, in consultation with the teachers, agreed to exit the Teachers' Pension Scheme with effect from 31 December 2019 and revert to personal pension plans, on a defined contribution basis, with effect from 1 January 2020.

The total pension cost for the School was £108,214 (2018: £106,462) of which £4,986 (2018: £2,290) relates to the School's contributions to personal pension plans. There were no outstanding contributions at the balance sheet date.

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £103,228 (2018: £104,172) and at the year-end £Nil (2018: £Nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme 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.

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FOR THE YEAR ENDED 31 AUGUST 2019**

18. PENSION COMMITMENTS (continued)

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 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.

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 a remedy to the discrimination conclusion has been determined by the Employment Tribunal 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.

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19. OPERATING LEASE COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Later than one and not later than five years	<u>9,400</u>	<u>15,666</u>

20. STATUS OF COMPANY

The company is a registered charity limited by guarantee. The liability of the members in the event of a winding up is limited by guarantee to an amount not exceeding £1 per member. At the balance sheet date there were 9 members (2018: 12).

21. CAPITAL COMMITMENTS

	2019	2018
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>48,216</u>
	2019	2018
	£	£
Authorised but not contracted for in the financial statements	<u>-</u>	<u>147,600</u>

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22. PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

INCOME AND EXPENDITURE	Notes	Unrestricted £	Restricted £	Total 2018 £
INCOME AND ENDOWMENTS FROM:				
Charitable activities				
Fees receivable		1,978,513	-	1,978,513
Recharges		65,093	-	65,093
Other income		5,169	-	5,169
Donations and legacies	2	1,671,864	14,986	1,686,850
Investments	3	-	-	-
TOTAL INCOME		<u>3,720,639</u>	<u>14,986</u>	<u>3,735,625</u>
EXPENDITURE ON:				
Charitable activities				
Bursaries donated		169,366	-	169,366
School operating costs		1,859,396	171,542	2,030,938
TOTAL EXPENDITURE	7	<u>2,028,762</u>	<u>174,472</u>	<u>2,200,304</u>
NET INCOME / (EXPENDITURE)		<u>1,691,877</u>	<u>(156,556)</u>	<u>1,535,321</u>
RECONCILIATION OF FUNDS				
Total funds brought forward at 1 September 2017		<u>280,187</u>	<u>15,002,204</u>	<u>15,282,391</u>
TOTAL FUNDS CARRIED FORWARD at 31 August 2018		<u>1,972,064</u>	<u>14,845,648</u>	<u>16,817,712</u>

