

Downe House School

Annual report and financial statements

for the year ended 31 August 2025

Registered Number: 2645228

Registered Charity Number: 1015059

Downe House School

Annual report and financial statements for the year ended 31 August 2025

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Report of the Trustees and Strategic Report

The Trustees present their annual report and the audited financial statements of the group for the year ended 31 August 2025.

The information with respect to Trustees, Officers and Advisors set out on page 45 forms part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, and the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" – Second Edition.

ACHIEVEMENTS AND PERFORMANCE

Review of 2024/2025

The Public Examination results this year remained very positive. GCSE passes at 4-9 grade (A* to C) or equivalent grades = 99% (2024: 99%) with 81% being at 7 – 9 grade (2024: 75%) and 66% at 8 – 9 grade (2024: 55%). A level passes A* to B or equivalent grades = 83% (2024: 82%).

The range of universities at which pupils achieved places includes Oxbridge, St. Andrew's, Bristol, Durham, Edinburgh, Exeter, London, Leeds and Manchester, as well as leading universities across the globe including in the US, Canada, Australia, Hong Kong and Europe. It has also been very pleasing to see a wide variety of courses represented in the applications, including a significant percentage of STEM related courses.

This year the School was subject to a full inspection by the Independent Schools Inspectorate. Although it was a routine inspection, the School was very pleased to have many of its strengths recognised by the inspectors, including the strong academic standards, high levels of pastoral care, broad range of activities and its comprehensive global programme, and it was most importantly fully compliant in meeting all statutory obligations. The recommended area for development was careers provision for the 11- to 13-year-olds and plans to take this forward are already under way.

Ensuring the highest standards of teaching and learning remains a key strategic objective for us. Our Director of Teaching and Learning has, with the support of the Deputy Head Academic, instituted a series of departmental visits to review lessons and teaching practice in the departments. The Director of Curriculum has met with groups of pupils to reflect on the work they are undertaking in the departments and the Director of Digital Learning has considered how effectively AI and digital platforms are being used. Formal feedback in the form of a report is shared with the Heads of Department, members of the Department and the Leadership Team Education Group so that trends across departments can be identified. Recommendations are incorporated into Departmental Development Plans so that visits have a tangible impact.

INSET has also focused on Excellence in Teaching and the regular programme of weekly sessions has enabled staff to share good practice and discuss ideas and approaches. Feedback for teachers is also given through the Class Voice system where classes give anonymous feedback to their teachers and Pupil Voice, a newly introduced system, enables individual pupils to consider the things that are most helpful to them to enable them to learn effectively. This data is also made available to teachers. Our training partnership for Middle Leaders with Bradfield College and Winchester College has remained popular and successful and has been complemented by a series of Line Manager Workshops run by the Director of HR. The Deputy Head Pastoral has added a series of internal House staff exchanges so that colleagues can see each other's Houses as well as sharing good practice with other schools. The School seeks to be at the forefront of educational development and practice and our third annual Academic Conference showed that this is certainly the case.

Our 'Parenting and Educating in Partnership' Programme continues to be highly valued by parents. The programme is adjusted to include issues that are topical, for example, managing mobile phones. Our Director of Pupil Well-being writes a weekly blog on topical issues which includes resources that may be useful to parents, and this has been well received.

Report of the Trustees and Strategic Report (continued)

The continuation of the delivery of online seminars and lectures has meant that many more parents are able to access material and indeed do so. These talks are very often recorded and the take-up of parents watching them at a later stage is high.

The Coordinator of EDI has continued to focus on ensuring that a culture of inclusivity remains part of the fabric of the School, with greater awareness raised through Black History Month, Pride Week and a Neurodiversity Week. Our strategic partnership developed with nearby boys' schools, also plays a significant part in helping to explore healthy and respectful relationships with pupils from Year 7 upwards. Chloe Combi, an expert in the field, continues to guide us and analyse the work that we are doing to ensure that it is achieving its aim.

Safeguarding the welfare of all our young people remains a key priority for all the adults connected with the School. Appropriate training and checks are in place and the School continues to have a team of Senior Staff trained to level 3 so that the Designated Safeguarding Lead (DSL) has good support. This year the Director of Health joined the Safeguarding Team and she too has completed her level 3 training.

In addition to the series of House and year-group events for parents to enable them to develop connections with members of the school community, our first regional events have also taken place. These have been very well received, and attendance has been good. House staff have run overseas virtual coffee and tea meetings to help create a greater sense of belonging within our overseas communities. We have also been assisted in generating higher levels of parent engagement through our excellent programme of Parent Ambassadors, a group of volunteer parents who support our events. We continue to encourage feedback from our parents and annual Parent Webinars take place every Lent term and enable the Headmistress to update parents on the School's strategic objectives for the coming year.

Our new Head of Academic Enrichment has been reviewing our provision this year and enhancing it with competitions and academic activities for Houses and year groups and is constructing a more strategic plan for increasing the variety of academic clubs and societies. Participation in academic competitions, for example Olympiads, is high and success rates are very pleasing. Further Academic Symposiums have also taken place for our Year 10 and Year 12 students focused on Science, Languages and Humanities, and Debating is flourishing throughout the School.

The World Ready Programme, a programme that draws together all the activities that are offered to the students at Downe House to ensure that they are ready to take their place in the world, continues to be a great success and is regularly evaluated and adapted. It is a three-part programme with Years 7 and 8 being the World Aware section, Years 9 – 11 being the World Explore section and Years 12 and 13, the World Ready section. It includes a broad and rich academic curriculum, excellent pastoral support and a varied and challenging co-curricular programme complemented by a range of initiatives to help all students to develop the Downe House DNA (Compassion, Collaboration, Creativity, Resilience, Aspiration, Communication, Outward-looking). This includes, for example, all students having the option to develop leadership skills throughout their time at Downe, all students having the opportunity to do a Mini MBA overseen by Hult Ashridge College, the Microsoft Office Specialist qualification, the Ivy House Leadership qualification, the Leiths Cookery qualification and much more.

Our Global programme feeds into the World Ready programme and this year has been further enhanced with the launch of the Exploring Europe programme for the Lower School. Legislative and fiscal changes have made it too challenging to continue to offer a residential term in France in Year 8 and this has been replaced by what the School believes to be an exciting curriculum to enable pupils to learn about the continent in which they are being educated, including four visits to Europe, the addition of an extra language - German, being taught and an Exploring Europe course delivered to everyone. This is then built upon in Years 9 to 11 with our Global Schools' Exchange Programme and in Years 12 and 13 by our Global Internship opportunities.

Report of the Trustees and Strategic Report (continued)

We believe our pupils will all have had an opportunity to experience the world first-hand through these experiences or one of the many overseas trips offered.

Developing the whole person is at the heart of a Downe House education. Drama, Dance and Music have continued to maintain a high profile throughout the year. Productions of 'Little Women', 'The Addams Family', 'Journey's End' and 'Avatar' and many more ensured that girls from a variety of ages were able to shine and they were excellent. Our annual House Drama, House Dance and House Gym Competitions showcased a wonderful range of talent. Some of the productions mentioned above formed a key part of the Founder's Weekend programme. There were also wonderful displays of Art, Textiles, 3D Design and Photography in the Murray Centre. The choirs and some of our instrumentalists and ensembles performed in outstanding concerts at Founder's Weekend at St John's Church in Newbury. We enjoyed an exceptional Carol Service in London. A Musical Theatre Day for Prep School and Primary School children respectively were both extremely well attended and enjoyed!

In Sport there was activity in every area in the Michaelmas, Lent and Summer terms including Lacrosse, Netball, Hockey, Swimming, Athletics, Cricket, Riding, Tennis, Badminton, Basketball, and Squash with various inter-school competitions and matches being won and many girls being chosen to represent their region or country in Lacrosse in particular. Pre-season training continues to be a strong feature of the preparation for each season and valued by the girls and staff. A Lacrosse training camp for prospective students and students new to the School took place again this year. Sports tours to Portugal for Tennis, the US for Lacrosse and Dubai for Netball have taken place or are planned. An excellent Sports Workshop was also run for feeder school children.

The programme for our scholars in each discipline - Academic, Art, Music, Drama and Sport, has continued to flourish and develop, and the support which each award-holder receives is now well recognised and highly valued by the girls and staff. We continue to invest in this programme with a selection of speakers, workshops and training/practice taking place each week.

The School is committed to providing an excellent holistic education 24/7. Downe House wants all its students to have a range of activities offered both at weekends and in the evenings to encourage girls to develop interests and skills and gain experience which will, we hope, help to build their confidence. The girls have enjoyed visits to the cinema, socials with other schools, and trips to Chessington, Oxford, Cadbury World, Thorpe Park and so on. Commitment to the Duke of Edinburgh award scheme remains strong at Bronze and Gold level, as does the commitment to the Peer Support and Academic Mentor Programme in the Sixth Form. What has been particularly pleasing this year is the high levels of commitment by the Sixth Form to our expanded Community Service programme building a culture of leadership as service.

The School maintains strong links with a number of local charities which it supports, and the Upper School Houses have maintained their commitment to supporting a local UK-based charity as well as their link charity overseas. Charities and causes high on our list include Swings and Smiles, West Berks Foodbank, and JDRF Diabetes UK, as well as giving support to world disaster funds as the need arises. Individual girls continue to be able to choose and present on charities that are particularly meaningful to them or their families in order to raise money through a mufti day or similar activity in School. In order to build our partnerships with the local community further this year, we held a celebratory tea with representatives from those charities which we support as well as local suppliers, business and schools. It was a great success.

Two of our most important partnerships are of course with our sister schools, Downe House Muscat and Downe House Riyadh. We continue to explore opportunities for collaboration with partnership activities, for example prefect training, taking place across the three schools and offering opportunities for the pupils and staff to enhance their understanding of this wonderful part of the globe. We were pleased to welcome a visiting group of Year 9 pupils from Downe House Riyadh as well as two girls from the Sixth Form. Everyone learnt a great deal from these visits, as we did from the visits of the Deputy Head Academic and the Director of Performing Arts from Riyadh. More is planned for 2025/6.

Report of the Trustees and Strategic Report (continued)

It goes without saying that the success of the School is wholly reliant on our highly dedicated and professional staff body. We remain committed to investing in our staff, and regular training opportunities are offered in different areas, from technology to EDI to classroom practice and well-being. They share their considerable expertise with one another as a matter of course. A comprehensive induction programme is in place for all staff so that they are able to gain a good understanding of the School and have appropriate support.

The imposition of VAT on school fees, the loss of Business Rate Relief and the increase in NI contributions have presented a challenging financial backdrop for Downe House alongside many in the independent sector. The School has taken a number of key strategic decisions in response to these changes including a sharp focus on cost containment, revenue generation and opening up the ways in which families can access a Downe House education.

With cost containment in mind, the School has decided to focus on sustainability and preserving our heritage by making improvements to our existing Estate. Good examples of this would be the replacement of the swimming pool windows - an improvement which will also bring with it significant energy savings, painting the main building, refurbishing our Modern Languages Department and developing one of the Drama Studios to make it a much better performance space. The latter is being funded by generous donations from our Annual Giving Fund and follows on from the very successful fundraising campaign to develop a new gym which was opened in September 2024. Our Director of Development continues to make inroads into establishing a culture of fundraising amongst our stakeholders, focusing on parents first, and sharing our vision for the development of the campus. The first major project will be a new Maths and Digital Innovation Department.

In addition to fundraising, the School has continued to make available its facilities for commercial lettings. This generally centres around lettings of the sports facilities in term-time and commercial lets in the Summer holidays. However, for the first time this year, Downe House has run its own Summer School which has been very successful in generating revenue for the School and it is anticipated that this will be built upon and expanded next year.

Although pupil numbers remain resilient, there is no doubt that this remains a challenging time for girls' boarding schools both because of the increasing costs for parents who are now paying 20% VAT on top of their fees, and because parents generally want much greater access to their children and more flexibility than was previously the case. In recognition of both these factors, the School launched its new flexible boarding offering and day option from September 2025 with transport. We are pleased with the positive levels of interests and confident that this will further open up opportunities to attract to a wider variety of families who may not naturally be comfortable with full boarding. Of primary importance, is that we maintain a high-quality provision of education shared as widely as possible through effective marketing and communications.

It was a great pleasure to welcome a new Head of Marketing and Communications at the start of the new academic year. The postholder has made significant inroads into improving and rationalising our communications as well as ensuring much greater consistency and a much more creative approach. A full Brand Review was also undertaken which has resulted in a new strapline, *Inspiring Girls*, a newly crafted Purpose, Promise and Principles tenet to support and complement the Downe House DNA. Work is now being done on developing a three-year marketing plan which considers both pupil and staff recruitment and retention.

Our Board of Governors and Leadership Team review the School's strategy every year and the School remains confident in the importance and merit of delivering an all-round, excellent 24/7 values-driven education tailored to the needs of girls. It is nevertheless also committed to remaining commercially agile and it is not afraid to make changes and improvements to ensure the education it delivers remains current and relevant.

Report of the Trustees and Strategic Report (continued)

Community Engagement

Downe House is committed to playing an active part in the local community. To that end, as well as supporting local businesses, the School supports a number of local charities through fundraising activities but also through the girls contributing to the work of local organisations/charities. This can take the form of visiting Care Homes, supporting children who ride at the Riding for the Disabled Charity, supporting children at the respite care Charity, Swings and Smiles, and reading in local primary schools. This will either be done through the Duke of Edinburgh Award scheme or through Downe House's own Community Service scheme. Our musicians play annually for the parishioners at St John's Church in Newbury to raise funds for Christian Aid and also House choirs will visit local residential homes to provide entertainment as requested. In 2024, the School ran a Make a Difference Day and welcomed over 200 local children onto the site for an educational activities day provided by staff and girls. There was also a programme of girls' contributing to community projects on that day. These initiatives were led by our newly appointed Director of Partnerships.

Further collaboration with local schools takes place through a growing number of initiatives including our Oxbridge Interview evening or, as mentioned above, by opening up appropriate events and lectures, for example, our Classics Day and our Educational Conferences to students and staff from other schools and welcoming members of the local community to plays, concerts and other appropriate events. Some of our staff also act as Governors at local schools and share their expertise.

Full details of Downe House's community engagement work can be found in the annual Downe House Impact Report on the Downe House website. www.downehouse.net/support-us/impact/

Bursaries

A means tested bursary scheme, in part funded by the Olive Willis Trust Fund, is in operation potentially remitting up to 100% of fees plus extras from which 49 girls benefited at a cost of £1,603,000 (2024: 42 girls benefited at a cost of £1,388,000). The School had 27 pupils on high level bursaries between 75% and 100% plus extras for 2024/2025. For 2025/2026 29 high level bursaries between 75% and 100% of fees plus extras have been awarded.

The Olive Willis Trust Fund principally provides for the advancement of education in connection with the School for the public benefit, in particular, but not limited to, the provision of financial assistance to prospective and current pupils of Downe House School who are in need.

Fundraising

Girls are encouraged to raise money for charities as part of their general education. During the year £31,430 has been raised (2024: £34,367). The wide variety of charities supported includes:

West Berks Foodbank
Charlie Waller Memorial Trust
David Nott Foundation
Guide Dogs for the Blind
Brighter Futures
Pack Safe - Safer Tourism Foundation
Reality Gives
Swings and Smiles
UN Refugee Agency

Report of the Trustees and Strategic Report (continued)

PLANS FOR THE FUTURE

The School intends to:

- Maintain excellent academic standards in the School, be at the forefront of best educational practice and development and prepare students for any appropriate national assessments and public examinations to enable each to succeed according to ability.
- Sustain the highest standards of pastoral care in the School.
- Allow pupils to develop wider interests such as music, sport and Co-Curricular activities to ensure a holistic education.
- Actively demonstrate the full Public Benefit that the School provides, having regard to the general guidance on Public Benefit from the Charity Commission and where possible enhance that benefit.
- Maintain total pupil numbers of approximately 550 across Boarding and Day
- Pursue a financial strategy which enables the aims of the School's Strategic Development Plan to be met.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Administration

Downe House School ("the School") is a charitable company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association – company registered number 2645228 and charity registration number 1015059, registered in England.

The School is the sole corporate Trustee of the Downe House Trust, a registered charity, number 309091, established by trust deed on 1 January 1944, which owns the land and buildings from which the School operates.

The School owns Downe House School Services Limited, company registered number 2664010, the trading activities of which include lettings of the School facilities and the provision of goods and services to the parents and pupils of Downe House School and third parties, the taxable profits of which are donated to the School.

The School is the ultimate parent of Downe House International (Oman) Limited, company registered number 12332320, registered in England. The trading activities are to pursue the opportunities for opening schools outside the UK, the taxable profits of which are donated to the School.

On 28 November 2006 the existing Trustees of the Olive Willis Trust resigned and Downe House School became the sole corporate Trustee of the Olive Willis Trust. From that date the Olive Willis Trust became a restricted Bursary and Scholarships fund within Downe House School, a linked charity. Under a Charities Commission Scheme dated 31 July 2011 the Olive Willis Trust Bursary and Scholarships fund became an Expendable Endowment Fund (Note 17).

Under the same scheme Downe House School became the sole Trustee of the Downe House Foundation, charity number 1044896. On 5 June 2014 the name of the Foundation was changed to 'Downe House Appeal Fund (2009)' which has no assets and is dormant and now is a linked charity. An application was made to establish a new Downe House Foundation in June 2014. The new Downe House Foundation, charity number 1159259, has a separate board of Trustees and is managed independently of the School.

The report and consolidated financial statements for the year ended 31 August 2025 relate to the total activities of the above legal entities.

Report of the Trustees and Strategic Report (continued)

Related parties

The School's relationship with Downe House School Services Limited, Downe House International (Oman) Limited, Downe House Trust and Downe House Foundation are disclosed above and that with related parties in note 24.

Connected organisation

There is one connected organisation, The Downe House Seniors Association which facilitates communication amongst former pupils of Downe House School who are members of the Downe House Seniors Association.

Induction and training of Trustees

All new Trustees undertake an induction and training day at the School the content of which depends on the individual's knowledge of the School and professional experience. Trustees are encouraged to attend seminars arranged by AGBIS (Association of Governing Bodies of Independent Schools) and other such bodies.

The Trustees, organisational structure and decision making

The Trustees ("the Governing Body") comprise all the directors of the company. Directors are elected at the Annual General Meeting and hold office until the third anniversary of the date of their election when they resign from office but are eligible for re-election up to a total of nine years. The Chair can be elected to serve up to an additional 5 years and the Vice-Chair can be elected to serve up to an additional 3 years.

The Trustees, all of whom served throughout the year to 31 August 2025, except where otherwise disclosed below, are as listed on page 45.

The following Directors were elected at the Annual General Meeting on 4 December 2025:

- Mr J Farrell
- Mr W Chuter

The following Directors were re-elected at the Annual General Meeting on 4 December 2025:

- Ms SK McNair Scott
- Mr TM Boucher
- Mr NJD Woods

The following Directors resigned at the Annual General Meeting on 4 December 2025:

- Mr MK Ridley
- Ms CE Ross
- Mrs VJ Richards (Exelby)

There were the following changes in Directors during the course of the year:

- Ms AF Hazlitt (resigned 14 April 2025)
- Mrs FM Holmes (resigned 29 November 2024)
- Mr MJ Brennan (appointed 29 November 2024)
- Mrs ES Coiley (appointed 29 November 2024)

The strategic direction of the School is set by the Trustees who approve the plans and budgets presented by the Headmistress and management team.

The School takes out Directors' liability insurance with a cover limit of £20 million.

The day to day running of the School is delegated to the Headmistress, the Director of Finance and Operations and the Director of Estates, Property and Services who attend meetings of the committees referred to below as appropriate.

Report of the Trustees and Strategic Report (continued)

To assist the Trustees in their duties the following committees are established:

Education Committee

The members of this Committee meet at least three times a year to submit reports and recommendations to the Board of Trustees on the following matters:

- i. To review and to make recommendations to the Governing Body on any aspect of educational policy, provision and practice delegated by the Board in order to support the work of the Headmistress and her staff.
- ii. To review any academic department suggested by the Governing Body and to make proposals concerning its curriculum development, staffing and resources.
- iii. To investigate any aspect of staffing policy or any particular staffing issue delegated by the Governing Body and make appropriate recommendations.
- iv. To review any aspect of pastoral care of students as delegated by the Governing Body and make appropriate recommendations.
- v. To propose to the Governing Body the review of any aspect of the School's educational provision which may arise from the Committee's discussions.
- vi. To invite the attendance of Heads of Department, or any relevant member of staff, to an agenda item as advised by the Head and when appropriate.

Finance and General Purposes Committee

The members of this Committee meet at least three times per year to submit reports and recommendations to the Board of Trustees on the following matters:

- i. To formulate business plans and annual budgets, in accordance with the School's aims and objectives, for consideration by the Board of Trustees and to monitor their execution once approved.
- ii. To recommend an annual programme of capital expenditure to the Board of Trustees.
- iii. To recommend the level of fees for the forthcoming year to the Board of Trustees.
- iv. To determine appropriate financial controls and procedures.
- v. To propose policy objectives to the Board of Trustees on:
 - a. Charging and fee remissions
 - b. Salaries
 - c. Bursaries
 - d. Contracts
 - e. Investments

Estates Sub-Committee

The members of this Sub-Committee meet at least three times per year to submit reports and recommendations to the Board of Trustees and/or the Finance and General Purposes Committee on the following matters:

- i. The overall development of the School's buildings and properties.
- ii. The planning, design and management of current and future construction projects.
- iii. The annual maintenance and improvement programme for the School's buildings, including Health and Safety issues.

Report of the Trustees and Strategic Report (continued)

- iv. Any other buildings or property related matters referred to the Sub-Committee by the Board of Governors or the Finance and General Purposes Committee.

The Nominations, Governance and Remuneration Committee

The members of this Committee meet a minimum of once per year, or when convened by the Chair, to consider nominations to the Board and to have oversight of Governance. The Board of Trustees decides on the need for new appointments based on its succession planning and examination of its effectiveness. The Committee considers candidates for approval by the Board based on specifications such as eligibility, specialist skills, personal competence and availability.

Remuneration of Key Management Personnel is set in accordance with the principles of fairness, transparency, and market competitiveness. Key Management Personnel are defined as the Head, Director of Finance Director, Deputy Head and Director of Estates. The remuneration of the Head is reviewed and determined by the Committee, taking into account the need to attract and retain high-quality leadership and with reference to benchmark data from comparable independent schools and publicly available information. The remuneration of other Key Management Personnel is considered jointly by the Head, the Chair of Governors, and the Chair of the Finance and General Purposes Committee. Decisions are made with due regard to individual responsibilities, performance, and the overall financial position of the charity.

Business Development Committee

The members of this Committee meet a minimum of three times per year, or when convened by the Chair, to consider the following matters:

- i. Take a lead, from a Governance perspective, on the assessment of material business development opportunities outside the core activity of providing education at Cold Ash.
- ii. Ensuring that the Board of Governors remains appropriately informed of potential projects under consideration and their progress. Decision making remains a matter for the Board of Governors, although it may choose to delegate responsibility for execution of a particular project to the Business Development Committee.

Safeguarding and Child Protection

The School is committed to Safeguarding and Protecting all the children in its care. The Designated Safeguarding Lead (DSL) is the Boarding Deputy who is supported by the Deputy Head as Deputy DSL. The Headmistress is also fully trained as a DSL. Staff are trained and updated regularly in Safeguarding and Child Protection matters, as are Governors and all those who would have unsupervised access to pupils. All policies are in place to meet regulatory requirements and give due consideration to West Berkshire Guidance. The appointment of staff, Governors and all other individuals for whom it is necessary, such as contractors and regular taxi drivers, are subject to the appropriate pre-employment checks, for example, Enhanced DBS checks and references.

There are five Board members on the Safeguarding Committee including the current Board Chair. The DSL and Headmistress of the school also sit on the Committee as ex-officio members.

The committee meets at a minimum termly throughout the academic year to:

- i. agree protocols and procedures that reflect a best practice approach to safeguarding in line with the latest government KCSIE guidelines.
- ii. ensure clear accountability and training for those across the school community with responsibility for safeguarding.
- iii. share learning and casework developments to improve awareness and compliance around safeguarding.
- iv. The DSL produces termly reports that are shared with the committee and an abridged version is then shared with the Board.

For details of the members of each of these committees see page 45.

Report of the Trustees and Strategic Report (continued)

Compliance Framework

The School is committed to ensuring that it complies with all relevant legislation. It is regularly inspected and Governors are updated by the Headmistress and the Senior management team on any changes required to meet statutory obligations throughout the School. These updates are provided termly at Board Meetings.

LOCATION OF THE SCHOOL

Downe House School is situated on a site of 110 acres in the village of Cold Ash in Berkshire. Pupils from the ages of 11 to 18 are educated on the site. The School also owns the Chateau de Sauveterre near Toulouse in France. This site was utilised by the school in the first term of the year and welcomed year 7 pupils from a number of prep schools in the Lent and Summer terms. A particular emphasis is placed on the development of the boarding facilities as nearly all pupils board at the School. A limited amount of staff housing is also provided in order to support the strong boarding ethos that exists.

OBJECTIVES AND ACTIVITIES

Objects

The objects of Downe House School are:

- to promote and provide for the advancement of education and in connection therewith to conduct and acquire and carry on any boarding or day school for the education of children.

The objects of Downe House Trust are:

- the provision and conduct at or near Cold Ash, near Newbury, of a day or day and boarding school for girls.

The objects of Downe House Foundation are:

- to advance education by the provision of funding, assistance and support to Downe House School.

The objects of Downe House School Services Limited are:

- to carry on business as a general commercial company.

Aims and intended impact

The School exists to provide girls with, and promote, an excellent holistic education. The School is a boarding and day school for girls from ages 11 to 18. The School aims to promote the development of the individual by enabling girls to strive for the highest academic results of which they are capable. At the same time, they should be able to enjoy the opportunities and support which allow them to develop the personal, social, spiritual and emotional awareness that is the balance to academic excellence and thus prepares them for adult life and work. The financial results facilitate the educational, pastoral and charitable objectives of the School.

Report of the Trustees and Strategic Report (continued)

Policy and objectives for the year

The main policies and objectives for the year were to:

- Maintain excellent academic standards in the School, be at the forefront of best educational practice and development and prepare students for any appropriate national assessments and public examinations to enable each to succeed according to ability.
- Sustain the highest standards of pastoral care in the School.
- Allow pupils to develop wider interests such as music, sport and extra-curricular activities to ensure a holistic education.
- To demonstrate the full Public Benefit that the School provides.
- Maintain total pupil numbers at approximately 550, all of whom will benefit from the full immersive education that is offered.
- Pursue a financial strategy which enables the aims of the School's Strategic Development Plan to be met.

Strategies for achievement of objectives

The School is committed to the recruitment of staff of the highest quality and to their continued training.

The School has appropriate policies in place to ensure that pastoral care is of the highest standard.

Pupils' development of wider interests and the provision of a holistic education is actively encouraged throughout the School.

The School fosters and develops good links with existing parents, prospective parents and feeder schools encouraging them to promote the School. The School is also promoted by actively seeking new areas of recruitment.

Financial objectives and strategy of the School are an integral part of the Strategic Development Plan and are regularly reviewed.

Estate Strategy

A regular review of facilities is undertaken to ensure that they are fit for purpose and will continue to meet the needs of a first-class boarding education for girls and Downe House School's agreed strategic objectives. All stakeholders including pupils, staff, parents, past parents and alumnae have been involved in the formulation of a capital works development programme within the Estate Strategy. This has proved to be very successful and a Centenary Development Plan has been constructed which will lead to improvements in the School's facilities that have been identified as current or future needs. This plan builds on the very successful Ten-Year Plan which included the building of new lower-school boarding houses and the completion of the Murray Centre in 2019. Running alongside the development programme is a schedule of routine works and maintenance. As well as an emphasis on improving boarding and classroom accommodation, the School has also been focusing on developing a robust infrastructure of services to support and sustain current and future needs, for example, to take account of increasing demands of technology and new buildings. It should be noted that ensuring all developments are sustainable and environmentally friendly is a key aim.

Report of the Trustees and Strategic Report (continued)

In line with the Streamlined Energy and Carbon Reporting requirements, the School's annual energy use and emissions were:

	2025	2024
UK Energy use (kWh)	6,758,772	7,057,514
Associated Greenhouse Gas emissions (Tonnes CO ₂)	1,234	1,348
Intensity ratio (Tonnes CO _{2e} per pupil)	2.28	2.42
Intensity ratio (Tonnes CO _{2e} per internal m ²)	0.04	0.05

The Associated Greenhouse Gas emissions have been calculated in accordance with the UK Government 2024 GHG conversion factors.

During the year the school has improved its energy efficiency by implementing the following:

- Replacement swimming pool boiler system running with 18% more efficiency
- Replacement of the swimming pool single glazed timber windows with a double-glazed curtain walling system
- Replacement of two domestic gas boilers, upgrading from an E rating to A sustainability rating
- Replacement of three new electric golf buggies for the estates team to continue improving the school's sustainability
- Extension of the lease of two hybrid vehicles for school use
- Continuation of the school's programme to replace all internal lights with LED fittings. 75% of all internal lights have now been changed to LED
- Review and completion of ESOS phase 3 reporting

Grant Making Policy

Bursaries

Applications for Bursaries, including those from the Olive Willis Trust, are considered by the Headmistress and Director of Finance and Operations who make recommendations to the Chair of Governors and the Chair of the Finance and General Purposes Committee. Awards are means-tested on the basis of financial information provided by the applicant. To ensure that no section of society is excluded from the School the maximum level of bursary awards is 100% plus extras. This Bursary policy is advertised in the appropriate media and the School also works with the Royal National Children's SpringBoard Foundation to identify suitable candidates.

Scholarships

Scholarships are awarded by the Headmistress as a result of academic, sporting, musical or dramatic talent and potential evidenced by achievement in the relevant scholarship examinations set by the School. Those gaining Music Scholarships receive tuition for teaching in up to two individual musical instruments.

Public Benefit

Having regard to the general guidance on Public Benefit from the Charity Commission, as set out in section 17 of the Charities Act 2011, the School continues to develop its overall contribution and build partnerships with local schools and organisations, as well as open facilities and events, where possible, to the local community. These developments are in addition to the increased number of means-tested Bursaries.

Report of the Trustees and Strategic Report (continued)

Downe House School Services Limited

Downe House School Services Limited's trading activities include lettings of the School's facilities. The Company's major activities are the Global Academy; the rental of the School in Sauveterre; Summer lets; and the hiring of sports facilities all of which have been successful and contributed significantly to the profits donated to its parent undertaking the details of which are provided in note 2.

Downe House International (Oman) Limited

Downe House International (Oman) Limited receives fees for licensed products and services for Downe House Riyadh and Downe House Muscat, the first overseas schools to be opened by its partner in September 2022. The profits are donated to Downe House School as detailed in note 2.

Downe House Trust

Downe House Trust provides the 110 acre site and properties used by Downe House School.

Downe House Foundation

Downe House Foundation, charity number 1159259, was established in June 2014. Downe House Foundation is managed independently of the School, has a separate board of Trustees and raises funds for educational building projects at Downe House School. All major fundraising is undertaken by the Downe House Foundation.

Investment Performance

Investment performance is reviewed regularly and investments have performed adequately in the year and in line with set performance.

Leadership team and staff

The Trustees would like to take this opportunity to recognise the hard work and dedication of the Headmistress, leadership team and the teaching, pastoral, operational and support staff of the School during the year.

Employment Policies

Downe House School is committed to recruiting and retaining the highest quality members of staff. To that end it ensures that staff are well rewarded through competitive salary packages and opportunities for career development. Our salary package and terms and conditions are kept under review by the Director of HR and the Director of Finance and Operations. Opportunities for In-service training (Inset) are provided to all staff and applications for day courses and extended Inset can be made to improve their skills and qualifications. Such applications are reviewed by the Deputy Head, or appropriate line-manager, and assessed against the needs of the School's Strategic Development Plan, the House or Departmental Development Plans and the individual's own performance review. In addition, regular whole-staff and departmental training is provided by the School at the start of each term and regularly throughout the term. The Performance Review System is comprehensive and applies to all staff. It has recently been streamlined and computerised so that it is more effective, efficient and ensures that staff are provided with feedback on all aspects of their role. 360-degree performance reviews are currently in the second year of trial at Leadership Team level.

The School regularly provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the School is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the School plays a major role in maintaining the success of the School. The School encourages the involvement of employees by means of regular departmental meetings, working

Report of the Trustees and Strategic Report (continued)

parties, as well as whole-staff meetings. The School is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of gender, race, ethnicity, disability, sexual orientation, age or marital status and gives full and fair consideration to applications for employment.

FINANCIAL REVIEW

Investment Powers and Policy

The School has the powers to invest and to delegate these powers to professional investment managers. Those investments which represent the composition of fees fund are held in gilts to facilitate parents who wish to make advanced fee payments. Investments representing the Olive Willis Bursary and Scholarship fund are held primarily in equity-based managed funds to generate capital growth to expand the fund and finance future bursary provision. In order to safeguard assets arising from donations, the assets of the Foundation are held as cash balances. It is considered inappropriate to expose such assets to possible investment risks and losses.

Reserves Policy

The School's tangible assets are all held for use in the School. Note 16 to the financial statements sets out an analysis of the assets attributable to the various funds which constitute the group. These assets are sufficient to meet the group's obligations on a fund by fund basis.

As described in note 16, the Group's reserves are fully represented by investments, tangible fixed assets and associated liabilities. There are no unrestricted liquid funds beyond these assets and related commitments. The Trustees regularly assess the adequacy and liquidity of reserves to ensure that the School can meet its short-term operational needs, as well as its longer-term strategic and financial commitments. The Trustees consider the current level and liquidity of reserves to be appropriate for the ongoing needs of the School. This policy is reviewed at least annually.

Funds summary at 31 August (Note 17):

Total funds held £27.7m (2024: £26.9m)

Restricted funds £2.3m (2024: £2.0m)

Endowed funds £1.6m (2024: £1.6m)

Financial Results

The results are shown in the financial statements and notes thereto on pages 20 to 44. Fee income, net of bursaries and scholarships was £26.6m (2024 restated: £26.1m). Total resources expended have increased from £28.0m (restated) to £29.0m. Net income before gains on investments amounted to £658,000 net income (2024: £37,000 net expense). There has been an increase in the Group's net cash position from £3.0m to £8.1m (note 22).

The activities of Downe House School Services Limited (Note 2), Downe House International (Oman) Limited (Note 2), Downe House Trust (Note 21) and Downe House Foundation (Note 21) contributed significantly to the Consolidated Financial Results.

Principal Key Performance Indicators (KPIs)

The School regularly reviews its performance against an agreed set of KPIs. These include educational (academic and pastoral), financial, operational, marketing and admissions targets, recruitment and retention of staff, as well as targets related to the development and management of the estate and support functions. These targets are reviewed annually by the Board and more regularly by the School's Leadership Team.

Changes in Tangible Assets

The movements in tangible assets during the year are set out in note 9 to the financial statements.

Report of the Trustees and Strategic Report (continued)

Principal Risks and Uncertainties.

In the light of the Corporate Governance guidance contained within the Statement of Recommended Practice "Accounting and Reporting by Charities" (second edition), the Trustees have examined the major risks faced by the School and the group. A system of controls has been put in place to monitor and mitigate, where possible, the major risks identified and their impact on the School. Risks are identified and assessed via a risk matrix, mitigation measures and controls. A formal review of the School's risk management process is undertaken on a termly basis.

The school faces a range of risks and uncertainties that could significantly impact its future operations. The imposition of VAT on school fees presents a financial risk to both the school and its parents. The application of VAT has led to increased costs for families, potentially affecting future enrolment levels. While these uncertainties pose potential challenges, the school remains focused on mitigating their impact through diversification of income streams, strategic cost planning and engagement with the School community.

Further key risk areas considered:

- A material reduction in pupil numbers.
- Pastoral Care and Education of Pupils.
- Governance & Management.
- Material changes in the regulatory environment.
- Health & Safety.
- The operational gearing of the School, in particular the significant level of fixed costs.

Areas of High Risk

The Key Risks to the School are recorded in a Corporate Governance Risk Assessment Document that is reviewed by the Board of Governors and the Leadership Team annually. Areas of medium and high risk have been identified and strategies for mitigating these put in place. Areas of high risk relate to factors outside the School's immediate control such as an economic downturn or demographic changes and in each case mitigating actions are in place to reduce the potential impact of the risk.

Price and cost risk

The School reviews its fees charged to parents on an annual basis. The fees charged are based on the principles of full cost recovery. These fees are factored into the School's plans and income forecasts. Salary levels are set by reference to prevailing market rates in the Education sector and are communicated to staff each year during the annual salary review process. Other costs are controlled by contract negotiations and competitive tendering with suppliers.

Credit risk

Risk on amounts owed to the School by parents is low, as the fees are due at the start of each term, non-payment is followed up early in each term and some fees are paid in advance.

Liquidity risk

The School has no long term borrowings, the £5 million revolving credit facility was put in place in April 2024 (Note 13).

Interest rate cash flow risk

The School places surplus funds on short term deposit with its bankers. This is deemed to be low risk. The interest rate risk from the short term overdraft facility has been considered and is deemed to be low.

Report of the Trustees and Strategic Report (continued)

Statement of Trustees' responsibilities

The Trustees (who are also directors of Downe House School for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement on disclosure of information to the auditors

So far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Independent Auditors

The auditors, HaysMac LLP, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

Report of the Trustees including the Strategic Report signed on behalf of the Board of Trustees on 4 December 2025.

Tim Boucher

TM Boucher
Trustee/Director

Independent auditor's report to the members of Downe House School

Opinion

We have audited the financial statements of Downe House School for the year end 31 August 2025 which comprise the Consolidated Statement of Financial Activities incorporating the Income and Expenditure Account, the Consolidated and School Balance Sheets, the Consolidated Cash Flow Statement, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as of 31 August 2025 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees and Strategic Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

Independent auditor's report to the members of Downe House School (continued)

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 Trustees and Strategic Report (which includes the directors' 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 directors' report included within the Report of the Trustees and Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees and Strategic Report (which includes the directors' report prepared for the purposes of company law).

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 by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Independent auditor's report to the members of Downe House School (continued)

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulation 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as payroll tax and VAT.

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

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

Use of our report

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



Tracey Young (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

11/12/2025

Consolidated statement of financial activities incorporating the income and expenditure account for the year ended 31 August 2025

		Unrestricted funds	Restricted funds	Endowed funds	Total	Restated
	Notes	£'000	£'000	£'000	2025	Total
					£'000	2024
						£'000
Income and endowments from:						
Charitable activities						
School activities	3	26,832	-	-	26,832	26,121
Other trading activities						
Trading income	2	1,325	-	-	1,325	1,249
Premises hire		97	-	-	97	69
Other income		47	-	-	47	-
Investments						
Investment income		181	-	19	200	50
Bank and other interest		164	-	-	164	-
Other income						
Profit on disposal of fixed assets		3	-	-	3	-
Donations and legacies		118	859	-	977	515
Total Income		28,767	859	19	29,645	28,004
Expenditure on:						
Charitable activities						
School activities		(27,715)	(508)	(65)	(28,288)	(27,459)
Cost of finance	7	(142)	-	-	(142)	(104)
Raising funds						
Trading expenditure		(366)	-	-	(366)	(285)
Fundraising costs		(191)	-	-	(191)	(193)
Total expenditure	5	(28,414)	(508)	(65)	(28,987)	(28,041)
Net income/(expenditure) before gains on investments		353	351	(46)	658	(37)
Net gains on investments		97	-	90	187	165
Net income before transfers	4	450	351	44	845	128
Transfers between funds	17	24	(24)	-	-	-
Net movement in funds		474	327	44	845	128
Total funds brought forward	17	23,271	2,014	1,565	26,850	26,722
Total funds carried forward	17	23,745	2,341	1,609	27,695	26,850

All amounts derive from continuing activities. All gains and losses recognised in the year are included in the consolidated statement of financial activities. Included within total funds is an investment revaluation reserve of £632,000 (2024: £445,000) for the consolidated balance sheet.

Consolidated and School balance sheets as at 31 August 2025

	Notes	Consolidated 2025 £'000	2024 £'000	School 2025 £'000	2024 £'000
Fixed assets					
Tangible assets	9	28,400	29,844	2,273	2,592
Investments	10	1,501	1,535	1,501	1,535
		29,901	31,379	3,774	4,127
Current assets					
Stocks	11	39	39	32	39
Debtors	12	5,522	5,861	35,926	34,313
Investments	10	5,815	9,424	5,804	9,413
Cash at bank and in hand		8,120	2,973	6,007	692
		19,496	18,297	47,769	44,457
Creditors: amounts falling due within one year	13	(16,149)	(14,417)	(29,742)	(26,626)
Net current assets		3,347	3,880	18,027	17,831
Total assets less current liabilities		33,248	35,259	21,801	21,958
Creditors: amounts falling due after more than one year					
Advance fees	14	(3,468)	(6,655)	(3,468)	(6,655)
Final term deposits	15	(1,618)	(1,534)	(1,618)	(1,534)
		(5,086)	(8,189)	(5,086)	(8,189)
Pension deficit	20	(467)	(220)	(467)	(220)
Net assets		27,695	26,850	16,248	13,549
Represented by:					
Endowed funds	17	1,609	1,565	1,609	1,565
Restricted funds	17	2,341	2,014	1,115	739
Unrestricted funds					
Designated	17	478	200	478	200
Retained income	17	23,267	23,071	13,046	11,045
Non-charitable trading funds	17	-	-	-	-
Total Unrestricted funds		23,745	23,271	13,524	11,245
Total funds		27,695	26,850	16,248	13,549

The financial statements on pages 20 to 44 were approved by the Trustees on 4 December 2025 and signed on their behalf by:

Tim Boucher

TM Boucher
Trustee/Director

Consolidated cash flow statement for the year ended 31 August 2025

	Notes	2025 £'000	2024 £'000
Net cash inflow from operating activities	(i)	2,028	9,767
Cash flows from investing activities			
Investment income		200	50
Interest received		164	-
Purchase of tangible fixed assets		(936)	(1,681)
Receipts from sale of fixed assets		3	-
Purchase of investments		(1,059)	(9,234)
Receipts from sale of investments		4,889	672
Net cash inflow/(outflow) from investing activities		3,261	(10,193)
Net cash inflow/(outflow) before financing		5,289	(426)
Interest paid		(142)	(104)
Repayment of loan		-	(2,000)
Net cash outflow from financing activities		(142)	(2,104)
Increase/(decrease) in cash in the year	22	5,147	(2,530)
Cash and cash equivalents at start of year		2,973	5,503
Cash and cash equivalents at end of year		8,120	2,973

(i) Reconciliation of net income to net cash inflow from operating activities

	2025 £'000	2024 £'000
Net income before transfers	845	128
Depreciation charges	1,565	1,577
Gain on disposal of fixed assets	(3)	-
Gains on investments	(187)	(165)
Interest paid	142	104
Interest received	(164)	-
Investment income	(200)	(50)
Decrease/(increase) in debtors	1,154	(2,729)
increase in creditors	2,868	246
(Decrease)/increase in advance fees	(3,992)	10,656
Net cash inflow from operating activities	2,028	9,767

Notes to the financial statements for the year ended 31 August 2025

1. Principal accounting policies

Downe House School ("the School") is a charitable company limited by guarantee and a UK registered charity governed by its Memorandum and Articles of Association – company registered number 2645228 and charity registration number 1015059. The School is a public benefit entity. The address of its registered office is Downe House School, Hermitage Road, Cold Ash, Thatcham, Berkshire, RG18 9JJ.

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom including Financial Reporting Standard 102 (FRS 102), Companies Act 2006 and the Charities Act 2011. In preparing the financial statements the School has followed best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (second edition). A summary of the more important accounting policies of the School, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared on a going concern and accruals basis under the historical cost convention modified by the revaluation of fixed and current asset investments. The groups functional and presentational currency is £ sterling.

The prior year income and expenditure have been restated to reflect the grossing up of income and costs relating to rechargeable activities, previously reported net in income. This has increased the income from school activities by £1,213,000, teaching staff costs by £875,000, and other teaching costs by £338,000.

Basis of consolidation

The financial statements of the School and its subsidiary undertakings (together "the group") include the consolidated financial statements of Downe House School, Downe House School Services Limited, Downe House Trust, Downe House Foundation and Downe House International (Oman) Limited to 31 August each year.

The School has taken advantage of the exemption from publishing its own Income and Expenditure account conferred by s408 of the Companies Act 2006. The amount of the surplus or deficit for the year dealt with in the School's financial statements is disclosed in note 17.

Going Concern

The Trustees have reasonable expectation that the group has adequate resources to continue its activities for the foreseeable future based on cash flow forecasts to December 2026, including the impacts of the changes introduced by the new Government, and any plausible downside scenarios. A Revolving Credit facility was put in place in 2024, and the previous loan of £2.0m was repaid in full. The credit facility has financial covenants which are all expected to be met based on all of these scenarios. As such, the Trustees expect that the group will continue to meet applicable financial covenants until December 2026 and that the group will be able to meet its debt repayment obligations as they fall due. Accordingly, the Trustees consider that there are no material uncertainties over the group's financial viability and thus continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities on page 16.

Notes to the financial statements for the year ended 31 August 2025 (continued)

1. Principal accounting policies (continued)

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 granted by the School.

Fees received in advance of education to be provided in future years under the Advance Fees scheme are held as liabilities until they are either taken to income in the term when utilised or refunded. Any residual balance is transferred to a designated Advance Fees fund once all future fee liabilities have been met.

Donations

All donations are shown in the consolidated statement of financial activities under incoming resources and are accounted for on a receivable basis.

Gains on disposal of fixed assets

On disposal of tangible fixed assets, the profit or loss on disposal is accounted for as the difference between the net sale proceeds and the net carrying amount of the tangible fixed asset. The profit or loss on disposal of tangible fixed assets is recognised in the Statement of Financial Activities for the year in which the disposal occurs.

Trading Income

Turnover represents amounts receivable for goods and services provided, net of VAT and trade discounts. Lettings income and other sundry income is recognised at the time the activity takes place.

Irrecoverable VAT

Any irrecoverable VAT is charged to the consolidated statement of financial activities, or capitalised as part of the cost of the related asset, where appropriate.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Overhead and other costs not directly attributable to particular functional categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, by reference to the level of costs in the functional categories.

Expenditure on raising funds includes the total costs attributable to each category from the subsidiary's trading activities and the fundraising costs which are incurred in securing income for the appeal fund.

Governance costs comprise the costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings, external audit and any legal advice for the Trustees.

Notes to the financial statements for the year ended 31 August 2025 (continued)

1. Principal accounting policies (continued)

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events and the payment is considered probable.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

Designated funds are unrestricted funds earmarked by the Trustees for specific projects.

Restricted funds are subject to specific conditions imposed by the donors.

Endowed funds are expendable capital funds where there is power to convert capital into income. Income from endowed funds is added to the relevant endowed fund.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation, at rates calculated to write off the cost, less their estimated residual values on a straight line basis over the expected useful economic lives of the assets concerned. The annual rates used for this purpose are:

Equipment and furnishings	12.5%	- straight line
Computer equipment	20%	- straight line
Motor vehicles	25%	- straight line

Freehold land and buildings held on trust are included at cost incurred prior to completion. Land is not depreciated. Buildings are depreciated at rates calculated to write off the cost less their estimated residual values on a straight line basis over the expected useful economic life of each building. The range of annual rates used for this purpose is between 10 and 50 years. Assets with a cost below £1,000 are not capitalised.

Fixed and current asset investments and investment income

Investments, representing quoted securities, are stated in the balance sheet at market value. Any gain or loss on the revaluation of investments is shown on the consolidated statement of financial activities. Investment income is accounted for in the period in which the School and the group is entitled to the income.

Stocks

Stocks of clothing, stationery and consumables are stated at the lower of cost, on a first-in, first-out basis, and net realisable value.

Registration fees

Registration fees placed for prospective pupils are non-refundable and are credited to fees income when received.

Final term deposits

Final term deposits are deposits placed when pupils join the School which are offset against fees and disbursements due for the last term each pupil attends. All deposits are classified as creditors.

Notes to the financial statements for the year ended 31 August 2025 (continued)**1. Principal accounting policies (continued)****Pension costs**

- The Teachers' Pension Scheme (TPS) – This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the TPS on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's 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.
- The Independent Schools' Pension Scheme – The plan is a multi-employer scheme, partly defined contribution and partly with defined benefits. It is not possible to identify the School's share of the underlying assets and liabilities and therefore, as required by FRS102, the School accounts for the scheme as if it were a defined contribution scheme. The pension costs charged to the Statement of Financial Activities in the year are contributions paid towards benefits and expenses accrued in that year, plus any impact of the deficit contributions. Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability.
- In addition, the School pays contributions to the Downe House Staff Pension Schemes, which are defined contribution pension schemes arranged on behalf of individual employees at an agreed percentage of gross salary. The assets of the pension schemes are held separately to those of the School. Contributions payable to the schemes are charged in the statement of financial activities as they fall due as part of the employment costs.

Grants and allowances

Grants and allowances from restricted and unrestricted funds are included as expenditure in the period for which the award is given.

Concessionary Loans

Loans due from the subsidiary, Downe House Trust (note 12) are made to further the charitable purposes of the Group, are repayable on demand and treated as concessionary loans.

Critical estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors including expectations of future events that are believed to be reasonable in the circumstances. The Trustees believe that no critical judgements have been made that affect the financial statements.

Notes to the financial statements for the year ended 31 August 2025 (continued)

2. Trading income

The School owns Downe House School Services Limited, whose trading activities include lettings of the School facilities and the provision of goods and services to the parents and pupils of Downe House School and third parties. It donates its taxable profits to the School. Its results for the year to 31 August 2025 were:

	2025 £'000	2024 £'000
Turnover	1,040	960
Cost of sales	(324)	(225)
Gross profit	716	735
Administration expenses	(6)	(7)
Donation to other registered charities	(5)	(8)
Profit on ordinary activities before taxation	705	720
Tax on profit on ordinary activities	-	-
Profit for the financial year	705	720
Donation to Downe House School	705	720

Cost of sales include £97,000 (2024: £69,000) for accommodation services provided by the School.

	2025 £'000	2024 £'000
Total assets	992	932
Total liabilities	(992)	(932)
Net assets	-	-

The School owns Downe House International (Oman) Limited, whose trading activities include income from licensed products and services from local partners operating Downe House Riyadh and Downe House Muscat. It donates its taxable profits to the School. Its results for the year to 31 August were:

	2025 £'000	2024 £'000
Turnover	284	269
Cost of sales	(20)	(20)
Gross profit	264	249
Administration expenses	(11)	(26)
Profit on ordinary activities before taxation	253	223
Tax on profit on ordinary activities	-	-
Profit for the financial year	253	223
Donation to Downe House School	253	223

Notes to the financial statements for the year ended 31 August 2025 (continued)

2. Trading income (continued)

	2025 £'000	2024 £'000
Total assets	279	269
Total liabilities	(279)	(269)
Net assets	-	-

Downe House International (Oman) Limited is exempt from the requirements relating to the audit of accounts under section 479A of the Companies Act 2006.

3. Incoming resources from school activities

	2025 £'000	Restated 2024 £'000
Gross fees receivable	26,702	26,189
Bursaries, grants and scholarships	(1,644)	(1,425)
Net fee income	25,058	24,764
Registration fees	209	169
Recharged activities	1,340	1,188
	26,607	26,121
Add back: Bursaries funded by restricted and endowed funds	225	-
	26,832	26,121

4. Net income before transfers

	2025 £'000	Restated 2024 £'000
Net income before transfers is stated after charging:		
Depreciation on owned assets	1,565	1,577
Operating leases	89	69
Auditors' remuneration, including VAT		
- for audit services (School: £45,000 (2024: £60,000))	60	85
- Other assurance services	18	33
- Tax compliance services	4	11
Staff costs		
Wages and salaries	13,961	13,935
Social security costs	2,020	1,866
Pension contributions	2,251	2,117
Increase ISPS deficit repayment agreement	268	-
	18,500	17,918

During the year there were redundancy or termination payments of £43,000 (2024: £123,000). The average number of employees in the year in total was 466 (2024: 483) of which 295 (2024: 316) were teaching staff. Calculated on a full-time equivalent basis, the average number of employees in the year was 318 (2024: 323) of which 135 (2024: 143) were teaching staff.

Notes to the financial statements for the year ended 31 August 2025 (continued)

4. Net income before transfers (continued)

The number of employees whose emoluments exceeded £60,000 were:

	2025 Number	2024 Number
£60,001 - £70,000	26	26
£70,001 - £80,000	11	10
£80,001 - £90,000	3	3
£90,001 - £100,000	3	2
£100,001 - £110,000	1	1
£110,001 - £120,000	2	2
£280,001 - £290,000	-	1
£290,001 - £300,000	1	-

9 of the employees above (2024: 19) have pension benefits accruing under defined benefit schemes and 38 (2024: 26) have pension benefits accruing under a defined contribution scheme.

Total emoluments for key management personnel during the year were £631,000 (2024 £613,000). With the exception of reimbursed expenses shown in note 19 and related party transactions in note 24, neither the Trustees nor persons connected with them received any remuneration or other benefits from the School or any connected organisation.

5. Analysis of total expenditure

	Staff costs £'000	Depreciation £'000	Other £'000	Total 2025 £'000
Expenditure on school activities				
Teaching	10,738	249	2,385	13,372
Welfare	4,334	122	1,706	6,162
Premises	901	1,131	2,676	4,708
Support costs for schooling	2,376	63	1,482	3,921
Bursaries	-	-	225	225
Governance costs	-	-	42	42
	18,349	1,565	8,516	28,430
Expenditure on raising funds				
Trading expenditure	42	-	315	357
Governance costs	-	-	13	13
Fundraising costs	109	-	78	187
	151	-	406	557
Total expenditure	18,500	1,565	8,922	28,987

The bursaries above have been funded from restricted funds (£200,000) and endowed funds (£25,000).

Notes to the financial statements for the year ended 31 August 2025 (continued)

5. Analysis of total expenditure (continued)

	Staff costs £'000	Depreciation £'000	Other £'000	Restated Total 2024 £'000
Expenditure on school activities				
Teaching	10,631	278	2,342	13,251
Welfare	4,299	136	2,023	6,458
Premises	867	1,092	2,238	4,197
Support costs for schooling	1,976	71	1,524	3,571
Governance Costs	-	-	86	86
	17,773	1,577	8,213	27,563
Expenditure on raising funds				
Trading expenditure	-	-	275	275
Governance costs	-	-	10	10
Generating voluntary income	145	-	48	193
	145	-	333	478
Total expenditure	17,918	1,577	8,546	28,041

6. Governance costs

	2025 £'000	2024 £'000
Audit	50	85
Other	5	11
	55	96

7. Cost of finance

	2025 £'000	2024 £'000
On bank loan and borrowing facilities	12	104
Unwind of discount on pension liability	10	-
Discount on fees in advance scheme	120	-
	142	104

8. Taxation

The School and its subsidiary undertakings, Downe House Trust and Downe House Foundation were registered charities throughout the year and, as such, were not liable to corporation tax on the surplus of income over expenditure for the year, nor to capital taxes on gains arising from the disposal of assets.

Notes to the financial statements for the year ended 31 August 2025 (continued)

8. Taxation (continued)

From 1 December 2024 the School and its subsidiaries, Downe House Trust, Downe House School Services Limited, and Downe House International (Oman) Limited became registered for VAT as a Group. Accordingly, from this date, all their expenditure is recorded net of recoverable VAT.

Downe House Foundation was not registered for VAT during the financial year and accordingly, expenditure is recorded inclusive of any VAT incurred.

Downe House School Services Limited and Downe House International (Oman) Limited gift all their profits to the School.

9. Tangible assets

(a) Consolidated

	Freehold land & buildings £'000	Equipment & furnishings £'000	Computer equipment £'000	Motor Vehicles £'000	Total £'000
Cost					
As at 1 September 2024	41,771	10,027	3,438	303	55,539
Additions	582	202	112	40	936
Disposals	-	-	-	(35)	(35)
Adjustments	(630)	(82)	(97)	(6)	(815)
Write-off	-	(20)	-	(53)	(73)
As at 31 August 2025	41,723	10,127	3,453	249	55,552
Accumulated depreciation					
As at 1 September 2024	13,582	9,125	2,733	255	25,695
Disposals	-	-	-	(35)	(35)
Charge for year	1,098	217	226	24	1,565
Write-off	-	(20)	-	(53)	(73)
As at 31 August 2025	14,680	9,322	2,959	191	27,152
Net book value					
As at 31 August 2025	27,043	805	494	58	28,400
As at 31 August 2024	28,189	902	705	48	29,844

Included within freehold land and buildings is land at a cost of £92,473 (2024: £92,473) which is not depreciated. The Trustees' assessment is that Freehold land & buildings rented by Downe House Trust to Downe House School are being held for the provision of social benefit within the public benefit group and as such have been treated as fixed assets.

At 31st August 2025 the group had committed to spend £Nil on its capital projects in the coming year (2024: £Nil).

Notes to the financial statements for the year ended 31 August 2025 (continued)

9. Tangible assets (continued)

(b) School					
	Freehold land & buildings £'000	Equipment & furnishings £'000	Computer equipment £'000	Motor Vehicles £'000	Total £'000
Cost					
As at 1 September 2024	996	9,893	3,438	303	14,630
Additions	-	202	112	40	354
Disposals	-	-	-	(35)	(35)
Adjustments	-	(82)	(97)	(6)	(185)
Write-off	-	-	-	(53)	(53)
As at 31 August 2025	996	10,013	3,453	249	14,711
Accumulated depreciation					
As at 1 September 2024	59	8,991	2,733	255	12,038
Disposals	-	-	-	(35)	(35)
Charge for year	21	217	226	24	488
Write-off	-	-	-	(53)	(53)
As at 31 August 2025	80	9,208	2,959	191	12,438
Net book value					
As at 31 August 2025	916	805	494	58	2,273
As at 31 August 2024	937	902	705	48	2,592

10. Investments

(a) Consolidated				
	Restricted: Appeal Fund Building projects £'000	Expendable Endowment: Bursary and scholarships Fund £'000	Designated: Advance fees £'000	Total £'000
As at 1 September 2024	11	1,565	9,383	10,959
Additions	-	470	589	1,059
Disposals at opening market value/cost	-	(510)	(4,373)	(4,883)
Revaluations	-	84	97	181
As at 31 August 2025	11	1,609	5,696	7,316
Listed securities	-	1,501	-	1,501
Cash, gilts and short term deposits	11	108	5,696	5,815
As at 31 August 2025	11	1,609	5,696	7,316
Historical cost				
As at 31 August 2025	11	1,292	5,563	6,866
As at 31 August 2024	11	1,266	9,316	10,593

Notes to the financial statements for the year ended 31 August 2025 (continued)

10. Investments (continued)

(a) Consolidated (continued)

	Restricted: Appeal Fund Building projects £'000	Expendable Endowment: Bursary and scholarships Fund £'000	Designated: Advance fees £'000	Total £'000
Movement on gains				
Unrealised gains at 1 September 2024	-	407	38	445
Less: Disposals in the year	-	6	-	6
	-	413	38	451
Revaluations in year	-	84	97	181
As at 31 August 2025	-	497	135	632

The investments are included in the consolidated balance sheet as follows:

	2025 £'000	2024 £'000
Fixed asset investments	1,501	1,535
Current asset investments	5,815	9,424
	7,316	10,959

There are no individually material investment holdings.

(b) School

	Expendable Endowment: Bursary and scholarships Fund £'000	Designated: Advance fees £'000	Total £'000
As at 1 September 2024	1,565	9,383	10,948
Additions	470	589	1,059
Disposals at opening market value/cost	(510)	(4,373)	(4,883)
Revaluations	84	97	181
As at 31 August 2025	1,609	5,696	7,305
Listed securities	1,501	-	1,501
Cash, gilts and short term deposits	108	5,696	5,804
As at 31 August 2025	1,609	5,696	7,305
Historical cost			
As at 31 August 2025	1,292	5,563	6,855
As at 31 August 2024	1,266	9,316	10,582
Movement on gains			
Unrealised gains at 1 September 2024	407	38	445
Less: Disposals in the year	6	-	6
	413	38	451
Revaluations in year	84	97	181
As at 31 August 2025	497	135	632

Notes to the financial statements for the year ended 31 August 2025 (continued)

10. Investments (continued)

The investments are included in the School balance sheet as follows:

	2025 £'000	2024 £'000
Fixed asset investments	1,501	1,535
Current asset investments	5,804	9,413
	7,305	10,948

There are no individually material investment holdings.

11. Stocks

	Consolidated 2025 £	2024 £	School 2025 £	2024 £
Stationery and consumables	39	39	32	39

There is no significant difference between the replacement cost of stocks and the value stated.

12. Debtors

	Consolidated 2025 £	2024 £	School 2025 £	2024 £
Fees	3,613	4,730	3,613	4,730
Sundry debtors and prepayments	1,282	1,131	996	493
Capital goods scheme debtor	627	-	627	-
Amounts owed by group undertakings (see below)	-	-	30,690	29,090
	5,522	5,861	35,926	34,313

Fees invoiced in advance are shown within creditors (note 13) and amounts not received by the balance sheet date shown above as fee debtors.

	Consolidated 2025 £	2024 £	School 2025 £	2024 £
Amounts owed by group undertakings: (see above)				
Due within one year	-	-	28,824	27,224
Loan due after more than one year	-	-	1,866	1,866
	-	-	30,690	29,090

Interest is payable from the subsidiary, Downe House Trust, on the amount due within one year at the rate of 1% over bank base rate. Interest is payable from the subsidiary, Downe House Trust, on loan advances due after more than one year in excess of £866,000 at the rate of 1% over bank base rate. No interest is paid on the remaining loan advances due after more than one year of £866,000.

Amounts due from subsidiary undertakings are unsecured, payable on demand and have been treated as a concessionary Loan.

Notes to the financial statements for the year ended 31 August 2025 (continued)

13. Creditors: amounts falling due within one year

	Consolidated		School	
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	896	56	896	56
Concessionary loans due to subsidiary undertakings	-	-	13,671	12,379
Amounts owed to group undertakings	-	-	35	43
Taxation and social security	1,783	20	1,777	-
Other creditors and accruals	1,274	1,030	1,167	837
Refundable deposits	259	172	259	172
Michaelmas Term fees invoiced in advance	8,101	8,498	8,101	8,498
	12,313	9,776	25,906	21,985
Advance fees (note 14)	3,836	4,641	3,836	4,641
	16,149	14,417	29,742	26,626

The School had a bank facility of £2.5m which commenced in July 2021 with interest payable at 1.45% over base rate per annum which expired on 31 July 2024. £2.0m of this was drawn down at 31 August 2023. This was repaid in full in June 2024. In April 2024 a new revolving credit facility of £5.0m was put in place with interest payable on amounts borrowed at 2.0% above base rate. This facility is secured by a guarantee of £6.0m given by Downe House Trust. Downe House Trust has given a legal charge over each of the freehold properties of the Trust.

No interest is payable to the subsidiary, Downe House Trust, on the amount due within one year. This amount is treated as a concessionary loan is unsecured, interest free and repayable on demand.

14. Advance fees

Parents may pay to the School up to the equivalent of seven years' tuition fees in advance which is held in a balance of Treasury Stocks and cash deposits as appropriate. Such payments may be returned, subject to specific conditions, on the receipt of one term's notice. Assuming pupils remain in the advance fees payment scheme, payments will be applied to offset fees as follows:

	2025	2024
	£'000	£'000
Consolidated and School		
After 5 years	220	628
Within 2 to 5 years	1,727	2,905
Within 1 to 2 years	1,521	3,122
	3,468	6,655
Within 1 year (note 13)	3,836	4,641
	7,304	11,296

Notes to the financial statements for the year ended 31 August 2025 (continued)

14. Advance fees (continued)

The balance represents the accrued liability under the contracts. The movements during the year were:

	2025 £'000	2024 £'000
As at 1 September	11,296	640
New contracts	2,137	12,385
Amounts utilised in payment of fees	(6,249)	(1,729)
Amounts accrued to contract	120	-
As at 31 August	7,304	11,296

15. Final term deposits

	Consolidated 2025 £	2024 £	School 2025 £	2024 £
Due between 1 and 2 years	144	206	144	206
Due in greater than 2 years	1,474	1,328	1,474	1,328
	1,618	1,534	1,618	1,534

16. Analysis of net assets between funds

(a) Consolidated

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

	Tangible fixed assets £'000	Investments £'000	Net current assets/ (liabilities) £'000	Long term liabilities £'000	2025 Total £'000
Endowed funds	-	1,609	-	-	1,609
Restricted funds	1,330	11	1,000	-	2,341
Unrestricted funds	27,070	5,696	(3,468)	(5,553)	23,745
	28,400	7,316	(2,468)	(5,553)	27,695

	Tangible fixed assets £'000	Investments £'000	Net current assets/ (liabilities) £'000	Long term liabilities £'000	2024 Total £'000
Endowed funds	-	1,565	-	-	1,565
Restricted funds	1,525	11	478	-	2,014
Unrestricted funds	28,319	9,383	(6,022)	(8,409)	23,271
	29,844	10,959	(5,544)	(8,409)	26,850

Notes to the financial statements for the year ended 31 August 2025 (continued)

16. Analysis of net assets between funds (continued)

(b) School

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

	Tangible fixed assets £'000	Investments £'000	Net current assets/ (liabilities) £'000	Long term liabilities £'000	2025 Total £'000
Endowed funds	-	1,609	-	-	1,609
Restricted funds	715	-	400	-	1,115
Unrestricted funds	1,558	5,696	11,823	(5,553)	13,524
	2,273	7,305	12,223	(5,553)	16,248

	Tangible fixed assets £'000	Investments £'000	Net current assets/ (liabilities) £'000	Long term liabilities £'000	2024 Total £'000
Endowed funds	-	1,565	-	-	1,565
Restricted funds	739	-	-	-	739
Unrestricted funds	1,853	9,383	8,418	(8,409)	11,245
	2,592	10,948	8,418	(8,409)	13,549

17. Funds

(a) Consolidated

	Total 1 September 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Investment gain £'000	Total 31 August 2025 £'000
Endowed funds (expendable)						
Olive Willis Bursary and Scholarships fund	1,565	19	(65)	-	90	1,609
Restricted funds						
Bursary	-	600	(200)	-	-	400
Appeal funds (building projects)	1,215	-	(52)	(24)	-	1,139
Foundation	799	259	(256)	-	-	802
	2,014	859	(508)	(24)	-	2,341
Unrestricted funds						
Designated funds						
Advance fees	200	181	-	-	97	478
Non-charitable trading funds	-	1,325	(366)	(959)	-	-
Other unrestricted funds						
Retained income	23,071	27,261	(28,048)	983	-	23,267
Total unrestricted funds	23,271	28,767	(28,414)	24	97	23,745
Total funds	26,850	29,645	(28,987)	-	187	27,695

Notes to the financial statements for the year ended 31 August 2025 (continued)

17. Funds (continued)

(a) Consolidated (continued)

	Total 1 September 2023 £'000	Restated Income £'000	Restated Expenditure £'000	Transfers £'000	Investment gain £'000	Total 31 August 2024 £'000
Endowed funds (expendable)						
Olive Willis Bursary and Scholarships fund	1,429	26	(37)	-	147	1,565
Restricted funds						
Appeal funds (building projects)	1,291	-	(52)	(24)	-	1,215
Foundation	321	482	(4)	-	-	799
	1,612	482	(56)	(24)	-	2,014
Unrestricted funds						
Designated funds						
Advance fees	158	24	-	-	18	200
Non-charitable trading funds	-	1,229	(285)	(944)	-	-
Other unrestricted funds						
Retained income	23,523	26,243	(27,663)	968	-	23,071
Total unrestricted funds	23,681	27,496	(27,948)	24	18	23,271
Total funds	26,722	28,004	(28,041)	-	165	26,850

The Olive Willis Bursary and Scholarships expendable Endowed fund provides financial assistance by way of bursaries and scholarships to enable daughters of former pupils of Downe House School and others who, in the opinion of the Trustees, are in need of such financial assistance to be educated at the School.

The Appeal funds (building projects) represents cumulative donations made to fund the construction of new facilities and the net book value of those facilities.

The Foundation fund represents funds raised by the Downe House Foundation for educational building projects at Downe House School.

The restricted Bursary fund represents a donation to the school for current and future pupils who are in need of financial assistance to be educated at the School.

The designated Advance fees fund represents amounts set aside to cover any shortfall in the advance fees account (note 14).

Included within total funds is an investment revaluation reserve of £632,000 (2024: £445,000) for the consolidated balance sheet.

Transfers between funds arise on elimination of intra group transactions on consolidation.

Notes to the financial statements for the year ended 31 August 2025 (continued)

17. Funds (continued)

(b) School

	Total 1 September 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Investment gain £'000	Total 31 August 2025 £'000
Endowed funds						
Olive Willis Bursary and Scholarships fund	1,565	19	(65)	-	90	1,609
Restricted funds						
Bursary	-	600	(200)	-	-	400
Appeal fund (building projects)	739	-	-	(24)	-	715
	739	600	(200)	(24)	-	1,115
Unrestricted funds						
Designated funds						
Advance fees	200	181	-	-	97	478
Other unrestricted funds						
Retained income	11,045	29,895	(27,918)	24	-	13,046
Total unrestricted funds	11,245	30,076	(27,918)	24	97	13,524
Total funds	13,549	30,695	(28,183)	-	187	16,248

	Total 1 September 2023 £'000	Restated Income £'000	Restated Expenditure £'000	Transfers £'000	Investment gain £'000	Total 31 August 2024 £'000
Endowed funds						
Olive Willis Bursary and Scholarships fund	1,429	26	(37)	-	147	1,565
Restricted funds						
Appeal fund (building projects)	763	-	-	(24)	-	739
Unrestricted funds						
Designated funds						
Advance fees	158	24	-	-	18	200
Other unrestricted funds						
Retained income	24,147	24,997	(25,464)	(12,635)	-	11,045
Total unrestricted funds	24,305	25,021	(25,464)	(12,635)	18	11,245
Total funds	26,497	25,047	(25,501)	(12,659)	165	13,549

Notes to the financial statements for the year ended 31 August 2025 (continued)

18. Financial commitments

Operating leases

At 31 August 2025 the School, and group, had total commitments for items other than land and buildings under non-cancellable operating leases as follows:

Consolidated	2025 £'000	2024 £'000
Less than one year	89	63
1 to 5 years	162	60
Greater than 5 years	-	-
	251	123

School	2025 £'000	2024 £'000
Less than one year	89	62
1 to 5 years	162	60
Greater than 5 years	-	-
	251	122

19. Trustees

The Trustees do not receive any remuneration. Expenses reimbursed for travelling undertaken on behalf of the School amounted to £256 (2024: £719).

20. Pensions and pension schemes

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to consistently identify the liabilities of the TPS which are attributable to the School. As required by FRS 102, the School accounts for this scheme as if it were a defined contribution scheme.

The pension charge for the year includes contributions payable to the TPS of £666,000 (2024: £1,312,000).

The last valuation of the scheme was as at 31 March 2020. The Government Actuary's Department report of October 2023 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £262.0 billion. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £222.2 billion.

The employer contribution rate is set by the Secretary of State following scheme valuations and from 1 April 2024, the employer contribution rate was increased to 28.68%.

Notes to the financial statements for the year ended 31 August 2025 (continued)

20. Pensions and pension schemes (continued)

TPT Retirement Solutions

Certain non-academic staff are members of TPT Retirement Solutions - The Independent Schools' Pension Scheme ('ISPS'). This scheme was introduced with effect from 5 September 1996, to which both the School and staff contribute. The Independent Schools' Pension Scheme is an industry-wide, funded defined benefit scheme.

Under definitions set out in FRS102, the ISPS is a multi-employer pension scheme. The School is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the School has accounted for its contributions as if it were a defined contribution scheme. In addition to this the ISPS deficit contributions are recognised as they are paid and the agreed deficit recovery payments are recognised as a liability.

During the year to 31 August 2024, the school has paid an employer contribution rate of 42.6%. Due to the nature of the scheme, the charge to the statement of financial activities for the year under FRS102 represents the employer contribution payable. The superannuation cost represents contributions payable to the fund and amounted to £50,000 (2024: £47,000).

The latest full actuarial valuation of the Scheme was at 30 September 2023. The market value of the Scheme's assets at the valuation date was £99.2m and the value of the liabilities at that date was £151.5m giving a deficit of £52.3m.

Following consideration of the results of the actuarial valuation in 2023 it was agreed that the shortfall would be dealt with by the payment of deficit contributions of £6.0 million per annum from 1 September 2025 to 31 January 2034. If the valuation assumptions are borne out in practice this pattern of contributions should be sufficient to eliminate the past service deficit on an ongoing funding basis. The School pays a pro rata proportion of the deficit contributions based on details provided by the ISPS. A liability has been recognised for this obligation of £467,000 (2024 £220,000). £60,000 of this amount is due within one year, with £407,000 due in more than one year:

	£'000
Liability as at 1 September 2024	220
Unwinding of discount	10
Deficit contribution made	(31)
Remeasurement	268
Liability as at 31 August 2025	467

Other pension schemes

Certain academic and non-academic staff are members of the Downe House Staff Pension Schemes, which are defined contribution insured funds administered by private pensions companies to which contributions are paid as they become due.

The superannuation cost represents contributions payable to the funds and amounted to £1,387,000 (2024: £704,000). The balance of contributions payable at the year-end was £112,000 (2024: £89,000).

Notes to the financial statements for the year ended 31 August 2025 (continued)

21. Subsidiary undertakings

The principal place of business for all subsidiary undertakings is the same as that for Downe House School as noted on page 45.

Downe House School owns the entire share capital of a trading subsidiary undertaking, Downe House School Services Limited, a company registered in England and Wales (2664010) with £2 share capital, called up and fully paid (Note 2).

Downe House School owns the entire £2 share capital of subsidiary Downe House International Limited, a company registered in England and Wales (12232441) (note 2), which owns the entire £2 share capital of Downe House International (Oman) Limited, also registered in England and Wales (12332320).

Downe House School is the sole corporate Trustee of the Downe House Trust (309091). The trust is managed by the Trustees of the School. The Downe House Trust owns property used by the School for which it received rental payments of £646,000 (2024: £646,000) for the year.

	2025 £'000	2024 £'000
Downe House Trust		
Total income	646	647
Total expenditure	(2,634)	(3,082)
Net expenditure	(1,988)	(2,435)
Advance written off by Downe House School	-	15,000
Net movement in funds	(1,988)	12,565
Total assets	39,811	40,361
Total liabilities	(29,526)	(28,088)
Total funds	10,285	12,273

Downe House School is the sole member of Downe House Foundation (1159259). The Downe House Foundation is managed independently of the School, has a separate board of Trustees and raises funds for educational building projects at Downe House School. The results reported below have been consolidated in the group financial statements after making appropriate intra group adjustments.

	2025 £'000	2024 £'000
Downe House Foundation		
Total income	393	515
Total expenditure	(259)	(4)
Net movement in funds	134	511
Total assets	1,167	1,032
Total liabilities	(5)	(4)
Total funds	1,162	1,028

As noted on page 6 the Downe House Appeal Fund (2009), a linked charity, is dormant with no assets or liabilities.

Notes to the financial statements for the year ended 31 August 2025 (continued)

22. Analysis of changes in net funds

	Cash at bank and in hand less overdraft £'000	Loans falling due within one year £'000	Net funds Total £'000
Balance at 1 September 2024	2,973	-	2,973
Cash flows	5,147	-	5,147
Balance at 31 August 2025	8,120	-	8,120

23. Capital

The School is a company limited by guarantee. Each member has undertaken to contribute £1 to the assets of the company to meet its liabilities if called on to do so. The total amount guaranteed by members at 31 August 2025 was £12 (2024: £12).

24. Related party transactions

Trustees whose children attend the School do not receive any concessions on their fees or disbursement charges as a result of their position as a Trustee. Staff members receive a discount of between 50% and 90% of the basic fees.

The group incurred costs of £70,000 of which £20,000 was outstanding at 31 August 2025 (2024: £153,000, £Nil outstanding) in respect of legal services in the year ended 31 August 2025 to Farrer & Co. solicitors, where Ms VJ Richards is a Consultant.

The group earned income of £323,000, £8,000 of which was outstanding at 31 August 2025 (2024: £310,000, all outstanding) in respect of the use of Chateau de Sauveterre by the Prep Schools Trust, where Mrs E McKendrick is on the board of Trustees.

Trustees donated a total of £5,073 (2024: £300) during the year.

Notes to the financial statements for the year ended 31 August 2025 (continued)

25. Comparative Statement of Financial activities incorporating the income and expenditure account for the year ended 31 August 2024

	Unrestricted funds	Restricted funds	Endowed funds	Restated Total 2024 £'000
	£'000	£'000	£'000	£'000
Income and endowments from:				
Charitable activities				
School activities	26,121	-	-	26,121
Other trading activities				
Trading income	1,249	-	-	1,249
Premises hire	69	-	-	69
Investments				
Investment income	24	-	26	50
Donations and legacies	33	482	-	515
Total Income	27,496	482	26	28,004
Expenditure on:				
Charitable activities				
School activities	(27,366)	(56)	(37)	(27,459)
Cost of finance	(104)	-	-	(104)
Raising funds				
Trading expenditure	(285)	-	-	(285)
Fundraising costs	(193)	-	-	(193)
Total expenditure	(27,948)	(56)	(37)	(28,041)
Net (expenditure)/income before gains on investments	(452)	426	(11)	(37)
Net gains on investments	18	-	147	165
Net income before transfers	(434)	426	136	128
Transfers between funds	24	(24)	-	-
Net movement in funds	(410)	402	136	128
Total funds brought forward	23,681	1,612	1,429	26,722
Total funds carried forward	23,271	2,014	1,565	26,850

Trustees, Officers and Advisors

Trustees, Governors and Directors

	Membership of Committees
Ms SK McNair Scott (Chair) (Chair of Business Development Committee)	All
Mr TM Boucher (Chair of Finance & General Purposes Committee)	F, ES, N, B
Ms VJ Richards (Exelby) (Vice Chair of Governors) (Chair of Safeguarding Committee)	ED, SG
Mr JJ Smith (Chair of Education Committee)	ED, SG, N
Mr MK Ridley (Chair of Estates Sub-Committee)	ES, F, B
Ms EJ Clarke	ED, B, N
Mr NJD Woods	F
Mr WJF Landale	B, ES, F
Mr ST Williams	B, ES, F
Mr MJ Brennan	B, ES
Mrs SE Coiley	ED, SG
Ms CE Ross	SG, F, N

NB: Key to membership of Committees above is as follows:

Education Committee	ED
Safeguarding Committee	SG
Finance & General Purposes Committee	F
Estates Sub-Committee	ES
Nominations, Governance and Remuneration Committee	N
Business Development Committee	B

Headmistress

Mrs E McKendrick, BA

Secretary

Mr EFP Valletta

Principal and Registered office

Downe House School
Hermitage Road
Cold Ash
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Berkshire
RG18 9JJ

Independent Auditors

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Solicitors

Farrer & Co
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WC2A 3LH

Bankers

Lloyds Bank plc
5 Bridge Street
Newbury
Berkshire
RG14 5BQ

Investment advisors

Cazenove Capital Management Limited
12 Moorgate
London
EC2R 6DA