

Loughborough Schools Foundation

Governors' Report and Financial Statements

For the year ended 31 August 2024
Registered company number 4038033
Registered charity number 1081765

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Introduction

Governors, Trustees & Directors

The Loughborough Schools Foundation is a company limited by guarantee, number 4038033, and a registered Charity, number 1081765.

The Governors who served during the year, and up to the date of this report except where indicated, were:

Co-opted Governors:

Dr M Aslam	(Resigned 6 December 2024)
Mrs K L Basey	
Mr A Bowden	
Mr J Cimurs	
Mrs A Clark	
Mrs E K Critchley	(resigned 25 March 2024)
Dr J Esson	
Dr S Gowers-Cromie	
K Green	(resigned 5 July 2024)
Mr A Harris	(resigned 5 July 2024)
Mr R Harrison	Foundation Chair
Air Vice-Marshal G Howard	(resigned 15 November 2024)
Mr S Leese	
Mrs R J E Limb	
Mr S Morris	(Resigned 6 December 2024)
Mrs A Murphy	
Mr J Parkinson	(resigned 25 June 2024)
Mr R Saunt	(appointed 12 September 2024)

Nominated Governor:

Sister C Leydon *Rosminian Sisters of Providence*

Directors

All Loughborough Schools Foundation Governors are registered with Companies House as Directors of the Charitable Company.

Trustees

All Loughborough Schools Foundation Governors are registered with the Charity Commission as Trustees of the Charitable Company.

Professional Advisers:

Bankers:

National Westminster Bank plc
Market Place
Loughborough
LE11 3EA

Solicitors:

Veale Wasbrough Vizards
Orchard Court
Orchard Lane
Bristol
BS1 5DS

Bird, Wilford and Sale
20 Church Gate
Loughborough
LE11 1UD

Auditors:

Cooper Parry Group Limited
Sky View, Argosy Road
East Midlands Airport
Castle Donnington
Derby
DE74 2SA

Tax Adviser:

PKF Smith Cooper
Prospect House
1 Prospect Place
Derby
DE24 8HG

Investment Advisers:

Charles Stanley & Co. Limited
25 Luke Street
London
EC2A 4AR

Insurance Broker:

Hayes Parsons Insurance Brokers
Beacon Tower, Colston Street
Bristol
BS1 4XE

Land Managers:

Mather Jamie
3 Bank Court, Weldon Road
Loughborough
LE11 5RF

Registered Office:

3 Burton Walks
Loughborough
LE11 2DU

Reference information

Loughborough Schools Foundation is an educational charity administered by Governors who are also the Trustees of the Charity and Directors of the Company. It comprises four independent schools and one nursery, all located in Loughborough.

Loughborough Grammar School (LGS) and Loughborough High School for Girls (LHS) were founded in 1495 and 1850 respectively. Fairfield Preparatory School became autonomous in 1969 having previously operated as the junior school of Loughborough High School. On 1 September 2015 Our Lady's Convent School (founded 1850) was subsumed into the Foundation thus becoming its fourth independent school; from 1 September 2018, the school changed its name to become Loughborough Amherst School (LAS). The Nursery, established by Loughborough Amherst School, opened in October 2016. Throughout the Governors' Reports and Financial Statements, the company and the charitable trust are referred to collectively as the Foundation.

Structure, Governance and Management

The Foundation is a company limited by guarantee, number 4038033, and a registered Charity, number 1081765. The Foundation is governed by its Memorandum and Articles of Association.

The Governors of the Foundation, as Directors of the Company, are also Charity Trustees. They provide strategic leadership, ensure policy and financial oversight, hold senior leaders accountable, and manage risks to guide the Foundation's long-term success. A scheme of delegation formalises the responsibilities between Governors, Committees and the Executives.

The day-to-day management of the Foundation and schools is delegated to the Foundation Executive Leadership Team, which includes:

- **Fairfield Preparatory School** (co-educational day school, aged 3-11)
Headmaster: Mr. A R Earnshaw, BA, NPQH
- **Loughborough Amherst School** (co-educational day and boarding school, ages 2-18) **and Loughborough Nursery**
Headmaster: Mr. J Neville, MA (Oxon), MPhil (Cantab)
- **Loughborough Grammar School** (boys aged 10-18, day and boarding)
Headmaster: Mrs. HM Foster, BA, Med, Dip LA
- **Loughborough High School** (girls aged 11-18, day school)
Head: Dr. F Miles, MA (Cantab), MBBS

The day-to-day management of educational, pupil development and pastoral issues is delegated to the Heads, supported by their senior staff.

In addition to the Heads, the Foundation Leadership Team includes non-educational leadership roles:

- **Chief Operation Officer**
R J Grant & R Smeeton (from 18 August 2023 - 31 August 2024)

Following the restructuring of the COO role in September 2024, the Foundation Leadership Team now includes:

- **Bursar**
David Goodacre (from 24 June 2024)
- **External Engagement Director**
Russell Langley (from 1 May 2024)
- **Transformation Director**
Andrew White (from 11 October 2023)

The Bursar and External Engagement Director are responsible for the overall governance of the charity, and specifically responsible for the centralised functions of finance, human resources, estates and grounds management, health and safety, compliance, catering, network services, commercial activity, marketing and the subsidiary companies.

All Governors give their time freely and no remuneration was paid during the year. Reasonable travelling and associated expenses were paid in accordance with Foundation policy. No Trustee/Director, or person connected with a Governor, received any benefit either from a means-tested Foundation bursary or a scholarship awarded to a pupil. Professional indemnity and liability insurance is in place for Governors.

Membership of Relevant Professional Bodies

The Heads of Loughborough Amherst School, Fairfield Preparatory School, Loughborough Grammar School and Loughborough High School, are members of the CISC, IAPS, HMC, and GSA respectively. The Foundation is a member of the ISBA. These professional affiliations collectively form part of the Independent Schools' Council. Membership in these associations serves as a platform to exchange expertise, knowledge, and experiences within the independent schools' sector. Furthermore, they play a vital role in representing the sector's views to the Government and regulatory bodies.

Governor Recruitment and Training

The Board of Governors requires considerable breadth and depth of experience to carry out its duties effectively and efficiently. The Nominations and Governance Committee interviews prospective governors on a regular basis and maintains a list of prospective candidates to be called forward when vacancies arise and/or skill gaps in the Board become apparent. A skills matrix is maintained to inform recruitment and training priorities.

All Governors follow an induction programme on appointment, including meetings with the Executive and relevant Chairs. Governors are also required to complete annual safeguarding refresher training. Additionally, they are encouraged to attend external training to complement the internal training provided. In addition to the training for the Governors as a whole, individual Governors receive training tailored to support specific duties they undertake, such as safeguarding and finance. The Foundation is a member of the Association of Governing Bodies of Independent Schools (AGBIS), and Governors are encouraged to take advantage of the conferences and seminars offered. A record of Governor training is maintained.

Governance and Committee Structure

The Board, through four functional committees, exercises the governance and control of the Foundation and Schools. The Executive attend Governors' meetings. Additionally, an individual committee known as a 'School Board' operates for each of the schools. As the functional committees have primacy, the four School Boards have limited executive powers but are constituted to ensure that school issues are appropriately raised at Foundation Board level.

An external review of Governance was completed in March 2023 with implementation of the planned action continuing.

The committees in existence during the year were:

Four School Boards (Loughborough Amherst School, Fairfield Preparatory School, Loughborough Grammar School and Loughborough High School): School Boards are oversight of the school and ensure that issues are appropriately represented at functional committees and/or the Foundation Board. They focus particularly on academic and educational matters, serving as the primary interface between Governors and the schools. This includes representing the school during ISI inspections. The Loughborough Amherst School Board also holds specific responsibility for overseeing the Catholic ethos of the school. Each School Board is composed of at least three Governors and meets on a termly basis to discuss and address relevant issues.

The Finance Audit and Risk Committee: The remit of this committee is to monitor the financial performance of the Foundation and its constituent schools and to make recommendations to the Board accordingly. The committee ensures the Foundation has a long-term financial plan aligned with its overall strategic development and infrastructure plans, and it oversees the Foundation's investments and reserves. In addition, the committee oversees the external audit process and programme of internal reviews. It is also responsible with oversight of risk management in the Foundation. The committee is composed of at least three Governors and meets on a termly basis.

Operations and Compliance Committee: The committee advises the Board on all matters relating to capital development, reactive and planned maintenance, maintenance of the grounds, human resources, networks services, catering and health and safety and compliance. The committee is constituted with at least three Governors and meet on a termly basis.

Remuneration Committee: Consisting of the four School Board Chairs, the Vice Chair and chaired by the Foundation Chair. The committee has specific responsibility for determining the remuneration of the Foundation's senior officers. The committee meets annually.

The Nominations and Governance Committee: Following a recommendation from the recent governance review, the committee's remit was expanded to include governance matters. It now also focuses on overseeing governance practices across the governance structure. This enhanced role strengthens the committee's capacity to support the Board in maintaining strong governance standards across the Foundation. Consisting of the representative from the School Board and chaired by the Foundation Chair, it also advises the Board on the recruitment, selection and induction of new Governors. The committee meet termly or as necessary to consider applications from prospective governors and undertake succession planning.

The Board also receives reports from The Subsidiary Trading Board. The Subsidiary Trading Board has three Directors, two of whom are not a trustee of Loughborough Schools Foundation. The Directors are responsible for the legal oversight of the Foundation's incorporated subsidiaries.

Post Balance Sheet Events

On 14th March 2025 the Foundation announced that it would be closing the Loughborough Amherst School at the end of 2024/25 academic year. This was an incredibly difficult decision and came after extensive consideration and consultation. Despite significant efforts over the past decade to secure its long-term viability, the School was sadly no longer financially sustainable. We fully appreciate the deep affection many families have for Amherst and its 175-year history, and we recognise the impact this decision has had on our community.

Going Concern

The Trustees remain confident that the Foundation is able to meet its financial obligations as they fall due, as well as continuing to invest in the fabric of the buildings and the facilities and equipment required to provide an excellent education at the Foundation's schools. The Trust holds significant cash reserves and continues to generate sufficient funding and operating surpluses to meet its financial obligations. The Foundation prepares budgets and long-term forecasts to understand its financial position, model risks and scenarios, and continually takes action to ensure that it can remain in a financially sustainable position and deliver its charitable objectives. The longer-term forecasting undertaken during the year and since the year end included assessing the financial viability of all the Foundation's schools and as detailed above, this highlighted that Loughborough Amherst School was no longer financially viable which led to the very difficult decision to close School at the end of the 2024/25 academic year. Whilst the closure of Amherst School will have some short-term financial impact on the Foundation, the longer-term forecasting that has been completed shows that the Foundation will continue to generate operating surpluses and maintain sufficient cash funds to continue meet all its financial obligations.

Based on this assessment the Trustees are confident that the Foundation can continue as a going concern for the foreseeable future and the financial statements have therefore been prepared on a going concern basis.

STRATEGIC REPORT

The Schools within the Foundation are focussed on delivering an outstanding academic experience of our pupils, providing a supportive and nurturing pastoral environment and creating a huge range of co-curricular opportunities to allow our pupils to develop into socially responsible young adults.

The Foundation is responsible for the overarching strategy and governance of the charity, and all schools within in. The Foundation focussed on six key areas during the year:

Developing and implementing a marketing strategy to establish Foundation schools as the preferred choice for parents in the region, while expanding and enhancing boarding options based on the strategic groundwork laid out in 2022/2023.

Following the appointment of a new External Engagement Director to take a broader view of marketing and communications across the Foundation, we restructured the marketing department and launched a new marketing and recruitment strategy. This strategy is designed to position our Foundation schools as the preferred choice for parents in the region, ensuring a more cohesive and targeted approach to communications and outreach.

Creating contingency plans to address potential political threats to independent schools, particularly in the event of VAT on school fees.

With the Labour government now in office and VAT on school fees implemented in January 2025, we continued to work proactively to mitigate the impact on parents. This has included reviewing our cost base and developing financial contingency plans to ensure we are well-prepared for the changes.

In addition, we engaged with political parties, sector representatives, and the government to ensure that our concerns, along with those of parents, were effectively communicated. Our efforts remain focused on supporting parents throughout this transition while maintaining the quality of education and services provided by the Foundation schools.

Enhancing the governance and leadership structure, ensuring that the Foundation is well-equipped to navigate the future with confidence and agility.

We have strengthened our leadership team through the appointment of a new Transformation Director, External Engagement Director and Bursar within Central Services. To support these new roles, we have streamlined our structure, reduced management layers and costs while enhancing operational efficiency. These changes significantly enhance the rigor and robustness of our Central Services leadership team, which is imperative as we prepared for the introduction of VAT on school fees in January.

Supporting the new Headteachers at Loughborough Grammar and Loughborough Amherst Schools to achieve their agreed objectives.

During the year the Board, led by the School Board Chairs, actively supported the Headteachers at Loughborough Grammar and Loughborough Amherst Schools in achieving their agreed objectives. This support empowered the Headteachers to effectively lead their schools and formulate strategic plans for the development of the schools.

Further improving bursary and scholarship programs, actively increasing outreach and engagement with the local community.

This year, we made progress in developing our bursary and scholarship programs while actively increasing outreach and engagement with the local community. We successfully launched the sports scholarship program for implementation in September 2025, broadening opportunities for talented athletes. Our outreach and community engagement efforts have been expanded to widen the reach of our bursary and scholarship programs. We published comprehensive information about our extensive bursary offering, ensuring that families are aware of the financial support available.

A notable highlight of the year was the establishment of the '**Greasley Bursaries**'. Made possible through a generous donation from Derek Greasley, who joined Year 7 at Loughborough Grammar School in 1948, these bursaries provide crucial financial support to pupils from the Charnwood District, enabling them to access exceptional educational opportunities at Loughborough Grammar School or Loughborough High School.

Reviewing and enhancing recruitment practices to ensure equitable and diverse employee representation.

We improved our recruitment processes by implementing a new HR management information system, the first step in a detailed review of our practices. Additionally, we began consultation on a revised Equity, Diversity, and Inclusion (EDI) strategy, which will underpin a detailed five-year plan. This initiative is part of a broader suite of actions aimed at further strengthening our EDI approach and ensuring our recruitment practices align with our commitment to achieving equitable and diverse representation within our workforce.

Financial Review

The Foundation has continued to navigate a challenging external environment which during 2023/24 included a high level of political uncertainty. Income was higher during the year having increased by £1.8 million, primarily due to higher donations and legacies (2024: £1.7 million, 2023: £0.4 million). These are held as restricted funds and spent in line with the donors' wishes, with the Foundation and its pupils benefitting in the future. The Foundation also saw an increase in school fee income, which rose to £35.6 million from £35.0 million. The Foundation managed to successfully control costs, with a rise of £0.3 million on last year, a 0.7% increase. Therefore, the net surplus for the year grew to £2.1 million (after investment gains and losses).

The turbulence within financial markets experienced last year, stabilised, leading to the Foundation's investments gaining £0.3 million. The overall cash position remains healthy with cash balances of £9.0 million and net current assets of £4.1 million. The Foundation spent £1.9 million on new property plant and equipment during the year, which is below the depreciation charge of £2.2 million. The Foundation's challenge for the future is ensuring that sufficient surpluses are made to continue to invest in the excellent facilities that are currently on offer.

The Foundation's two subsidiary companies had a good performance. The net profits from LSF Shop LTD increased to £34,000 in 2023-24 compared to £18,000 in the previous year. The increase is mainly due to an increase in income as the return to school date was earlier than in the previous year. Thomas Burton Development LTD had a decent trading year and saw the net profit fall slightly from £144,000 to £134,000. However, since the year end a new commercial booking platform was introduced which has supported an increase in income. Profits from both companies are gifted to the parent charity.

Covid 19 Pandemic

Repayments for the CBILs loan (Coronavirus Business Interruption Loan Scheme) were made through 2023/24 with £1.2 million outstanding at the year end. No funds were received in relation to the Covid 19 Pandemic during the year.

Investment Policy/Performance:

The investment objectives are to generate the highest possible returns, which are commensurate with a low to medium level of risk. The Foundation does not specifically invest in ethical investments and its investment portfolio is managed by two investment managers: Charles Stanley Wealth Managers and CCLA Investment Management Ltd.

The value of the portfolio increased from £4.8 million to £5.1 million during the year.

The Finance, Audit and Risk Committee routinely review the investment portfolio and compare performance to relevant benchmarks, such as the FTSE 100, the FTSE All share and the MSCI PIMFA Private Investor Balanced Indices to benchmark performance.

Reserves

The Foundation aim to hold funds which are sufficient but not excessive in order to fund current operational requirements and future development. The Foundation is mindful of the need to maintain a level of reserves which enables the organisation to respond to circumstances and mitigate risk, including ensuring compliance with the terms of the mortgages and bank loans. The Trustees review the reserves policy on an annual basis.

The Foundation aims to hold a minimum of £2m (cash balances) at all times which is approximately one month's net operating costs. The value of cash held at 31 August 2024 was £9.0m (2023: £7.0m), and the value of unrestricted cash was £4.7 million (2023: £3.8 million).

The Foundation total reserves at 31 August 2024 were £70.2m (2023: £68.0m) and these comprised endowment funds of £46.6m (2023:£47.5m), restricted funds of £7.2m (2023: £5.5m) and unrestricted funds of £16.4m (2023: £15.0m). The unrestricted funds include certain tangible fixed assets and related mortgage loans, which are functional assets used in the day-to-day delivery of educational activities by the Foundation. Excluding the value of these fixed assets and related mortgage loans, there is a deficit of unrestricted funds of £2.3m (2023: £3.3m). Although this balance of unrestricted funds is negative, this is not uncommon across the independent schools' sector and demonstrates the Foundation's investment of its operating reserves into new school buildings and an ongoing program of refurbishment, development and investment in order to maintain the excellent teaching facilities for our pupils.

Philanthropy and Alumni Relations

The ability of the Foundation to offer wider access through financial support is reliant upon the ongoing generosity of the Schools' core community (parents, alumni, staff, governors and friends) alongside that from external companies, trusts and foundations. Fundraising efforts are underpinned by a comprehensive alumni engagement strategy which delivers key events, communications and a volunteering programme.

Fundraising efforts and initiatives primarily support bursaries and relieve hardship for parents where the pupil's education and future prospects would otherwise be at risk. Funds have also been raised to enhance the pupil experience by establishing prizes, strengthening sport and music, and providing travel and cultural opportunities. During the 12-month period to August 2024, £1.7 million was raised, with this year seeing the hugely generous legacy from Derek Greasley.

Grants and bursaries are awarded based on educational ability and financial circumstances, subject to the restrictions imposed by the donor of the funds.

The Foundation uses an in-house team for the purpose of fundraising and is fully registered with the Fundraising Regulator to which it pays the statutory fundraising levy and abides by their Fundraising Code of Practice.

There have been no failures to comply with the scheme or standards and no complaints received by the Foundation about its fundraising activities. The Foundation has taken all reasonable precautions to protect vulnerable people and other members of the public from unreasonably intrusive or persistent fundraising.

Key Performance Indicators

The Foundation assess its success in the implementation and pursuit of its Charity strategy by following key performance indicators:

- Pupil numbers in the schools
- Academic results
- The achievement of pupils in all areas of education development including sport, music and drama

Pupil Numbers

The pupil numbers at the end of the year were 857 at Loughborough Grammar School, 526 at Loughborough High School, 499 at Fairfield Preparatory School and 300 at Loughborough Amherst School. An average of 137 children also attended the Nursery setting throughout the year, equivalent to 74.6 Full Time pupils.

Academic

The annual report highlights the exceptional A Level results achieved across the Foundation's schools this year, reflecting a collective commitment to academic excellence and holistic development.

At **Loughborough Grammar School**, 11% of the passes at A-Level were at grade A*, 32% at A* to A and 65% of the passes were at A*-B.

At GCSE 39% of the passes were at grade 9-8, 57% of the passes were 9-7 and 90% were 9-5.

At **Loughborough High School**, 22% of the passes at A-Level were at grade A*, 51% at A* to A and 81% of the passes were at A*-B.

At GCSE 54% of the passes were at grade 9-8, 77% of the passes were 9-7 and 97% were 9-5.

At **Loughborough Amherst School**, 7% of the passes at A-Level were at grade A*, 31% at A* to A and 54% of the passes were at A*-B.

At GCSE 22% of the passes were at grade 9-8, 41% of the passes were 9-7 and 81% were 9-5.

For the Loughborough High School's the results coincide with the shortlisting for Independent Girls' School of the year as it approaches its 175th anniversary. Pupils from all three schools are advancing to a wide array of prestigious universities, reinforcing the Foundation's dedication to preparing students for future success.

The 2023-24 academic year was another outstanding success for Fairfield Prep School. Every Year 6 pupil received offers from Loughborough Grammar School, Loughborough High School, or Loughborough Amherst School, with several students earning academic and music scholarships. A particular highlight was the confirmation that two of our Year 6 pupils have secured places at Eton for 2026. Fairfield's success extended well beyond academics. Two of our pupils won their respective age categories in a national engineering competition, and over 40 students who participated in LAMDA examinations achieved distinctions, reflecting the breadth of talent and opportunity nurtured at our school. Our commitment to excellence extends beyond our pupils to supporting the future of the teaching profession. Following the Independent Schools Teacher Induction Panel (ISTIP) inspection in May 2024, we were pleased to receive highly positive feedback, affirming that Fairfield runs an effective induction programme in full compliance with statutory guidance, with no further actions required. As we look ahead, Fairfield remains dedicated to fostering an environment where every pupil and member of staff can thrive and develop, building on the successes of this remarkable year.

Co-Curricular

Our sports programme has continued to flourish, with exciting developments over the past year. A key milestone has been the full launch of our sports scholarship programme, which has generated strong interest, with applications for implementation in September 2025. In parallel, we have introduced the Student Athlete Programme, designed to provide tailored support to high-performing athletes across our senior schools, further enhancing their academic and sporting balance.

A highlight of our sporting achievements in the year was the success of the High School's Under-13 hockey team, which won the National Championship. This outstanding achievement is a testament to the dedication of our students, coaches, and the broader school community. Additional success came from the Grammar School's badminton teams, with the Under-14 and Under-16 teams both securing county and regional championships, advancing to represent the region at the National Finals.

We remain committed to ensuring that all students have access to a diverse and inclusive sports programme. Every student in Fairfield from Year 4 to Year 6 had the opportunity to represent the school in sports each term, reflecting our commitment to participation and engagement.

This academic year has also begun on a strong note. Our Foundation football programme has seen remarkable growth, and we are proud to celebrate Loughborough Amherst student Mika Stojavljevic's victory at the Junior US Open. Additionally, the continued success of our LUNTA elite tennis programme highlights the strength of our partnership with Loughborough University and the Lawn Tennis Association (LTA), further reinforcing our role in fostering sporting excellence.

The Music Department has had another highly successful year, with several individual achievements to highlight. Our concert at De Montfort Hall in March showcased seven Year 13 Music Scholars as soloists, a remarkable achievement. Among them, Joseph Geary stands out for his exceptional performance of Chaminade's Concertino for Flute. Earlier in the year, Joseph won the prestigious Bardi Young Musician competition and performed a Mozart concerto with the orchestra in January. He has since secured a place at the Royal Academy of Music, where he was awarded their highest scholarship.

In addition to Joseph's success, five other students have been accepted into leading universities and music colleges to pursue music studies in the coming year.

Throughout the year, the department delivered a wide range of concerts, examinations, and community events, including the much anticipated Al Fresco concert. Our Music Technology students continued to benefit from our partnership with the Royal Birmingham Conservatoire, and we expanded our outreach projects in the local community, enhancing the experience for both our pupils and the wider public.

Employment

The Foundation is an equal opportunities employer; and has a responsible approach to employment legislation. The Foundation met the statutory requirements to provide a report on gender pay equality and will continue to monitor this area and make changes, when and where they are practicable.

The Foundation welcomes applications for employment from disabled persons and assists, whenever practicable and taking into account HR best practice, the recruitment, training, career development and promotion of disabled people. Should an employee become disabled during their employment we make all reasonable adjustments to ensure they can remain in employment; and where necessary facilitate re-training.

The Foundation encourages the continuous development and training of its employees and the provision of equal opportunities for the training and career development of all employees.

The Foundation is committed to engaging with its employees. A variety of methods are used to achieve this, including team meetings, Common Room briefings and our staff representative groups. Since early 2022 the Foundation has voluntarily recognised the teacher's trade union NASUWT.

Salaries

The arrangements for setting the pay and remuneration of the Foundation's key management personnel and any benchmarks, parameters or criteria used in setting their pay are detailed in note 8 in the notes to the financial statement.

Future Plans

As a result of a new Government taking office in May 2024 there have been some significant changes in policy towards independent schools and additional taxes affecting all businesses. It was confirmed in July 2024 that independent school fees would become subject to VAT from 1st January 2025 and that independent schools would also lose charitable business rates relief. These policy changes had been previously identified as a risk. In addition, in October 2024 it was announced that businesses, including the Foundation, would be subject to a significant increase in employers national insurance taxes and that the National Living Wage would increase far in excess of inflation.

For 2024/25 much of the strategic focus of the Foundation has been in preparing for, and responding to the challenges that the Government taxes and policy changes created, whilst trying to maintain the quality of our academic, co-curricular and pastoral offer. This ultimately led to an incredibly difficult and sad decision in March 2025 to close Loughborough Amherst School at the end of the summer term. The consultation, decision and implementation have been an area of major strategic focus for the Foundation throughout 2024/25, recognising the huge impact it has had on pupils, staff, and families in our community.

Broader initiatives for 2024/25 include:

1. Respond to changes in Government policy and the external environment to develop a financially sustainable operating model that delivers an outstanding academic, pastoral and co-curricular experience for our pupils.
2. Enhancing the Governance and leadership structure, ensuring that the Foundation is well-equipped to navigate the future with confidence and agility
3. Continuing to develop the marketing strategy to establish Foundation schools as the preferred choice for parents in the region, while expanding and enhancing boarding options.
4. Supporting the new Headteacher at Loughborough Grammar School to achieve their agreed objectives.
5. Reviewing and enhancing recruitment practices to ensure equitable and diverse employee representation.

Risk Management

The Trustees are responsible for the identification and management of the risks faced by the Foundation, including the individual schools. The day-to-day management of this requirement is delegated to the Finance, Audit and Risk Committee. Risks are identified and assessed; and controls and improvements are established, where possible, to mitigate the risks.

The Trustees have a risk management strategy which comprises:

- a differentiation between strategic and operational risks;
- clear management and review responsibilities for both operational and strategic risks, with first line and second review responsibilities identified and agreed;
- termly review of all risks by the Executive (Operational Risk) and Finance, Audit and Risk Committee (Strategic Risk);
- clear mechanism for the escalation of risks to the Governing Body;
- the establishment of policies, systems and procedures to mitigate those risks identified; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risk materialise.

The Trustees group risks into six categories:

- Governance – those risks which may arise from the direction, decision making or control environment. For example, the risk that governors or those charged with management may take a risk outside of their authority. Controls include the Foundation's strategy, which informs decision making, an established governance structure and a clear distinction between governance and executive management.
- Regulatory – these are those risks which relate to the market and environment in which the Foundation operates, and which may influence our stakeholders and/or the Foundation's business model (e.g. any change in regulatory environment). To manage risks in this area, the Foundation has established mechanisms to analyse forecasts of potential changes in the charitable and education sectors, with the aim of anticipating regulatory change and implementing any mitigating actions.
- Financial – those risks which relate to income and expenditure and may impact the Foundation's financial sustainability. The introduction of VAT on school fees may continue to impact the Foundation's income and families' decisions about joining. To address these risks, the Foundation employs a comprehensive 10-year financial forecasting model, enabling it to simulate various scenarios based on potential changes in funding, tuition fees, or operational expenses and to respond accordingly.

- Reputational – risks to the reputation of the Foundation may arise from the decisions and actions of the Foundation, those employed by it, or pupils at its schools. Should a reputational risk arise, it could have an immediate or long-term impact on pupil numbers, and therefore the Foundation's finances. To manage these risks the Trustees have put in place appropriate policies and oversight mechanisms, including for academic quality and safeguarding.
- Technological – these risks relate to the Foundation's reliance on technology and the potential vulnerabilities associated with it. As advancements in artificial intelligence (AI) and digital infrastructure continue to evolve, the Foundation faces risks related to cyber-security threats, data protection, and the effective integration of new technologies into educational practices. To mitigate these risks, the Foundation has implemented robust cyber-security controls, regular audits of its digital systems, and staff training. Additionally, the Foundation continually assesses the impact of emerging technologies on its educational environment to ensure that it remains at the forefront of innovation.
- Operational – those risks arising from day-to-day operations of the Foundation and its schools and usually related to an activity which cannot be avoided (e.g. security, health and safety). These risks therefore require active and on-going control by the executive and other managers. Each risk identified is owned by a specified member of the executive and monitored on an on-going basis by those charged with management. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular training for staff working in these operational areas.

Public Benefit

The Foundation exists to make a difference, not just to our pupils but to our wider community.

The Governors confirm that they have given due consideration to the requirements of the Charities Act 2011 and public benefit guidance published by the Charity Commission.

The range of the activity, which is defined as public benefit is as follows:

Financial Support

The Governors are proud of the Foundation's long tradition of bursary provision. Governors remain committed to broadening access to those pupils who would benefit from the opportunities provided by the Foundation's schools, but whose parents may lack the financial means to meet the fees.

- Long-term Foundation Bursaries (School Assisted Places (SAPs)) are available to entrants to Loughborough Amherst School, Loughborough Grammar School and Loughborough High School, who meet the general entry requirements at the point at which the pupil enters the school. These awards are made on the basis of parental means and involve an assessment of those means. During the year 119 pupils received assistance amounting to £923,000. Of these 16 pupils received 100% fee remission. The awards are subject to annual review.
- A further 14 existing pupils were also given means-tested financial assistance in hardship bursaries amounting to £92,000. This assistance was awarded in circumstances in which it was believed that the assistance could be required for less than 12 months, although on many occasions, a longer period of time has proved necessary. A relatively high proportion of these pupils have also been given total fee remission. This number includes 3 Ukrainian families who we have offered 100% fee remission.
- In some instances of particular hardship financial assistance has also been provided towards ancillary costs, including lunches, transportation and school uniform. This comes from a separate funding source to the above.
- The Foundation also receives funds in the form of bequests or donations that are intended to support pupils meeting specific criteria set up the donor. This year £222,000 was awarded which benefited twenty pupils, seven of whom also benefited from the Foundation Bursary programme.

- The total funding for assisted places was £1,258,000. This assistance was made available to 7.0% of the pupils and represents overall 3.7% of the tuition fee income.
- Where appropriate we work with families to support them to access funding from other charitable sources. As these are funded externally this funding is not included here.
- The figures which have been quoted in the preceding part of this section are the direct costs of providing financial assistance to pupils. These figures do not include the significant costs of the management time at various levels of dealing with and processing these awards, or the cost of targeted advertising which aims to stimulate applications from those who are eligible.

Educational

The Foundation has continued this year to widen access to its educational resources and facilities, by bringing independent and state school communities together. Activities and partnerships include:

Educational Experiences

Our commitment to learning extends beyond our students, as the Foundation actively supports educational initiatives in local schools. This collaboration fosters the exchange of ideas between our staff and local educators while allowing our pupils to engage with peers from different schools and develop an awareness of their wider community. Examples include:

Masterclasses organised by the three senior schools delivered significant educational benefits to the local state school community, covering subjects such as math, computing, history, art, modern and ancient languages, and English. Over 250 children benefited from these initiatives across 11 events, enhancing their learning experiences and engagement in various subjects.

Loughborough Grammar School's Classics department hosted a Classics Day for over 50 adults, while Loughborough High School held its annual Latin and Greek Reading Competition, attended by over 60 children from seven schools. These events highlighted our teachers' efforts to inspire future classicists and showcased the ongoing relevance of Latin and Greek.

Loughborough Amherst School hosted its fifth annual Debating Day, involving six local primary schools: Cossington, St Mary's, St Paul's, Holywell, Rothley, and Plumtree. Over 230 pupils participated, showcasing their critical thinking and public speaking skills in debates on topics such as the environmental impact of birthday presents and whether teachers should wear school uniforms. This initiative demonstrates the school's commitment to fostering oracy skills and boosting self-esteem and confidence in young learners, while positively impacting the local community. Additionally, the Senior Outreach program featured the Headmaster and Head of Sixth Form conducting Oxbridge and Medicine application sessions for senior school pupils in local state schools.

Educational Expertise – Educational Training and Support

The Foundation recognise the importance of sharing not only our physical resources, but also the expertise and experience of our staff, to support local schools and other organisations. Our approach underscores our dedication to fostering meaningful partnerships, sharing expertise, and actively contributing to the continuous advancement of education within our community.

The Foundation approach to partnership working and advancing education was reflected in partnerships including:

- Teacher Training Placements: Supporting Loughborough University with PGCE placements, Nottingham Trent University with apprentice teachers and ITAP (intensive training and practice) days.
- External Examinations: Staff from Loughborough Grammar School serve as team leaders and assistant examiners for external assessments.
- Expertise Sharing: Loughborough High School facilitates subject network meetings and collaborates on sports moderation practices with local state schools. Teaching resources are also shared online for open access.
- Governance Support: The Foundation supports staff to serve as governors at local schools including Brookvale Groby, Richmond Primary, and Rawlins.

Fairfield Prep School partnered with the Rugby Union Football Club (RUF) to create a national competition and accompanying teaching resources based on the Men's and Women's World Cups. This initiative has provided an estimated 10,000 children access to valuable educational materials through the TES website.

Loughborough Amherst School demonstrated its commitment to outreach through various initiatives aimed at supporting local state schools. The Primary Music Outreach program involved the headmaster delivering music sessions to hundreds of primary pupils across the East Midlands. The Nursery Outreach initiative invited local nursery pupils to attend lessons and workshops, with the Head of Prep leading school readiness and library sessions.

Community

The Foundation is a well-established part of the Loughborough and Leicestershire community. Embracing the spirit of collaboration, the Foundation offers support to the community, extending contributions in both facilities and expertise across the following areas:

Music

The Music School actively contributed to various community events and groups throughout the year while fostering valuable links with state schools. Including:

- Tasting Notes Lunchtime Concerts – Monthly performances at Loughborough Parish Church by Music Scholars, providing pupils with external performance opportunities and fostering links with the church.
- Opening of Loughborough Fair & Christmas Lights Switch-On – Annual community events where pupils perform and represent the Foundation, raising its profile within the local community.
- Rainbows Christmas Concert – A charitable concert supporting a local cause, with pupils performing for an audience of 180.
- Loughborough Singers – A weekly community choir involving 40 members, preparing for three annual concerts, strengthening local arts participation.
- Christmas Tree Festival Concert – An annual concert showcasing the Foundation's choir, held at the Parish Church, maintaining strong community ties.
- Enrych Charity Concert – A new event supporting a local charity, featuring Foundation pupils and staff performing for the community.

Sport

The Sports Department actively collaborates with local state schools and community groups, promoting sports participation by hosting a variety of competitions and events. In 2023/24 this included:

- Hosted a local rugby club tag rugby competition (100+ participants from 10 clubs).
- Hosted Area Athletics Finals for U13, U15, and U17 age groups (75+ participants)
- Hosted the Loughborough Town athletics competition for local state primary schools (100+ pupils from 9 schools).

Fairfield Prep School successfully hosted the inaugural Leicestershire Primary Schools Chess Competition. This event was well received and is set to be repeated next year, with the aim of involving a greater number of participating schools. Teams from Holywell Primary, Church Hill School, Scalford Primary, and Leicester Prep School took part.

Sharing our Facilities

Throughout the year, the Foundation has supported local groups, societies, and charities by making its grounds and facilities available, often free of charge or at a reduced rate. Many of these organisations use the facilities on a weekly basis, helping to foster community engagement. These included:

- Loughborough Lightning - Utilised indoor sports facilities and outdoor courts for netball training.
- Loughborough Town Cricket - Access to pitches for cricket matches.
- Loughborough College Triathlon Club - Conducted pool training sessions.
- Leicester Riders Basketball - Access to the indoor sports centre.
- Army Reserves - Weekly use of the sports hall.
- Badminton Club - Utilised the Sports Hall for their activities.

- Community Events:
 - Rainbows It's a Knock Out event.
 - Robbie's Rugby Festival – a charity event supporting the Robbie Anderson Cancer Trust.

Additionally, reduced-rate facility use has been extended to organisations like Tom Flowers Cricket Camp, which holds holiday courses that benefit both the local community and our Foundation pupils.

Our facilities have also been offered at no cost for one-off events, including performances by Hathern Band, use of the car park for community events, and hosting the Rainbows Christmas Party.

Volunteering

Schools in the Foundation are dedicated to instilling in pupils not only academic knowledge but also a sense of responsibility towards their community. Staff and pupils engage in voluntary roles, contributing positively to the community, including local primary schools and care homes.

Loughborough Grammar School pupils have collectively contributed over 6,500 hours to volunteering, exemplifying their commitment to community service and responsibility. Boys volunteer weekly at John Storer House, which provides leisure and social activities for adults with learning disabilities and older people. They also support local primary schools through classroom assistance and sports coaching. During Enrichment Week, 130 boys volunteered 640 hours with external partners including the Canal & Rivers Trust, Beacon Hill and Ashmont Special School, further reinforcing their dedication to community initiatives. Additionally, the school organised activities such as running a bushcraft and den-building day at a local nursery.

Pupils from Loughborough High School and Loughborough Grammar School actively volunteer at Connaught House, providing companionship to older adults and alleviating feelings of loneliness. Additionally, community seniors attend events like 'Concert, Tea and Cake'.

All three Senior Schools' pupils run a Voluntary Service Unit, supporting various local organisations. The schools serve as hosts for units of Rainbows, Brownies, Guides, and Scouts, with Foundation staff, pupils, and parents actively involved in community events and volunteering.

The Combined Cadet Force contributes a marching bands and a contingent of approximately 200 cadets and 20 staff for the Remembrance Day Parade. This contingent constitutes the single largest formation within the Remembrance march-past, witnessed by a typical crowd of several thousand from the local community.

Pupils from all three senior schools contribute to the local community through volunteering as part of the Duke of Edinburgh Awards. Their activities range from working in local charity shops to assisting with merchandise at Rainbows Hospice and providing support to elderly individuals in the community.

These efforts reflect the schools focus on nurturing responsible citizens who actively engage with and support their local community.

Charitable Donations and Fundraising

As well as giving of time, pupils across our family of schools actively engaged in fundraising for a diverse range of causes. They recognise that they understand that their efforts make a meaningful impact on the lives of people of all ages who are less fortunate.

Collectively, pupils from across the Foundation raised £36,100 through a series of events, including non-uniform days, bake sales, and competitions. The breakdown of contributions from each school is as follows:

Loughborough Amherst School	£6,500
Fairfield Preparatory School	£6,400
Loughborough Grammar School	£11,200
Loughborough High School	£12,000

In our senior schools, the commitment to charitable activities is led by Charity Prefects. Senior pupils actively participate in the collection and distribution of food items donated by pupils across all four schools through events like harvest festivals. These donations benefit local community groups and food banks.

Throughout the year, our schools supported various charities, including Rainbows, Cancer Research, Dogs Trust, The Laura Centre, Kalgidhar Trust, Ronald McDonald House Charities, and Amnesty International.

Economic Impact

In addition to the public benefit arising from the Foundation's charitable activities, the Foundation makes a significant positive contribution to the local economy.

In 2023/24 it employed on average 759 people, and 82.8% of the £20.1 million paid in salaries (£19.4 million in 2022/23) remained in Leicestershire, with an estimated 96.6% remaining in the East Midlands.

We support local businesses. In 2023/24 our total direct spend was circa £10.8 million (£9.0 million in 2022/23), of which £4.2 million was spent in the East Midlands economy.

We estimate that in providing an education to more than 2,189 local children, the exchequer collectively saved more than £12.2 million a year which it would otherwise cost to educate those children in local maintained schools.

Section 172 Statement

The Trustees have acted in a way in which they consider, in good faith, promoted the success of the Foundation for the benefit of all beneficiaries and wider stakeholder groups. The ways in which they have done this are described in further detail throughout this report, specifically:

Stakeholder	Section
Employees	Page 12 ("Employment")
Beneficiaries	Pages 11-12 (Academic) and Page 14 ("Financial Support")
Community	Pages 14-18 ("Public Benefit")
Economic benefit	Page 18 ("Economic Impact")

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2023 to 31 August 2024:

	2023/24	2022/23
Energy consumption used to calculate emissions (kWh)	9,465,300	9,714,594
Energy consumption breakdown (kWh) :		
• gas	7,327,242	7,409,821
• electricity	2,011,735	2,203,773
• transport fuel	126,323	101,000
Scope 1 emissions in metric tonnes CO ₂ e		
Gas consumption	1,340.15	1,362.44
Owned transport – mini-buses	16.94	12.32
Total Scope 1	<u>1,357.09</u>	<u>1,374.76</u>
Scope 2 emissions in metric tonnes CO ₂ e		
Purchased electricity	416.53	513.79
Renewable electricity purchased	-408.2	505.95
Scope 3 emissions in metric tonnes CO ₂ e		
Business travel in employee owned vehicles	2.67	5.57
Total gross emissions in metric tonnes CO ₂ e	1,368.09	1,390.18
Intensity ratio Tonnes CO ₂ e per pupil	0.63	0.61

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2024 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology to facilitate staff to work from home and not travel to work for meetings. Under the government ESOS initiative there is a plan and programme of work to improve energy efficiency, including but not limited to installing LED lighting, Solar panels, upgrading the heating systems and motion sensors to control lighting.

Approved by the Board on 8 May 2025 and signed on its behalf by:



Roger Harrison
Chairman

Trustees' responsibilities statement

The Trustees (who are also directors of Loughborough Schools Foundation for the purposes of company law) are responsible for preparing the Governors' Annual Report, including the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 2019 (FRS 102);
- make judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable companies website. Legislation in the United Kingdom governing the preparation and dissemination may differ from legislation in other jurisdictions.

Approved by the Board on 8 May 2025 and signed on its behalf by:



Roger Harrison
Chairman

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LOUGHBOROUGH SCHOOLS FOUNDATION

Opinion

We have audited the financial statements of Loughborough Schools Foundation ("the company") and its subsidiaries ("the group") for the year ended 31 August 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Company Balance Sheets, the Cashflow Statement and the related notes 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 (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities SORP 2019.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2024 and of the incoming resources and application of resources, including its income and expenditure, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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 LOUGHBOROUGH SCHOOLS FOUNDATION

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 Governors' Report (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report 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 our 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 Governors' Report and the Strategic Report.

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 returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities set out on page 19, the Governors (who are Trustees of the charitable company for the purpose of charity law and 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 governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the groups' and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the group or the 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.

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:

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LOUGHBOROUGH SCHOOLS FOUNDATION

Our assessment focussed on key laws and regulations the Foundation has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Foundation and how the Foundation is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Foundation's control environment and how the Foundation has applied relevant control procedures, through discussions with management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Foundation's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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.

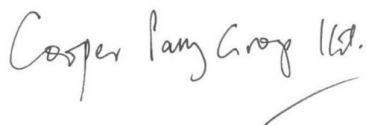
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LOUGHBOROUGH SCHOOLS FOUNDATION

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.



Kevin Hodgetts
Senior Statutory Auditor

For and on behalf of:

COOPER PARRY GROUP LIMITED
Statutory Auditors

Date: 29 May 2025

Sky View, Argosy Road, East Midlands Airport, Castle Donington, Derby, DE74 2SA

**Consolidated statement of financial activities
for the year ended 31 August 2024**

	Note	Unrestricted income Funds £000	Restricted income funds £000	Endowed funds £000	2024 Total funds £000	2023 Total funds £000
Income and endowments from:						
Donations and legacies	3	-	1,694	-	1,694	392
Other trading activities	4	461	-	-	461	489
Investments	5	392	164	4	560	442
Charitable activities	6	35,585	-	-	35,585	34,986
Other		41	8	-	49	242
Total income and endowments		36,479	1,866	4	38,349	36,551
Expenditure on:						
Raising funds:						
Financing costs	9	319	-	-	319	471
Trading operations	9	281	-	-	281	327
Charitable activities	9	34,543	336	1,080	35,959	35,510
Total expenditure		35,143	336	1,080	36,559	36,308
Net income/(expenditure) before gains/(losses) on investments and transfers		1,336	1,530	(1,076)	1,790	243
Gain/(Loss) on sale of investments		-	-	-	-	(10)
Gain/(Loss) on investment assets	11	-	160	159	319	(154)
Net income/(expenditure) before transfers		1,336	1,690	(917)	2,109	79
Transfers between funds		-	-	-	-	-
Net movements in funds		1,336	1,690	(917)	2,109	79
Reconciliation of funds						
Total funds brought forward		15,031	5,542	47,476	68,049	67,970
Total funds carried forward		16,367	7,232	46,559	70,158	68,049

All incoming resources and resources expended derive from continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 30 to 53 form part of these financial statements.

Consolidated summary income and expenditure accounts
for the year ended 31 August 2024

	<i>Note</i>	2024	2023
		£000	£000
Income from charitable related activities		37,328	35,620
Income from non-charitable trading activities	4	461	489
Interest and investment income	5	556	442
		<hr/>	<hr/>
Gross income in the reporting period		38,345	36,551
		<hr/>	<hr/>
Expenditure on charitable activities		(33,807)	(33,451)
Expenditure on non-charitable trading activities	9	(281)	(327)
Interest payable	9	(319)	(471)
Depreciation and charges for impairment of fixed assets		(1,071)	(983)
		<hr/>	<hr/>
Total expenditure in the reporting period		(35,478)	(35,232)
		<hr/>	<hr/>
Net income for the year		2,867	1,319
		<hr/> <hr/>	<hr/> <hr/>

The income for the current year and prior year arises from continuing activities.

A detailed analysis of the subsidiaries' trading results are set out in note 4.

Detailed analysis of the expenditure is provided in the statement of financial activities and note 9.

The summary income and expenditure account excludes endowed funds and unrealised gains/(losses) in accordance with Companies Act 2006. The account is derived from the statement of financial activities on page 24 which together with the notes to the financial statements provides information on the movement during the year of the funds of the group.

The notes on pages 30 to 53 form part of these financial statements.

**Consolidated balance sheet
at 31 August 2024**

	Note	2024	2023
		£000	£000
Fixed assets			
Tangible assets	10	63,693	63,970
Investments	11	5,086	4,795
		<u>68,779</u>	<u>68,765</u>
Current assets			
Stock	12	212	214
Debtors	13	1,131	905
Cash at bank and in hand		8,950	6,950
		<u>10,293</u>	<u>8,069</u>
Liabilities: amounts falling due within one year			
Creditors	14	(6,157)	(5,291)
		<u></u>	<u></u>
Net current assets		<u>4,136</u>	<u>2,778</u>
Total assets less current liabilities		<u>72,915</u>	<u>71,543</u>
Creditors: amounts falling due after more than one year			
	15	(2,280)	(3,354)
Provisions for liabilities			
Provisions	16	(477)	(140)
		<u></u>	<u></u>
Net assets		<u>70,158</u>	<u>68,049</u>
Funds			
Endowed funds	17	46,559	47,476
Restricted income funds	17, 18	7,232	5,542
Unrestricted income funds	18	16,367	15,031
		<u>70,158</u>	<u>68,049</u>
Total funds		<u>70,158</u>	<u>68,049</u>

The financial statements were approved by the board of directors on 8 May 2025 and were signed on its behalf by:



Roger Harrison
Chairman

Company registered number: 4038033

The notes on pages 30 to 53 form part of these financial statements.

Charitable balance sheet
at 31 August 2024

	Note	2024 £000	2023 £000
Fixed assets			
Tangible assets	10	63,691	63,968
Investments	11	5,086	4,795
		<u>68,777</u>	<u>68,763</u>
Current assets			
Stock	12	38	44
Debtors	13	1,492	1,342
Cash at bank and in hand		8,689	6,667
		<u>10,219</u>	<u>8,053</u>
Liabilities: amounts falling due within one year			
Creditors	14	(6,081)	(5,273)
		<u>4,138</u>	<u>2,780</u>
Total assets less current liabilities		<u>72,915</u>	<u>71,543</u>
Creditors: amounts falling due after more than one year	15	(2,280)	(3,354)
Provisions for liabilities			
Provisions	16	(477)	(140)
		<u>70,158</u>	<u>68,049</u>
Funds			
Endowed funds	17	46,559	47,476
Restricted income funds	17, 18	7,232	5,542
Unrestricted income funds	18	16,367	15,031
Total funds		<u>70,158</u>	<u>68,049</u>

The financial statements were approved by the board of directors on 8 May 2025 and were signed on its behalf by:



Roger Harrison
Chairman

Company registered number: 4038033

The notes on pages 30 to 53 form part of these financial statements.

Consolidated statement of cash flows

for the year ended 31 August 2024

	<i>Note</i>	2024 £000	2023 £000
Net cash flow from operating activities			
Net cash flow (used)/provided by operating activities	20	5,087	1,746
Cash flows from investing activities			
Purchase of property, plant and equipment	<i>10</i>	(1,907)	(1,078)
Purchase of investments	<i>11</i>	(96)	(1,207)
Proceeds from sale of investments	<i>11</i>	123	1,104
Dividends, interest and rents received from investments	<i>5</i>	560	442
Net cash used in investing activities		3,767	1,007
Cash flows from financing activities			
Repayment of finance leases		-	-
Repayment of Loan and Mortgage		(1,767)	(1,028)
New loan		-	-
Net cash generated in financing activities		(1,767)	(1,028)
Change in cash and cash equivalents in the reporting period		2,000	(21)
Cash and cash equivalents at the beginning of the reporting year		6,950	6,971
Cash and cash equivalents at the end of the reporting year		8,950	6,950

The notes on pages 30 to 53 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting Policies

Loughborough Schools Foundation is a company limited by guarantee and is incorporated and domiciled in the United Kingdom. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operation and principal activities is to provide a day or boarding school for boys and girls of all ages.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £'000.

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

Basis of consolidation

The group financial statements are the result of the consolidation of the financial statements of the company and its subsidiaries LSF Shop Limited and Thomas Burton Developments Limited. The financial statements of all companies are made up to 31 August 2024.

No separate SOFA has been presented for the charity alone following exemptions afforded by the Companies Act 2006 and the SORP (FRS 102).

Fund accounting

Funds held by the charitable company are either:

- **Unrestricted general funds** – these are funds, which can be used in accordance with the charitable objects at the discretion of the directors.
- **Restricted funds** – these are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the Memorandum and Articles of Association, or the donor, or when funds are raised for particular restricted purposes.
- **Permanent endowed funds** – these are the land and buildings of the schools and investments, which are not free for disposal without replacement.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Fees receivable

Fees receivable are accounted for in the period to which they relate. The fees receivable are stated after deducting scholarships and other remissions granted by the charitable company; however, the stated fees include the contributions received from restricted funds for bursaries and other grants.

Notes (continued)

Investment income

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Donations and legacies

Donations and legacies received for the general purposes of the schools are credited to unrestricted funds. Donations and legacies subject to specific wishes of the donors are carried to the relevant restricted fund or to the endowed fund.

Trading income

Trading income, including income from LSF Shop Limited and Thomas Burton Developments, is included when receivable.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on raising funds
- Expenditure on charitable activities

Other expenditure represents those items not falling into the categories above.

Charitable expenditure comprises those costs incurred by the charitable group in the delivery of activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of Loughborough Schools Foundation and its subsidiaries, this includes audit fees.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity comprise both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Redundancy / termination payments

All redundancy and termination payments are recognised within the year.

Notes (continued)

Tangible fixed assets

The freehold land and buildings were re-valued as at 31 August 2014 and on adoption of FRS 102 SORP this was taken as "deemed cost".

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

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

Freehold land and listed buildings	-	No depreciation charge
Other freehold buildings	-	5 – 50 years
Furniture and fittings	-	10 years
Equipment	-	4 – 10 years

Items costing less than £500 are written off as an expense when acquired.

Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in '(loss)/gains' on revaluation of investments' in the SoFA. No depreciation is charged on investment properties in accordance with the Charities SORP.

Fixed asset investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'gains/(losses) on revaluation of investments' in the SoFA. Realised gains and losses are calculated as the difference between sale proceeds and original cost.

Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Operating Leases

Operating lease rentals are charged to the statement of financial activities on a straight-line basis over the period of the lease.

Deferred income

Prepaid fees are held as creditors until the start of the term to which they relate. They are then transferred to the statement of financial activities and recognised as income.

Taxation

Loughborough Schools Foundation is exempt from income tax and capital gains tax under Section 505 ICTA1988.

Pension schemes

Teachers' Pension Scheme

The Foundation withdrew from the TPS on 31 August 2021, and on 1 September 2022 the Foundation re-joined the TPS. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective unit credit method. As stated in Note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

Notes (continued)

Defined Contribution Scheme

The School pays contributions on behalf of its support and teaching staff, into two defined contribution pension schemes, which are managed independently of the finances of the School. The schemes are operated on a defined contribution basis, and therefore no surpluses or deficits will arise. Contributions are charged against expenditure in the year in which they fall due.

Going concern

The Trustees remain confident that the Foundation is able to meet its financial obligations as they fall due, as well as continuing to invest in the fabric of the buildings and the facilities and equipment required to provide an excellent education at the Foundation's schools. The Trust holds significant cash reserves and continues to generate sufficient funding and operating surpluses to meet its financial obligations. The Foundation prepares budgets and long-term forecasts to understand its financial position, model risks and scenarios, and continually takes action to ensure that it can remain in a financially sustainable position and deliver its charitable objectives. The longer-term forecasting undertaken during the year and since the year end included assessing the financial viability of all the Foundation's schools and, as detailed in the Trustees' report, this highlighted that Loughborough Amherst School was no longer financially viable which led to the very difficult decision to close the Loughborough Amherst School at the end of the 2024/25 academic year. Whilst the closure of Amherst School will have some short-term financial impact on the Foundation, the longer-term forecasting that has been completed, which takes into consideration the effects of the ongoing cost of living crisis, changes to the Foundation's VAT status, expected pupil numbers and changes in these and other market and regulatory changes, shows that the Foundation will continue to generate operating surpluses and maintain sufficient cash funds to continue meet all its financial obligations.

Based on this assessment the Trustees are confident that the Foundation can continue as a going concern for the foreseeable future and the financial statements have therefore been prepared on a going concern basis.

Limited by guarantee

Each member of the charitable company undertakes to contribute to such amount as may be required but not exceeding £10.

Re-statement of prior year figures

Where prior year figures are re-stated, the reason will be stated in the notes section to the financial statements.

2 Judgements and key sources of estimation uncertainty

The group makes estimates and assumptions concerning the future. The Governors are also required to exercise judgement in the process of applying the charitable company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

In preparing these financial statements, the directors have made the following judgements:

Leases

The group determines whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis based on an evaluation of the terms and conditions of the arrangements, and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

Investment properties

Critical estimates, assumptions and judgements relate to the determination of the carrying value of investment properties at fair value. In determining this, the group applies the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstances of the investment drives the valuation methodology.

Notes (continued)

Recoverability of trade debtors

Trade and other receivables are recognised to the extent that they are judged recoverable. Management reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain.

Management makes allowance for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the statement of financial activities.

Depreciation and residual values

Management have reviewed the asset lives and associated residual values of all fixed asset classes, and have concluded that asset lives and residual values are appropriate.

The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

3 Donations and legacies

	Unrestricted £000	Restricted £000	2024 £000
Donations	-	161	161
Legacies	-	1,533	1,533
	<hr/>	<hr/>	<hr/>
	-	1,694	1,694
	<hr/>	<hr/>	<hr/>
	Unrestricted £000	Restricted £000	2023 £000
Donations	-	392	392
Legacies	-	-	-
	<hr/>	<hr/>	<hr/>
	-	392	392
	<hr/>	<hr/>	<hr/>

Notes (continued)

4 Other trading activities before consolidation

The Foundation owns the entire share capital of The LSF Shop Limited and Thomas Burton Development Limited. Both subsidiaries covenant any taxable profits to the Foundation. The trading results for the year ended 31 August 2024 for both entities, as extracted from their audited financial statements, are summarised below and all relate to unrestricted funds.

	The LSF Shop Ltd £000	Thomas Burton Development Ltd £000	Total 2024 £000	Total 2023 £000
Turnover	279	182	461	489
Cost of sales	(180)	(7)	(187)	(205)
Gross profit	99	175	274	284
Administration	(65)	(41)	(106)	(120)
Other operating income	1	-	1	-
Operating profit	35	134	169	164
Interest payable	(1)	-	(1)	(2)
Net profit	34	134	168	162
Retained reserves bought forward	-	-	-	-
Covenant	(34)	(134)	(168)	(162)
Retained reserves carried forward	-	-	-	-

The aggregate amounts of assets, liabilities, share capital and reserves were:

	The LSF Shop Ltd £000	Thomas Burton Development Ltd £000	Total 2024 £000	Total 2023 £000
Non-current assets	1	1	2	2
Current assets	359	177	536	533
Creditors: amounts falling due within one year	(359)	(178)	(537)	(535)
Net current assets / (liabilities)	-	(1)	(1)	(2)
Creditors: due after more than one year	-	-	-	-
Net assets / (liabilities)	1	-	1	-
Share capital and reserves	1	-	1	-

Lease costs of £10,290 per annum are payable by LSF Shop Ltd to the Foundation until expiration of the lease on 1 March 2026.

Notes (continued)

5 Investment income

	Unrestricted £000	Restricted £000	Endowed £000	2024 £000	2023 £000
Bank interest receivable	286	101	-	387	309
Investment income	53	63	4	120	124
Rental income	53	-	-	53	9
	<u>392</u>	<u>164</u>	<u>4</u>	<u>560</u>	<u>442</u>

6 Charitable activities

School income receivable comprised:

	2024 £000	2023 £000
Tuition fees	33,222	31,750
Boarding fees	1,267	1,548
Bursary awards and grants	(1,036)	(939)
Bursary awards and grants paid for by restricted funds	222	932
	<u>33,675</u>	<u>33,291</u>
Catering receipts	1,570	1,309
Other fees & grant	340	386
	<u>35,585</u>	<u>34,986</u>

School income was £35,585,000 (2023: £34,986,000) of which £35,585,000 (2023: £34,054,000) was attributable to unrestricted funds and £nil (2023: £932,000) was attributable to restricted funds.

Tuition fees for the year include £nil (2023: £939,000) transferred to restricted fund bursaries.

Notes (continued)

7 Charitable net income is stated after charging:

	2024	2023
	£000	£000
Auditor's remuneration:		
For audit	39	31
For other services	-	4
Governors' professional liability insurance	9	9
Depreciation of tangible fixed assets	2,184	2,101
	<hr/>	<hr/>
7 (a) Staff costs		
Wages and salaries	20,292	19,411
Social security costs	2,046	1,881
Pension contributions	3,243	3,053
	<hr/>	<hr/>
	25,581	24,345
	<hr/>	<hr/>

The number of employees whose contracts were terminated and who left our employment within the financial year totalled 5, with an associated cost of £133,000 (2023: 7 employees with an associated cost of £200,000).

The average number of employees in the year was 759 (2023: 741) of whom 295 (2023: 290) were teaching staff and 50 were casual staff (2023: 54).

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

	2024	2023
£60,001 - £70,000	9	10
£70,001 - £80,000	5	3
£80,001 - £90,000	1	1
£90,001 - £100,000	-	3
£100,001 - £110,000	2	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	1
£130,001 - £140,000	1	2
£140,001 - £150,000	1	-
	<hr/>	<hr/>
	20	21
	<hr/>	<hr/>

Contributions were made to the Teachers' Pension scheme, which is a defined benefit scheme for 9 higher paid employees (2023: 15). Contributions were paid to a defined contribution pension scheme for 11 employees (2023: 6).

Notes (continued)

8 Governors and key management personnel remuneration and expenses

The Governors consider that they, together with the Heads of the four schools and the COOs, comprise the Key Management Personnel. The Governors give of their time freely and the pay and remuneration of the Heads and the COOs are set by the Remuneration Committee and is kept under annual review. A number of criteria are used in setting pay:

- Nature of the role and responsibilities
- Competitor salaries in the region
- The sector average salary for comparable positions
- Trends in pay

The total amount of employee benefits, including employers National Insurance contributions, employers pension contributions, private medical insurance and accommodation benefits, received by key management personnel is £928,090 (2023: £798,000).

The Trustees neither received nor waived any remuneration during the year (2023: £NIL).

Notes (continued)

9 Analysis of total resources expended

	Staff costs £000 (note 7)	Other £000	Depreciation £000 (note 10)	Total 2024 £000	Total 2023 £000
Cost of generating funds					
Trading	77	204	-	281	327
Financing	-	319	-	319	471
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	77	523	-	600	798
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Charitable expenditure					
Teaching costs	18,977	2,491	-	21,468	20,129
Welfare costs	113	-	-	113	290
School meals and catering	924	1,239	-	2,163	1,931
Premises	1,727	2,229	2,184	6,140	6,332
Support costs	3,368	2,009	-	5,377	5,218
Financial Assistance including Bursaries and Scholarships	-	254	-	254	1,214
Governance costs	395	48	-	443	396
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	25,504	8,271	2,184	35,959	35,510
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure	25,581	8,795	2,184	36,559	36,308
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Governance costs are an apportionment of the relevant peoples' salaries with regard to the long term strategic planning of the charitable company.

Resources expended total £36,559,000 (2023: £36,308,000) of which the split between funds is as follows;

	Staff costs £000	Other £000	Depreciation £000	Total 2024 £000	2023 £000
Unrestricted funds	25,581	8,491	1,071	35,143	34,018
Restricted funds	-	300	37	336	1,214
Endowment funds	-	4	1,076	1,080	1,076
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure	25,581	8,795	2,184	36,559	36,308
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Bursaries and scholarship costs of £222,000 (2023: £932,000) have been charged directly to restricted funds.

Notes (continued)

10 Consolidated tangible fixed assets

	Freehold land and Buildings £000	Furniture and fittings £000	Equipment £000	Asset in the Course of Construction £000	Total £000
Cost or valuation					
Balance at 1 September 2023	74,478	2,635	10,614	-	87,727
Additions at cost	90	462	571	784	1,907
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	74,568	3,097	11,185	784	89,634
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
Balance at 1 September 2023	(12,336)	(2,066)	(9,355)	-	(23,757)
Charge for year	(1,540)	(145)	(499)	-	(2,184)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	(13,876)	(2,211)	(9,854)	-	(25,941)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 August 2024	60,692	886	1,331	784	63,693
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2023	62,142	569	1,259	-	63,970
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The parent charitable company has elected, in accordance with S35 10(d) of FRS 102, to use the carrying value on 1 September 2014, the date of transition to FRS 102, of any of the above freehold land and buildings previously carried at a valuation as their deemed cost.

The value of the playing fields and listed buildings, which are not depreciated, at the end of the year was £1,600,000 (2023: £1,600,000) and £4,260,000 (2023: £4,260,000) respectively.

No value is included for land other than playing fields. The site is an integral part of the scholastic entity comprising mainly educational buildings for which no alternative purchaser is foreseen. As a consequence, any valuation of the site is impracticable at reasonable expense.

All assets are held for use in charitable activities.

There were no assets held under finance leases or hire purchase contracts.

The asset in the course of construction is the major refurbishment of the Grammar School Sixth Form Centre which was opened on 4th September 2025. This was made possible thanks to the generous support from the Shepherd family.

Notes (continued)

Charitable company tangible fixed assets

	Freehold land and buildings £000	Furniture and fittings £000	Equipment £000	Asset in the Course of Construction £000	Total £000
<i>Cost or valuation</i>					
Balance at 1 September 2023	74,478	2,635	10,598	-	87,711
Additions at cost	90	462	570	784	1,906
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	74,568	3,097	11,168	784	89,614
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>					
Balance at 1 September 2023	(12,336)	(2,066)	(9,341)	-	(23,743)
Charge for year	(1,540)	(145)	(498)	-	(2,183)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	(13,876)	(2,211)	(9,839)	-	(25,926)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 31 August 2024	60,692	886	1,329	784	63,691
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2023	62,142	569	1,257	-	63,968
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

There were no assets held under finance leases or hire purchase contracts.

Notes (continued)

11 Investments

Consolidated and charitable company	Freehold property £000	Listed and managed investments £000	Total £000
Balance at 1 September 2023	1,210	3,585	4,795
Disposal of property	-	-	-
Additions at cost	-	95	95
Disposals	-	(123)	(123)
Change in market value of investments	-	319	319
	<hr/>	<hr/>	<hr/>
Balance at 31 August 2024	1,210	3,876	5,086
	<hr/>	<hr/>	<hr/>

The listed and managed investments of £3,876,000 (2023: £3,585,000) comprise £2,201,000 (2023: £2,038,000) charity investments and £1,675,000 (2023: £1,547,000) investments directly listed in the United Kingdom.

There were no investments that constituted over 5% of the market value of the listed investment portfolio.

The freehold property has been revalued based on the independent valuations by qualified chartered surveyors, which were completed in March 2021 for buildings and August 2022 for land.

12 Stocks

	2024		2023	
	Consolidated £000	Charitable company £000	Consolidated £000	Charitable Company £000
Stocks	37	38	44	44
Subsidiaries' stocks	175	-	170	-
	<hr/>	<hr/>	<hr/>	<hr/>
	212	38	214	44
	<hr/>	<hr/>	<hr/>	<hr/>

Notes (continued)

13 Debtors

	2024		2023	
	Consolidated	Charitable Company	Consolidated	Charitable company
	£000	£000	£000	£000
Fees receivable	3	3	403	403
Other debtors, prepayments and accrued income	1,101	1,028	446	422
Trade debtors	27	-	56	-
Due from group undertakings	-	461	-	517
	<u>1,131</u>	<u>1,492</u>	<u>905</u>	<u>1,342</u>

14 Creditors: amounts falling due within one year

	2024		2023	
	Consolidated	Charitable company	Consolidated	Charitable Company
	£000	£000	£000	£000
Prepaid fees	2,522	2,522	1,715	1,715
Fee guarantees	104	104	74	74
Taxation and social security	563	552	509	502
Trade Creditors	1,165	1,122	779	768
Mortgage obligation	28	28	28	28
CBILs loan	613	613	1,000	1,000
Other creditors	685	663	571	571
Accruals	477	477	615	615
	<u>6,157</u>	<u>6,081</u>	<u>5,291</u>	<u>5,273</u>

Fee guarantees are repayable when pupils leave. Other creditors include £439,000 (2023: £137,000) of outstanding pension contributions.

Notes (continued)

15 Creditors: amounts falling due after one year

	2024		2023	
	Consolidated	Charitable Company	Consolidated	Charitable Company
	£000	£000	£000	£000
Fee guarantees	675	675	879	805
Prepaid Fees	509	509	-	-
Mortgage obligation	534	534	558	558
CIBLs loan	562	562	1,917	1,917
	<hr/>	<hr/>	<hr/>	<hr/>
	2,280	2,280	3,354	3,354
	<hr/>	<hr/>	<hr/>	<hr/>

Analysis of Mortgage Loan

Repayments are due as follows:

	2024	2023
	£000	£000
Amounts falling due:		
• Within one year	28	28
• Between one and two years	534	28
• Between two and five years	-	530
• After five years	-	-
	<hr/>	<hr/>
	562	586
	<hr/>	<hr/>

Lender	Term	Security	Interest Rate
HSBC Bank plc	7 years	85 Castledine Street	Variable, charged at 1.55% over base rate

The terms of the mortgage allow repayment without incurring any penalty.

Analysis of CBILS Loan

Repayments are due as follows:

	2024	2023
	£000	£000
Amounts falling due:		
• Within one year	613	1,000
• Between one and two years	562	1,000
• Between two and five years	-	917
• After five years	-	-
	<hr/>	<hr/>
	1,175	2,917
	<hr/>	<hr/>

Lender	Term	Security	Interest Rate
Natwest Bank PLC	6 years	Six residential properties owned by the Foundation, along with the Parkin Sports Hall.	1 year interest free, interest rate after 1 year 2.37% over base rate

Notes (continued)

16 Provisions

	Legal Costs	Compliance	Total
	£000	£000	£000
Balance at 1 September 2023	30	110	140
Charged in year	337	-	337
Utilised/released in year	<u>-</u>	<u>-</u>	<u>-</u>
	367	110	477
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

Legal costs relate to provisions to defend both known claims and potential litigation regarding employment related matters.

Compliance provisions relate to potential risks that have been identified but were not fully resolved by the year end.

Notes (continued)

17. Analysis of net assets between funds 2024

	Tangible Fixed assets	Investments	Net current assets/ (liabilities)	Non-current (liabilities) and provisions	Total
	£000	£000	£000	£000	£000
Restricted income funds					
Bursary fund	-	-	603	-	603
Burton bursaries 2	-	-	230	-	230
A & PM Shepherd bequest	532	543	798	-	1,873
HS Gym Equipment	101	-	-	-	101
BF Dyson bequest	-	163	168	-	331
Parkin bequest	371	-	-	-	371
Coltman bequest	-	8	181	-	189
Wolfson bequest	-	124	52	-	176
GN Harvey fund	9	-	-	-	9
Bancroft bequest	-	-	72	-	72
Steinway Appeal	52	-	-	-	52
Prize funds	-	8	29	-	37
Scholarships	-	146	243	-	389
New Grammar School CCF Building	95	-	-	-	95
The Old Loughburian Benevolent fund	-	146	(13)	-	133
OLAFOC fund	-	-	71	-	71
Donations restricted fund	-	-	195	-	195
Cockrell bequest	-	138	(1)	-	137
Lorraine Simmons Scholarship	-	561	31	-	592
Huston Bequest	19	-	10	-	29
Greasley Bursary Fund	-	-	1,533	-	1,533
Beryl Stringfellow	-	-	7	-	7
Sir Thomas White Charity	-	-	8	-	8
Total restricted income funds	1,179	1,836	4,217	-	7,232
Unrestricted income funds	19,211	-	(87)	(2,757)	16,367
Endowed funds	43,303	3,250	6	-	46,559
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	63,693	5,086	4,136	(2,757)	70,158
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Notes (continued)

Analysis of net assets between funds 2023

	Tangible Fixed assets	Investments	Net current assets/ (liabilities) (restated)	Non current (liabilities) (restated)	Total
	£000	£000	£000	£000	£000
Restricted income funds					
Bursary fund	-	-	600	-	600
Burton bursaries 2	-	-	246	-	246
A & PM Shepherd bequest	-	502	1,282	-	1,784
HS Gym Equipment	119	-	-	-	119
BF Dyson bequest	-	151	167	-	318
Parkin bequest	379	-	-	-	379
Coltman bequest	-	7	187	-	194
Wolfson bequest	-	115	51	-	166
GN Harvey fund	11	-	-	-	11
Bancroft bequest	-	-	69	-	69
Steinway Appeal	57	-	-	-	57
Prize funds	-	7	30	-	37
Scholarships	-	135	260	-	395
New Grammar School CCF Building	97	-	-	-	97
The Old Loughburian Benevolent fund	-	135	(12)	-	123
OLAFOC fund	-	-	69	-	69
Donations restricted fund	-	-	164	-	164
Cockrell bequest	-	127	9	-	136
Lorraine Simmons Scholarship	-	520	28	-	548
Huston Bequest	21	-	9	-	30
Total restricted income funds	684	1,699	3,159	-	5,542
Unrestricted income funds	18,907	-	(382)	(3,494)	15,031
Endowed funds	44,379	3,096	1	-	47,476
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	63,970	4,795	2,778	(3,494)	68,049
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Notes (continued)

18 Movement on restricted funds 2024

	Balance at 1 September 2023 £000	Incoming £000	Outgoing £000	Transfer and adjustment £000	Movements in investments £000	Balance at 31 August 2024 £000
Bursary fund	600	13	(9)	-	-	603
Burton bursaries	246	8	(24)	-	-	230
A & PM Shepherd bequest	1,784	78	(30)	-	42	1,874
HS Gym Equipment	119	-	(18)	-	-	101
BF Dyson bequest	318	12	(12)	-	13	331
Parkin bequest	379	-	(8)	-	-	371
Coltman bequest	194	9	(15)	-	1	189
Wolfson bequest	166	7	(8)	-	11	176
GN Harvey fund	11	-	(2)	-	-	9
Bancroft bequest	69	3	-	-	-	72
Steinway Appeal	57	-	(5)	-	-	52
Prize funds	37	-	-	-	-	37
Scholarships	395	78	(95)	-	10	389
New Grammar School CCF Building	97	-	(2)	-	-	95
The Old Loughburian Benevolent fund	123	4	(4)	-	10	133
OLAFOC	69	3	(1)	-	-	71
Donations restricted fund	164	34	(1)	-	-	195
Cockrell bequest	136	5	(16)	-	12	137
Lorraine Simmons Scholarship	548	18	(35)	-	61	592
Huston Bequest	30	0	(3)	-	-	27
Greasley Bursary Fund	-	1,533	-	-	-	1,533
Domitree Trust	-	32	(32)	-	-	-
Maud Elkington	-	16	(16)	-	-	-
Beryl Stringfellow	-	5	-	-	-	5
Sir Thomas White Charity	-	8	-	-	-	8
Total	5,542	1,866	(336)	-	160	7,232

The Foundation's restricted funds are made up of donations and bequests from individuals and organisations that come with conditions on how they are used. These conditions can typically be summarised as:

- Bursaries, which provide financial assistance with fees to pupils in need;
- Scholarships, which fund and part fund the tuition fees for particularly gifted pupils;
- Funding new facilities and equipment for the school, such as the Parkin Sports Centre, which was part funded from the Parkin bequest, and the Steinway pianos, which were part funded by an appeal to current parents and alumni. These assets remain restricted once purchased, with the restricted fund reduced each year in line with the depreciation of the asset; and
- Prize funds to celebrate the success of our pupils.

Notes (continued)

Movement on restricted funds 2023

	Balance at 1 September 2022 £000	Incoming £000	Outgoing £000	Transfer and adjustment £000	Movements in investments £000	Balance at 31 August 2023 £000
Bursary fund	600	932	(932)	-	-	600
Burton bursaries	226	40	(20)	-	-	246
A & PM Shepherd bequest	2,067	81	(50)	(300)	(14)	1,784
HS Gym Equipment	136	-	(17)	-	-	119
BF Dyson bequest	324	12	(12)	-	(6)	318
Parkin bequest	387	-	(8)	-	-	379
Coltman bequest	186	9	-	-	(1)	194
Wolfson bequest	179	7	(7)	-	(13)	166
GN Harvey fund	12	-	(1)	-	-	11
Bancroft bequest	66	3	-	-	-	69
Steinway Appeal	62	-	(5)	-	-	57
18) Prize funds	31	7	-	-	(1)	37
Scholarships	276	170	(48)	-	(3)	395
New Grammar School CCF Building	100	-	(3)	-	-	97
The Old Loughburian Benevolent fund	130	3	(6)	-	(4)	123
OLAFOC	70	3	(4)	-	-	69
Donations restricted fund	88	144	(68)	-	-	164
Cockrell bequest	154	6	(14)	-	(10)	136
Lorraine Simmons Scholarship	253	56	(16)	300	(45)	548
Huston Bequest	32	1	(3)	-	-	30
Total	5,379	1,474	(1,214)	-	(97)	5,542

Notes (continued)

19 Reconciliation of net income to net cash flow from operating activities

	2024	2023
	£000	£000
Cash flows from operating activities		
Net Income/(expenditure) for the reporting period (as per the statement of financial activities)	2,109	79
Adjustment for:		
Depreciation charge	2,184	2,101
Dividends, interest and rents received from investments	(560)	(442)
Decrease/(increase) in stock	2	40
Decrease/(increase) in debtors	(225)	(190)
Increase/(decrease) in creditors	1,559	79
Increase/(decrease) in provisions	337	(75)
Gain/(loss) on revaluation of investments	(319)	154
Net cash (used)/provided by operating activities	5,087	1,746

20 Analysis of changes in net debt

	Balance at 31 August 2023	Cash Flows	Non Cash Flows	Balance as at 31 August 2024
	£000	£000	£000	£000
Cash	6,950	2,000	-	8,950
Loans falling due within one year	(1,028)	1,767	(1,380)	(641)
Loans falling due after more than one year	(2,476)	-	1,380	(1,096)
Totals	3,446	3,767	-	7,213

Notes (continued)

21 Pensions

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 as published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Government Actuary's Department on 27 October 2023 and by the Department for Education on 30 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy) from 1 April 2024 (the contribution rate to 31 March 2024 is 23.68% as set by the 31 March 2019 valuation);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million;
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of the Consumer Price Index.

The employer's pension costs paid to TPS in the period amounted to £2,464,000 (2023: £2,056,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Defined Contribution Schemes

The Foundation pays contributions on behalf of its support and certain teaching staff, into two defined contribution pension schemes, the Royal London Pension Scheme and the Aviva Pension Trust for Independent Schools scheme (APTIS). The assets of these schemes are held separately from those of the Foundation in independently administered funds.

The pension charge for the year in relation to these schemes represents the contributions payable by the Foundation to the schemes and amounted to £779,000 (2023: £997,000).

22 Governor's expenses

In connection with their role as governors of the charitable company, three governors received reimbursement amounting to £940 (2023: £450) for expenses incurred.

Notes (continued)

23 Operating Leases

As at 31 August 2024 the charitable company had future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£000	£000
Expiry date:		
Within 1 year	349	270
Between 2 and 5 years	631	390
Greater than 5 year	-	-
Total	980	660

24 Related Party Transactions

During the year recharges of £71,000 (2023: £42,000) were charged to subsidiary undertakings.

Profits of £168,000 (2023: £162,000) were gift aided to the school in line with covenants.

Included within debtors on the charitable balance sheet are amounts owed from group undertakings of £461,000 (2023: £517,000) of which £229,000 (2023: £279,000) relates to a loan which is repayable within one year and is subject to interest at 0.5% per annum. During the year interest of £2,000 (2023: £2,000) was charged on loan accounts with group undertakings.

These transactions were made in the normal course of business.

25 Capital Commitments

There were no significant capital commitments at the end of the financial year.

26 Post Balance Sheet Events

On 14th March 2025 the Foundation announced that it would be closing the Loughborough Amherst School at the end of the 2024/25 academic year. Governors do not believe this to have a material impact on these financial statements.

Whilst the closure of Amherst School will have some short-term financial impact on the Foundation in terms of pupil numbers and staff restructuring, the full financial impact of the decision cannot be quantified at this stage. The Foundation's Leadership Team and Trustees have undertaken various longer-term financial forecasting, which takes into account the closure as well as considerations around the effects of the ongoing cost of living crisis, changes to the Foundation's VAT status, expected pupil numbers and changes in these and other market and regulatory changes, and these forecasts show that the Foundation will continue to generate operating surpluses and maintain sufficient cash funds to continue meet all its financial obligations.

27 Controlling party

The Governors consider that the company has no controlling party.

Notes (*continued*)

28 Company

Loughborough Schools Foundations has two wholly owned subsidiary undertakings which have been included in the consolidated financial statements.

Thomas Burton Developments Ltd (company number 02750735) was incorporated on 25 September 1992 and has called up share capital of £2. LSF Shop Ltd (company number 02100016) was incorporated on 16 February 1987 and has called up share capital of £2.

The subsidiary registered offices are the same as for Loughborough Schools Foundation which can be found on page 2 of the Governors' report.