

**THE ARNOLD FOUNDATION FOR RUGBY SCHOOL**

**REPORT OF THE TRUSTEES**

**&**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2024**

**Company Number: 04516482**

**Registered Charity Number: 1095856**

**Website: <https://rugbeiancommunity.com/pages/the-arnold-foundation>**

## CONTENTS

	<b>Pages</b>
Trustees, members and advisors	3
Trustees' Report and Statement of Trustees' Responsibilities	4-10
Independent Auditor's Report	11-13
Statement of Financial Activities	14
Balance Sheet	15
Cash Flow Statement	16
Notes to the Financial Statements	17 - 24

## TRUSTEES, MEMBERS AND ADVISORS

### Trustees

B J O'Brien (resigned 6 March 2024)  
N Bacon (appointed 7 March 2024)  
C Wills (Chair) (resigned 1 May 2024)  
H Strain (Co-Chair) (appointed 20 Nov 2024)  
T Strain (Co-Chair) (appointed 20 Nov 2024)  
D Ejim-McCubbin (appointed 20 Nov 2024)  
A Habib (resigned 20 November 2024)  
J Maddocks (appointed 20 November 2024)  
P R A Green (resigned December 2023)  
G Parker-Jones (appointed December 2023)

### Ex Officio Appointments:

As Chairman of the RS Governing Body  
As Chairman of the RS Governing Body  
As Chair of the Foundation Board  
  
As Co-Chairs of RS Fundraising Committee  
  
By RS Governing Body  
As President of Rugbeian Society  
As President of Rugbeian Society  
As Executive Head Master of RS  
As Head Master of Rugby School

### Members of the Rugby School Fundraising Committee from October 2024

H Strain (Co-Chair)	T Strain (Co-Chair)	N Bacon
D Ejim-McCubbin	A Habib (to 20 Nov 2024)	G Jones
C Lam	J Maddocks (from 20 Nov 2024)	D McNeill
G Parker-Jones		

### Other Members of the Foundation Board until June 2024

Dr C H Barnes	C T Lindsay
J C Barwell	M D L Ponsonby
D Batstone	M R Turner
A Fox	

### Company Secretary

P A Nicholls (resigned 31 August 2024)  
D J White (appointed 20 November 2024)

### Director of Development

L Fairbanks

### Advisors:

#### Investment Managers

Quilter Cheviot Investment Management  
Partners Capital

#### Bankers

Natwest Bank, Rugby

#### Solicitors

Veale Wasbrough Vizard, Bristol

#### Auditor

Crowe U.K. LLP, Cheltenham

#### Registered and Principal Office

The Bursary, 10, Little Church Street, Rugby,  
Warwickshire, CV21 3AW

#### Company Number

04516482

#### Charity Number

1095856

## Report of the Trustees for the year ended 30 June 2024

The Trustees of the Arnold Foundation for Rugby School (the 'Foundation' or the 'Arnold Foundation') present their annual report and the audited financial statements for the year ended 30 June 2024.

The information with respect to Trustees, officers and advisors, as shown on page 3, forms part of the Annual Report and is current at the date of this report. The financial statements comply with the charity's trust deed, with current statutory requirements, applicable Accounting Standards in the United Kingdom, and the Charities Statement of Recommended Practice (the Charities SORP (FRS 102)).

### Objectives and Activities

#### *Charitable Objectives*

The principal aim of the Foundation is to raise funds for Rugby School:

- to provide more bursary awards for boarding places, subject to parental means testing, thereby widening access to the School, so that more talented students may benefit from an education at Rugby School, irrespective of their families' ability to pay the fees; and
- to improve the infrastructure of the School.

The Trustees' principal objective for the year is to continue to prioritise recruiting the right candidates and engaging the next generation of advocates and donors.

In addition, the Trustees had set the following objectives for 2023/24:

- Support progress towards income targets and strategies to secure funding for 40 Arnold Foundation students each year across Rugby School and Bilton Grange;
- Secure a new group of advocates and donors to re-ignite fundraising for the Arnold Foundation.

#### *Public Benefit Objectives*

In setting the Foundation's objectives, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

#### *Strategies for achieving the Objectives*

The Trustees' strategy for achieving these objectives is to increase awareness of the Arnold Foundation for Rugby School, particularly to Rugbeians and Biltonians, and to encourage donations to create funds which may be used to provide the finances to support both current and future students through Rugby School and Bilton Grange.



## **Report of the Trustees for the year ended 30 June 2024** *(continued)*

### *Staff and Supporters*

The Trustees greatly appreciate the important and valuable support and hard work given by the entire School staff but above all the Trustees are deeply grateful to Rugbeians, Biltonians, parents and many other friends of the School, whose generosity has enabled the Trustees to achieve their objectives in the current year.

### *Fundraising*

Members of Rugby School's Development Office organise fundraising activities and events and co-ordinate philanthropic support and involvement both for the Arnold Foundation and Rugby School. Neither Rugby School nor the Arnold Foundation use fundraising consultants or involve commercial participators.

Rugby School and the Arnold Foundation are members of the Fundraising Regulator and are committed to the Code of Fundraising Practice for fundraising and the marketing of both charities.

All direct fundraising marketing is undertaken by the Development Office to ensure that it is not unreasonably intrusive or persistent. All promotional material contains clear instructions on how an individual can change their preferences for communication or be removed from mailing lists. There have been no complaints about fundraising activities during the year.

### **Review of Achievements and Performance**

There were 28 Arnold Foundation and 3 Earle Fund students in the two schools throughout the year 2023/24 (2022/23: 26 & 3). Financial fee support for all of these students was provided from funds raised by the Foundation which were donated to Rugby School by way of a grant.

In September 2024 the number of students with fees funded by the Foundation in the schools stands at 27 at Rugby School and 4 at Bilton Grange.

As of September 2024, a total of 185 students and former students are benefitting or have benefitted from support provided by the Foundation since 2004.

The Arnold Foundation is focussed on building a strong programme of support for funded bursaries at Rugby School and Bilton Grange.

Laura Fairbanks was appointed in June 2023 as the Director of Development, running the fundraising activities on behalf of the Arnold Foundation and encouraging the raising of new supporters. Fundraising activities across 2023/24 included:

- A continuation of a legacy fundraising programme, which resulted in an increased number of legacy pledges.
- A virtual fundraising event to our supporters in the USA during the Thanksgiving celebrations.

## **Report of the Trustees for the year ended 30 June 2024** *(continued)*

- The annual appeal for parents of leavers to leave their deposits with the Arnold Foundation for Rugby School, this was expanded to include Bilton Grange leavers focussing on the Earle Fund.
- Utilised Bilton Grange's 150<sup>th</sup> anniversary year to raise funds for the Earle Fund for boarding bursaries at Bilton Grange.
- Completed our annual mailing (physical and digital) of the Arnold Foundation Review to over 14,000 supporters.
- Installation on the Close of a monument to recognise all past and future legacy supporters and those who make pledges.

### **Plans for the Future**

The School remains responsible for recruiting the right students as Arnold Foundationers. The School also is responsible for engaging the next generation of advocates and donors. The Arnold Foundation grants donations to the School in order to assist with the provision of Arnold Foundation and Earle Fund awards.

In addition, the Trustees have set the following objectives for the coming year:

- Re-ignite how advocates are used to support the fundraising objectives of the Foundation. Further develop and implement major gift strategies to secure funding for 40 students each year. Organise and deliver a successful Giving Day to engage new donors and promote the Foundation across Rugby School and Bilton Grange.
- Maximise the opportunity of the growing Rugby School Group by raising support for the Foundation's work from the new Rugby Schools in Japan and Thailand, seeking to secure further donors from across the world.
- Continue to promote the 'If you can, they will' legacy campaign.

### **Financial Review**

The Statement of Financial Activities for the year is set out on page 14 of the financial statements.

Donations and gifts continue to be the Foundation's main source of income with a total of £836,783 (2022-23: £735,991) received during the year. Investment income of £229,817 (2022-23: £293,029), legacies of £nil (2022-23: £221,513) and a gift in kind of £441,000 (2022-23: £439,995), brought the total income to £1,507,600 (2022-23: £1,692,460).

## **Report of the Trustees for the year ended 30 June 2024** *(continued)*

The Trustees, the Development Board and the Governing Body of Rugby School wish to record their thanks to all of the donors who have contributed to the Foundation.

During the year £1,462,505 was used to provide financial assistance for school fees and necessary extras including uniform, laptop, books and trips for Arnold Foundation students at Rugby School and Earle Fund students at Bilton Grange.

### *Fundraising Costs*

The Trustees and the Governing Body of Rugby School have jointly agreed that all fundraising costs for 2023/24 shall be borne by the School. In order that both the benefits and the costs of fundraising may be transparent, such costs are, for the time being, charged to the Foundation but then covered by a gift in kind transfer from Rugby School, as shown on the Statement of Financial Activities.

This generated net expenditure for the year, before the revaluation of investments, of £443,235 (2023: net income of £9,233). Following the revaluation of investments at the year-end the Foundation has total funds of £23.4 million.

The underlying assets and liabilities are set out in the Balance Sheet on page 14 and further analysed in the notes accompanying the financial statements.

### **Reserves Policy**

The Foundation aims to secure sufficient restricted and endowed fund investments to generate the required investment income to support 40 Arnold Foundation students in Rugby School on a continuing annual basis.

Whilst these funds are being established, the policy is to hold such restricted and unrestricted funds as to be able to provide two years of financial assistance for both the current Arnold Foundation students and those to be recruited within the next year.

### **Investment Policy, Objectives and Performance**

It is the policy of the Trustees that any shares or other securities that are gifted to the Foundation be realised for cash as soon as possible. The proceeds, together with all cash donations to the Foundation, are placed with the Investment Manager for deposit.

The investment performance is monitored regularly against objectives set by the School's Investment Committee. In the year ended 30 June 2024 the performance matched the benchmark indices although the year's returns were clearly negative.

The Trustees anticipate that funds required by the Foundation to be expended within the short term (e.g. on bursary awards for students at Rugby School), should be placed on bank deposit.



## Report of the Trustees for the year ended 30 June 2024 *(continued)*

### Structure, Governance and Management

The Arnold Foundation for Rugby School (the “Foundation”) is a company limited by guarantee and does not have a share capital. The sole member of the company is Rugby School, registered charity number 528752 (the “Member”). The Governing Body of Rugby School, a statutory corporation created under the Public Schools Act 1868 and the Rugby School Act 1922, is the trustee of Rugby School.

The Foundation is also registered with the Charity Commission under charity number 1095856.

The Trustees are appointed to have the general control and management of the company and are its Companies Acts directors. The ex-officio Trustees are the Chairman of the Governing Body of Rugby School, the Chair of the Fundraising Committee, the Head Master of Rugby School, the President of the Rugbeian Society, all for the time being and by virtue of their respective offices. From November 2023, the former Executive Head Master of Rugby School, Peter Green, was replaced by the Head Master of Rugby School, Gareth Parker-Jones as an ex-officio Trustee. Claire Wills was a Trustee and the Chair of the company until her resignation on 31 May 2024. Her replacement, Trevor Strain, was elected at the meeting on 20 November 2024. Adam Habib, the former President of the Rugbeian Society, was replaced by Jeremy Maddocks, the new President of the Rugbeian Society, at the meeting on 20 November 2024. David Ejim-McCubbin was also elected as a Trustee on 20 November 2024. Non-ex-officio Trustees may be elected by the Member from time to time. The Trustees would like to thank Claire and Peter for their faithful service and support.

Trustees are selected for their skills and experience across an appropriate spectrum. New Trustees visit the school for the purpose of induction, receive key information relating to the charity and sign an appointment letter. All Trustees are encouraged to attend the termly Trustees’ meetings which incorporate trustee-training issues.

The Trustees were, until the end of June 2024, supported by the Foundation Board in their endeavours to promote the Arnold Foundation and raise donations in support of its objectives. The role of the Foundation Board is being replaced by the Rugby School Fundraising Committee from Autumn 2024.

#### *Key Management Personnel*

The Foundation delegates the daily management to the Head Master of Rugby School. They are aided by other Key Management Personnel of the School including the Chief Operating Officer and the Director of Fundraising.

The Foundation’s Key Management Personnel do not receive any remuneration from the Foundation. Remuneration of the School’s Key Management Personnel is set by the School’s Nomination Committee with the policy objective of providing appropriate incentives to encourage performance and of rewarding fairly any individual contribution to the School’s success.

## **Report of the Trustees for the year ended 30 June 2024** *(continued)*

### **Principal Risks and Uncertainties**

The Trustees undertake an annual review of the major risks of the Foundation and the system for their mitigation. The Trustees consider that the main risk is the inability to raise sufficient funds to support future Arnold Foundation students through their education at Rugby School, however effective financial forecasts and realistic planning ensures that student recruitment does not exceed the planned expenditure.

In addition, the Governing Body of Rugby School, by way of the Fundraising Committee, conducts annually a review of risks to identify the major risks to which the School and its associated companies are exposed, and the system for their mitigation. In the opinion of the Governing Body, the School and its associated companies have established resources and review systems, which, under normal conditions, should allow those risks to be mitigated to an acceptable level in its day-to-day operations.

### **Statement of Trustees' responsibilities**

The Trustees (who are also directors of The Arnold Foundation for Rugby School for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of 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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Report of the Trustees for the year ended 30 June 2024 *(continued)*

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

### Disclosure of information to the auditors

The Trustees confirm that at the time when this report was approved, the following applies:

- so far as each Trustee is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- the Trustees have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of the information.

Crowe U.K LLP has indicated its willingness to be reappointed as statutory auditors.

This report has been prepared taking advantage of the exemptions available to small companies under the Companies Act 2006.

Approved by the Trustees at their meeting on 25 February 2025 and signed by order of the Trustees:



Nick Bacon  
Trustee of the Arnold Foundation for Rugby School



## **Independent Auditor's Report to the Trustees of The Arnold Foundation for Rugby School**

### **Opinion**

We have audited the financial statements of The Arnold Foundation for Rugby School for the year ended 30 June 2024 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2024 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.



## THE ARNOLD FOUNDATION FOR RUGBY SCHOOL

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General data Protection Regulation (GDPR), Health and Safety Legislation, Employment Law, and Anti-Fraud, Bribery and Corruption Legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Guy Biggin (Senior Statutory Auditor)

for and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

4th Floor,  
St James' House  
St James' Square  
Cheltenham  
Gloucestershire  
GL50 3PR

Date: 11 March 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

## Statement of Financial Activities for the year ended 30 June 2024 (including the Income & Expenditure Account) for the Arnold Foundation

	Notes	Unrestricted Funds £	Endowed Funds £	Restricted Funds £	Year 2024 £	Unrestricted Funds £	Endowed Funds £	Restricted Funds £	Year 2023 £
<b>INCOME AND ENDOWMENTS FROM:</b>									
Income from Generated Funds									
Donations and gifts		-	82,583	754,200	836,783	1,000	200,209	534,782	735,991
Legacies		-	-	-	-	-	221,513	-	221,513
Gift in kind	5	441,000	-	-	441,000	441,927	-	-	441,927
Investment income	2	-	-	229,817	229,817	-	-	293,029	293,029
<b>Total Income</b>		<b>441,000</b>	<b>82,583</b>	<b>984,017</b>	<b>1,507,600</b>	<b>442,927</b>	<b>421,722</b>	<b>827,811</b>	<b>1,692,460</b>
<b>EXPENDITURE</b>									
Costs of Raising Funds									
Fund-raising costs for donations and legacies	3	(441,000)	-	(47,330)	(488,330)	(441,927)	-	(60,831)	(502,758)
<b>Costs of Raising Funds</b>		<b>(441,000)</b>	<b>-</b>	<b>(47,330)</b>	<b>(488,330)</b>	<b>(441,927)</b>	<b>-</b>	<b>(60,831)</b>	<b>(502,758)</b>
Expenditure on charitable activities									
Bursaries		-	-	(1,462,505)	(1,462,505)	-	-	(1,180,469)	(1,180,469)
<b>Total Expenditure</b>	4	<b>(441,000)</b>	<b>-</b>	<b>(1,509,835)</b>	<b>(1,950,835)</b>	<b>(441,927)</b>	<b>-</b>	<b>(1,241,300)</b>	<b>(1,683,227)</b>
<b>Net income / (expenditure)</b>		<b>-</b>	<b>82,583</b>	<b>(525,818)</b>	<b>(443,235)</b>	<b>1,000</b>	<b>421,722</b>	<b>(413,489)</b>	<b>9,233</b>
Net (losses) / gains investments	7	-	2,399,751	1,259,283	3,659,034	-	1,405,471	807,192	2,212,663
<b>NET MOVEMENT IN FUNDS</b>		<b>-</b>	<b>2,482,334</b>	<b>733,465</b>	<b>3,215,799</b>	<b>1,000</b>	<b>1,827,193</b>	<b>393,703</b>	<b>2,221,896</b>
Reconciliation of Funds:									
Balance brought forward at 1 July 23/22		185,981	13,208,698	6,745,351	20,140,030	184,981	11,381,505	6,351,648	17,918,134
<b>FUND BALANCES CARRIED FORWARD AT 30 JUNE 24/23</b>	10	<b>185,981</b>	<b>15,691,032</b>	<b>7,478,816</b>	<b>23,355,829</b>	<b>185,981</b>	<b>13,208,698</b>	<b>6,745,351</b>	<b>20,140,030</b>

The notes on pages 17 to 24 form part of these financial statements.

## Balance Sheet as at 30 June 2024

	Notes	2024 £	2023 £
Investments	7	25,794,764	19,696,520
<b>Current assets</b>			
Debtors	8	741,670	867,301
Investments - deposits		21,248	30,097
Cash at bank and in hand		716	4,797
		763,634	902,195
Creditors: amounts due within one year	9	(3,202,569)	(458,685)
<b>NET CURRENT ASSETS</b>		(2,438,935)	443,510
<b>TOTAL ASSETS</b>	10	23,355,829	20,140,030
<b>Capital and reserves:</b>			
Endowment funds	11	15,691,032	13,223,360
Restricted funds	12	7,478,816	6,730,689
Unrestricted funds	13	185,981	185,981
<b>TOTAL FUNDS</b>		23,355,829	20,140,030

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Trustees on 25 February 2025 and are signed on their behalf by:



N Bacon  
Director



G Parker-Jones  
Director

The Arnold Foundation for Rugby School  
Registered company number: 04516482

The notes on pages 17 to 24 form part of these financial statements.

THE ARNOLD FOUNDATION FOR RUGBY SCHOOL

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 June 2024**

	2024	2023
	£	£
<b>Reconciliation of net income to net cash flow from operating activities:</b>		
Net Income for the reporting period (as per the Statement of Financial Activities)	(443,235)	9,233
Elimination of non-operating cash flows:		
Investment income and bank interest receivable	(229,817)	(293,029)
Endowment donations	-	(421,722)
(Increase)/Decrease in debtors	125,631	(51,150)
(Increase)/Decrease in investment deposits	8,849	(5,307)
Increase/(Decrease) in creditors	2,743,884	141,804
<b>Net cash used in operating activities</b>	<b>2,205,312</b>	<b>(620,171)</b>
<b>Cash flows from investing activities:</b>		
Purchase of investments	(9,249,345)	(2,587,549)
Sale of investments	6,810,135	2,488,754
Investment income and bank interest receivable	229,817	293,029
<b>Net cash used in investing activities</b>	<b>(2,209,393)</b>	<b>194,234</b>
<b>Cash flows from financing activities:</b>		
New endowments	-	421,722
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>421,722</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(4,081)</b>	<b>(4,215)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>4,797</b>	<b>9,012</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>716</b>	<b>4,797</b>
<b>Analysis of cash and cash equivalents:</b>		
Cash at bank	716	4,797



## Notes to the Financial Statements for the year ended 30 June 2024

### 1. Principal Accounting Policies

#### Legal Status

The Foundation is a Public Benefit Entity registered as a company limited by guarantee (company number 04516482), and as a charity in England and Wales (charity number 1095856), operating from premises at Rugby School, Rugby, Warwickshire.

#### Basis of Accounting

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and the Charities Statement of Recommended Practice (the Charities SORP (FRS 102)), the Charities Act 2011 and the Companies Act 2006.

Having reviewed the funding facilities available to the Foundation together with future projected cash-flows, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue its activities for the foreseeable future. The company participates in a cash pooling facility in order to maximise the assets of the group. Accordingly, the Foundation will continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities on page 9.

The financial statements are prepared on a going concern basis in accordance with the historical cost accounting basis except that investments held as fixed assets are carried at market value at the balance sheet date.

The functional currency of the Foundation is considered to be the British Pound.

#### Donations, legacies and gifts in kind

Donations are credited to revenue when receivable. Legacies are recognised as receivable once probate has been granted and notification has been received if sufficient information regarding the value is provided. Entitlement to legacies may be included in the year of notification subject to the funds being received during that financial year or within 2 months after the year-end. It is the policy of the Trustees that any shares or other securities, that are donated, be converted to cash as soon as possible. Gifts in kind are valued at a reasonable estimate of their value to the charity. No amounts are included in the financial statements for services donated by volunteers. Gift aid is allocated to the fund which matches the original donation.

#### Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Any irrecoverable VAT is charged to the Statement of Financial Activities (SOFA).

#### Support costs

Support costs include expenses which enable charitable activities and fund generating to be undertaken. These costs include management and administration and are allocated on a basis consistent with the use of the resource.

**Notes to the Financial Statements for the year ended 30 June 2024** *(continued)***Governance costs**

Governance costs relate to the general running of the charity. These costs include audit, legal advice for the Trustees and costs associated with meeting the constitutional and statutory requirements such as the cost of Committee meetings, the preparation of statutory financial statements and satisfying public accountability. These costs are borne by the School.

**Foreign Currency**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

**Recognition of liabilities**

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

**Taxation**

As a registered charity, the Arnold Foundation for Rugby School is entitled to certain tax exemptions on income and surpluses carried out in furtherance of the charity's primary objectives.

**Fund Accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised for particular purposes.

Endowed funds are funds for which the capital must be retained in accordance with specific restrictions imposed by donors. Income will accrue to the appropriate restricted fund.

Endowed funds may be further classified as:

- permanent endowment funds arise where a donor intends the gift to be retained in perpetuity; or
- expendable endowment funds are accounted for similarly, except that the capital may be converted into income for spending at the discretion of the Trustees or in circumstances stipulated by the donor.

Investment income and gains are generally allocated to Restricted Funds.

**Notes to the Financial Statements for the year ended 30 June 2024** *(continued)***Investments and Investment Income**

Investments are included at closing mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposals are reported in the Statement of Financial Activities.

Income from investments is included, together with the related tax credit, in the period in which it is received.

**Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of investments which are held at fair value.

**Key Judgements and Assumptions**

Estimates, judgements and assumptions are made based on a combination of past experience, professional expert advice and other reasonable factors relevant to the circumstances. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year. The figure for Gift in Kind of £441,000 is a management estimate of the value of fundraising which should be attributed to the Arnold Foundation from Rugby School.

**2. Investment income**

	2024	2023
	£	£
Income on UK quoted investments	229,817	293,029
Interest receivable	-	-
	<u>229,817</u>	<u>293,029</u>

**3. Fundraising costs for donations and legacies**

	Unrestricted funds	Restricted funds	2024	2023
	£	£	£	£
Staff costs	269,843	-	269,843	218,242
Marketing and publicity	26,475	-	26,475	19,384
Office costs	100,118	-	100,118	120,610
Legal and professional	44,564	-	44,564	83,691
Investment management	-	47,330	47,330	60,831
	<u>441,000</u>	<u>47,330</u>	<u>488,330</u>	<u>502,758</u>



**Notes to the Financial Statements for the year ended 30 June 2024** *(continued)***4. Analysis of total expenditure**

	Staff costs	Other costs	2024	2023
	£	£	£	£
<b>Costs of Generating Funds</b>				
Fund-raising costs	269,843	218,487	<b>488,330</b>	502,758
<b>Total</b>	<b>269,843</b>	<b>218,487</b>	<b>488,330</b>	<b>502,758</b>
<b>Charitable Activities</b>				
Bursaries	- 1,462,505		<b>1,462,505</b>	1,180,469
<b>Total</b>	<b>- 1,462,505</b>		<b>1,462,505</b>	<b>1,180,469</b>

Audit fees are met by the Governing Body of Rugby School.

**5. Contribution from Rugby School**

The Trustees and the Governing Body of Rugby School have jointly agreed that for the current period all the costs of generating funds shall be borne by the School but in order that both the benefits and the costs of fundraising may be transparent, such costs are, for the time being, charged to the Foundation but then covered by a funds transfer from Rugby School.

**6. Employee, Trustee and Key Management Personnel Information**

The average monthly number of people, including Trustees, working for the Foundation was (2023: 4).

No Trustees, Key Management Personnel or employees received any remuneration or reimbursement of expenses from the Foundation during the period (2023: none).

**7. Investments**

	<b>Total</b>
	<b>£</b>
Balance at 1 July 2023	19,696,520
Additions	9,249,344
Disposals (at net proceeds)	(6,810,135)
Revaluation gains	3,659,017
<b>Balance at 30 June 2024</b>	<b>25,794,746</b>
Represented by:	
Investments listed on the UK Stock Exchange	25,794,745
Cash deposits	1
	<b>25,794,746</b>

**Notes to the Financial Statements for the year ended 30 June 2024** *(continued)***8. Debtors**

	2024	2023
	£	£
Tax recoverable	15,315	42,470
Other debtors	0	0
Due from Bilton Grange	724,563	824,601
Due from Rugby School General Chritable Trust	984	0
Due from Rugby School Enterprises	808	230
	<u>741,670</u>	<u>867,301</u>

**9. Creditors**

	2024	2023
	£	£
Other accruals	12,000	16,000
Due to the Governing Body of Rugby School	3,190,569	441,826
Due to Rugby School General Charitable Trust	0	859
	<u>3,202,569</u>	<u>458,685</u>

**10. Analysis of Net Assets****10a. Current year analysis of net assets between funds:**

	Endowed Funds	Restricted Funds	Unrestricted Funds	2024 Total Funds
	£	£	£	£
Investments	18,129,967	7,478,816	185,981	25,794,764
Net Current Assets	(2,438,935)	0	0	(2,438,935)
<b>Total Net Assets</b>	<b>15,691,032</b>	<b>7,478,816</b>	<b>185,981</b>	<b>23,355,829</b>

**10b. Prior year analysis of net assets between funds:**

	Endowed Funds	Restricted Funds	Unrestricted Funds	2023 Total Funds
	£	£	£	£
Investments	12,765,188	6,745,351	185,981	19,696,520
Net Current Assets	443,510	0	0	443,510
<b>Total Net Assets</b>	<b>13,208,698</b>	<b>6,745,351</b>	<b>185,981</b>	<b>20,140,030</b>

**Notes to the Financial Statements for the year ended 30 June 2024** *(continued)***11. Endowed Funds****11a. Current year movement in endowed funds:**

	Balance at 1 July 2023 £	Incoming Funds £	Amounts Expended £	Investment Net Gains £	Balance at 30 June 2024 £
Foundation - permanent endowment	50	0	0	0	50
Foundation awards- expendable endowment	13,208,648	82,583	0	2,399,751	15,690,982
	13,208,698	82,583	0	2,399,751	15,691,032

**11b. Prior year movement in endowed funds:**

	Balance at 1 July 2022 £	Incoming Funds £	Amounts Expended £	Investment Net Gains £	Balance at 30 June 2023 £
Foundation - permanent endowment	50	0	0	0	50
Foundation awards- expendable endowment	11,381,455	421,722	0	1,405,471	13,208,648
	11,381,505	421,722	0	1,405,471	13,208,648

**Foundation Permanent Endowment**

Under the terms of the company's Memorandum of Association, the original endowment of £50 is permanent and may not be expended.

**Arnold Foundation Awards**

The expendable capital funds provide future income for the financing of bursary awards to Rugby School and Bilton Grange from Year 7. The income from the fund is utilised for this purpose (see restricted funds).

**Earle Fund Awards**

The expendable capital funds provide future income for the financing of bursary awards to Bilton Grange in Years 7 and 8. The income from the fund is utilised for this purpose.



**Notes to the Financial Statements for the year ended 30 June 2024** *(continued)***12. Restricted Funds****12a. Current year movement in restricted funds:**

	Balance at 1 July 2023	Incoming funds	Amounts expended	Investment Net Gains	Balance at 30 June 2024
	£	£	£	£	£
Foundation awards	6,743,451	984,017	(1,509,835)	1,259,283	<b>7,476,816</b>
Performing Arts	1,900	0	0	0	<b>1,900</b>
<b>Total</b>	<b>6,745,351</b>	<b>984,017</b>	<b>(1,509,835)</b>	<b>1,259,283</b>	<b>7,478,716</b>

**12b. Prior year movement in restricted funds:**

	Balance at 1 July 2022	Incoming funds	Amounts expended	Investment Net Gains	Balance at 30 June 2023
	£	£	£	£	£
Foundation awards	6,349,748	827,811	(1,241,300)	807,192	6,743,451
Performing Arts	1,900	0	0	0	1,900
<b>Total</b>	<b>6,351,648</b>	<b>827,811</b>	<b>(1,241,300)</b>	<b>807,192</b>	<b>6,745,351</b>

The fund's principal aim is to raise monies for the financing of bursary awards to Rugby School and Bilton Grange, widening access to the schools, so that more talented people may benefit from an education at Rugby, irrespective of their parents' ability to pay the fees. Funds have also been donated to the Arnold Foundation for Rugby School to improve the School's facilities.

**Notes to the Financial Statements for the year ended 30 June 2024** *(continued)***13. Unrestricted Funds****13a. Current year movement in unrestricted funds:**

	Balance at 1 July 2023	Incoming Funds	Amounts expended	Investment Net Gain	Balance at 30 June 2024
	£	£	£	£	£
Unrestricted funds	185,981	441,000	(441,000)	-	<b>185,981</b>

**13b. Prior year movement in unrestricted funds:**

	Balance at 1 July 2022	Incoming Funds	Amounts expended	Investment Net Gain	Balance at 30 June 2023
	£	£	£	£	£
Unrestricted funds	184,981	440,995	(439,995)	-	<b>185,981</b>

**14. Financial Instruments**

	<b>2024</b>	2023
	£	£
Financial Assets measured at fair value through profit or loss – includes investment assets	<b>25,794,764</b>	19,696,520

**15. Related Party Transactions**

The audit fees are paid by Rugby School. Donations received in Rugby School related to legacies and some non-property related long-term endowments are generally passed to support the Arnold Foundation. There are no other related party transactions.

**16. Ultimate Controlling Party**

The ultimate controlling party is the Governing Body of Rugby School, a charity registered in the England & Wales (registered number 528752). A copy of the consolidated accounts may be obtained from Rugby School c/o The Bursary, 10, Little Church Street, Rugby, CV21 3AW.