BROMSGROVE SCHOOL

England & Wales · Charity number 1098740

Details

Status	Registered
Legal form	Charitable company
Company number	04808121
Registered	2003-07-24
Register	View on the Charity Commission register

Contact

Address	Bromsgrove School Worcester Road Bromsgrove B61 7DU
Phone	01527579679
Email	admissions@bromsgrove-school.co.uk
Website	www.bromsgrove-school.co.uk

Activities

Objects: TO ADVANCE EDUCATION AND TRAINING, BY THE PROVISION AND CONDUCT, IN OR NEAR WORCESTERSHIRE OF ANY DAY AND BOARDING SCHOOL OR SCHOOLS FOR BOYS AND GIRLS.

Activities: The Charity advances education and training by the provision and conduct in or near Worcestershire of any day or boarding school or schools for boys and girls.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

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Geography

- **Area of benefit:** IN OR NEAR WORCESTERSHIRE
- China
- Thailand
- Worcestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£45,542,355	£43,186,176	£78,989,200	674
2024-08-31	£47,729,119	£44,003,735	£76,724,694	681
2023-08-31	£44,049,352	£40,784,822	£72,387,396	670
2022-08-31	£41,183,735	£37,793,178	£69,230,583	656
2021-08-31	£37,537,883	£34,070,321	£66,251,016	647
2020-08-31	£34,993,241	£33,773,372	£61,836,615	666

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Trustees

Name	Role	Appointed
ANNE CLEARY		2016-09-16
Alistair Henry John Willcox		2023-02-03
CHARLES CAMERON		2016-09-16
Christopher Thompson		2023-10-09
David Morton		2022-10-12
Dr Annette Daly		2023-11-09
Dr CLARE MARIA LIDBURY		2014-06-12
Dr Deborah Cunningham		2020-11-21
IAN STRINGER		2017-07-28
JAMES WILLIAM RODEN		2015-03-14
Jenny Loynton		2016-03-19
John-Paul Campion		2023-02-09
Lt. Col. MARK BALLARD		2019-02-09
Michael John Luckman		2014-05-19

Linked charities

- BROMSGROVE SCHOOL SCHOLARSHIP AND PRIZE FUND (1098740-1)
- THE SOCIETY OF FRIENDS OF BROMSGROVE SCHOOL ENDOWMENT TRUST (ALSO KNOWN AS THE MITCHELL ENDOWMENT) (1098740-2)
- THE DAVID WALTERS MEMORIAL FUND (1098740-3)

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BROMSGROVE SCHOOL

England & Wales - Charity number 1098740

Accounts

BROMSGROVE SCHOOL

(a company limited by guarantee)

(incorporating Bromsgrove School Scholarship and Prize Fund, David Walters Memorial Fund and The Society of Friends of Bromsgrove School Endowment Trust)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2025

Company Number 4808121
Charity Number 1098740

BROMSGROVE SCHOOL

REPORT OF THE GOVERNORS

THE GOVERNORS AND GOVERNING BODY

Mr M Luckman (EC; RC; FC;SC ESG;CP)	Chairman Chair of Environmental, Social & Governance Committee
Lt Col M S Ballard (SC; ESG)	
Mr C D E Cameron (FC; IC; RC; ESG)	Chair of Finance Committee Chair of Risk & Strategy Committee
Mr J P Campion (FC)	
Mrs A E Cleary (SC; EC)	Chair of Safeguarding & Welfare Committee
Dr D Cunningham (EC)	
Dr A Daly (ESG)	
Dr C Lidbury (EC; SC;RC)	Chair of Education Committee
Mr D Morton (EC)	Resigned 14/06/25
Mrs J Loynton (BC;CP)	
Mr W Roden (IC; FC)	Chair of Investments Committee
Mr I Stringer (BC;ESG)	Chair of Building Committee
Mr C Thompson (FC;CP)	Chair of the Commercial Projects Committee
Mrs D Waltier	Resigned 09/01/25
Mr A J G Wilcox (BC)	

FC = Member of Finance Committee
EC = Member of Education Committee
BC = Member of Building Committee
IC = Member of Investment Committee
RC = Member of Risk and Strategy Committee
SC = Member of Safeguarding and Wellbeing Committee
ESG = Member Environmental, Social and Governance Committee
CP = Member of the Commercial Projects Committee

CLERK TO THE GOVERNORS AND COMPANY SECRETARY

Mr J Sommerville

KEY PERSONNEL

Headmaster - Mr M Punt MA (Oxon), MSC, PGCE

Assistant Head - Miss R Scannell

Headmaster Prep - Mr M Marie

Headmistress Winterfold – Mrs D Toms

Bursar - Mr I Williams

Website: www.bromsgrove-school.co.uk

PRESIDENT

Mr S Towe CBE DL

ADVISERS

Bankers:	Lloyds TSB Bank Plc 112 High Street Bromsgrove Worcs B61 8EZ
Solicitors:	Veale Wasbrough Orchard Court Orchard Lane Bristol BS1 5WS
	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham GL50 1YD
Auditors:	HaysMac LLP 10 Queen Street Place London EC4R 1AG
Investment Advisers:	CCLA One Angel Lane London EC4 3AB
	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
Insurance Brokers:	Hettle Andrews Eleven Brindley Place 2 Brunswick Square Birmingham B1 2LP

STATUS AND ADMINISTRATION

Bromsgrove School is a company limited by guarantee, not having a share capital and is governed by its memorandum and articles of association.

Company Registration number:	4808121
Registered Charity number:	1098740
Registered office:	Worcester Road Bromsgrove Worcestershire B61 7DU

CHAIRMAN'S STATEMENT

The School has enjoyed another outstanding year which is particularly pleasing given the financial challenges we have faced following the imposition of VAT in January 2025. However, all areas of the School have benefitted from strong parental support and this is reflected in the high student numbers across all four schools. Alongside our day pupils, we now educate more than 600 boarders representing 75 nationalities. Among our British boarders, we are particularly delighted to have welcomed 178 children from forces families.

External examination results in August 2025 were superb. Our 223 Year 13 leavers completed 728 main subject qualifications. At A Level, 60% of all grades awarded were A* or A, with 83.4% achieving A*–B. Our top 131 students achieved 100% A*–B grades. EPQ outcomes were also strong, with just under two-thirds of the 61 entries awarded at least an A grade. In BTEC qualifications, 64 entries resulted in 20 Distinction* grades, a further 36 Distinctions, and 6 Merits, meaning 88% achieved at least a Distinction.

The International Baccalaureate (IB) cohort of 53 students performed exceptionally well, achieving outstanding value-added outcomes. The average score now stands at an impressive 39.8 points. Thirty-nine students scored 40 points or above, including six who achieved 44 points and five who attained the full 45 points - an outcome achieved by fewer than 1% of IB students worldwide. We now rank among the top ten IB schools globally and second in the United Kingdom among co-educational day and boarding schools.

We celebrated another incredible year of GCSE results. Our fifth form pupils sat over 1,900 qualifications. The most common grade awarded was the top grade 9, achieved in nearly a quarter of all cases. Nearly two-thirds of all grades were 7 or above, paving the way for students to move confidently into their chosen A level, BTEC or IB courses.

The breadth of our co-curricular provision continues to be remarkable, with more than 200 senior activities and clubs encouraging pupils to develop essential skills beyond the classroom. In addition to being ranked fifth nationally for sport across 26 disciplines, we also have the second-largest Combined Cadet Force (CCF) contingent in the country, with over 400 cadets.

We remain as committed as ever to widening access to Bromsgrove whether through bursaries or through welcoming local clubs, societies and schools to use our facilities or host events here on campus at Bromsgrove or Winterfold, either in our sports facilities, theatres or classrooms. We have also extended our support to existing families where needed.

Following the tragic loss of our former Bursar, robust contingency arrangements ensured continued financial stability under the leadership of our Head of Finance. We are now delighted to welcome Ian Williams as Bursar from January 2026. Ian brings extensive experience from Merchant Taylors' School, Northwood, and a distinguished 30-year Army career. His expertise significantly strengthens our leadership team. Whilst these remain challenging times, I believe the School is in a stable financial position and will continue to thrive by offering excellent education and pastoral care to our pupils.

The Directors, who are the Governors of the School, present their annual report (including strategic report) for the year ended 31 August 2025 under the Companies Act 2006, together with the audited financial statements for the year and confirm that the financial statements comply with the requirements of the Act, the charity's governing document, applicable law and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second edition, effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE INFORMATION

The School was founded in 1553 and re-founded on the current site in 1693 by Thomas Cookes. Bromsgrove School was one of the original fourteen members of the Headmasters' Conference (HMC) when it was founded in 1869. The Pre-preparatory and Preparatory Schools are twentieth century foundations. Winterfold Preparatory School joined our family of Schools in 2017.

The School was incorporated as a company limited by guarantee on 1 September 2003 under charity number 1098740 and registered company number 4808121.

OBJECTS, AIMS AND ETHOS

Charitable Objects

The objects for which the Charity is established are to advance education and training by the provision and conduct in or near Worcestershire of any day and boarding school or schools for boys and girls.

The Charity provides education on three sites in Worcestershire to boys and girls from the ages of 2-18. It is the policy of the School to provide a first class education, which identifies and develops the potential of individual pupils in a variety of areas, provides them with the best achievable qualifications and prepares them for their future lives.

Aims

The Charity constantly aims to provide a first class education to boys and girls from the ages of 2-18.

Within the objects, the School aims to produce happy, creative, moral citizens who live motivated, fulfilled lives while enriching the lives of others. The School seeks to achieve this through an enlightened, disciplined and broad education that responds to global change while retaining core values. The core values that the School seeks to foster in its pupils are:

Humility and Confidence	Compassion and Ambition
Respect and Curiosity	Tolerance and Vision

Ethos

Bromsgrove School is committed to safeguarding and promoting the welfare and wellbeing of all pupils. The School is proud of the strong pastoral care provided by the House structure in the Senior School and by the form tutors within the Preparatory and Pre-preparatory Schools. The School has a caring ethos, which is reflected in all of the School's policies and procedures. The School maintains regular contact with parents through newsletters, social media, informal meetings and regular reports.

The School's ethos is to welcome pupils from all backgrounds. Entrance assessments are undertaken to satisfy both the School and parents that prospective pupils would cope with the pace of learning and benefit from the breadth of the education that the School provides. An individual's economic status, gender, ethnicity, sexual orientation, race, religion or disability do not form part of the assessment process.

The Governors are committed to the long-standing principle that charities must exist for the benefit of the public and the School has a long tradition of providing public benefit, both through educating pupils at the School and through associated activities for the benefit of the wider community. The Governors are committed to widening access to the School to ensure that children who could not otherwise attend the School can benefit from the education provided

OBJECTS, AIMS AND ETHOS (Continued)

The School is part of a wider community and has a long history of offering a range of educational activities for the benefit of local children. The School offers activities and access to the School's facilities to provide opportunities for children other than pupils at the School to benefit from the charity.

We are very proud of the Bromsgrove School Swim Academy which provides swimming lessons to 1,100 children from the local community each week. The Summer School that runs for eight weeks in the summer holidays and the Tennis Academy are also open to local children. Local primary schools use the swimming pool for weekly lessons at no charge. The School also continues to reach out to local children through a wide range of activities including the weekly joint Orchestra Group where a number of local Primary Schools come to Bromsgrove to rehearse together to the many local Sports Clubs and Associations that use the School's sports facilities.

The Governors have met the requirements under Section 172 of the Companies Act through application of the policies and procedures disclosed in this report. In particular, the Governors have had regard to the specific considerations set out in Section 172 below:

- the likely consequences of any decision in the long term;
- the interests of the Charity's employees;
- the need to foster the Charity's relationships with suppliers, customers and others;
- the impact of the Charity's operations on the community and the environment;
- the desirability of the Charity maintaining a reputation for high standards of conduct and
- the need to act fairly between members of the Charity

Bursaries and Scholarships

The School is committed to ensuring that there is sufficient opportunity for children whose parents cannot afford the fees, including those in poverty, to benefit from its educational services and facilities. The Governors and the School management regularly review the School's Public Benefit Policy as part of the ongoing development of the School's strategy to widen access.

The Governors are committed to offering a means-tested bursary scheme to allow direct access to the educational services provided. The scheme is designed to assist prospective parents and existing parents on low incomes who, for financial reasons, might otherwise be unable to send or continue to send their child to the School. The bursary scheme includes Admissions bursaries for the parents of new pupils and Hardship bursaries for parents whose financial position worsens unexpectedly. Admissions bursaries include both life changing bursaries (75% - 100%) and lower awards for families needing fee assistance.

Bursaries are entirely means tested and are awarded on an annual basis to parents who satisfy the financial criteria set by the School in relation to their income and the value of their capital assets.

The School has a Bursary Policy, which is available to both prospective and existing parents. The policy contains an overview of the bursary scheme and details the procedure for applications and awards of bursaries.

The value of bursaries will be up to 100% of full fees and additional assistance is available to parents to assist with the associated costs of their child's education. The School allocates a proportion of its total income in each financial year to fund the bursary scheme. The School's current aim is to allocate not less than 5% of its total income in each financial year to fund means tested bursaries. These funds are generated from other revenue streams, not from fee income.

The School's scholarship awards recognise high academic potential or the ability to excel in co-curricular activities. Scholarships are awarded with a fixed remission of between 2.5% and 5%. Where further assistance is required, a means tested bursary may supplement scholarship awards. . From September 2025 the School have replaced all Scholarship awards below the Sixth Form with a Scholarship Pathway Programme.

STRATEGIC REPORT

CURRENT YEAR PERFORMANCE REVIEW

Pupil Numbers

Pupil roll has remained stronger than expected following the VAT changes in January 2025. In the summer term, the roll stood at 2,064 pupils (2024: 2,079). The Senior School educated 1,068 pupils (2024: 1,050) of whom 486 (2023: 471) were boarding pupils; the Preparatory School educated 503 pupils (2024: 523) of whom 95 (2024: 98) were boarding pupils; Winterfold House educated 279 pupils (2024: 300) and the Pre-Preparatory School educated 214 day pupils (2024: 201).

The value of means tested bursaries including the hardship bursaries amounted to 5.2% of income (2024: 5.2%). The charity has also provided scholarships, sibling discounts and armed forces discounts. The value of such additional assistance when added to means tested bursaries represents 10.3% (2024: 10.1%) of the charity's total fee income. Of the 2,064 pupils educated at the school, 604 pupils (29%) received some degree of financial assistance in the form of bursaries, scholarships, armed forces discounts and staff discounts.

Pupil Achievements

An impressive range of IB Extended Essays and Extended Projects were completed to an exceptionally high standard, showcasing the depth and diversity of our pupils' academic interests. Topics included a comparative study of Taiwan's political elite and Ancient Athens, the estimation of the Hubble Constant, the economics of greenwashing, and women's rights in Latin America.

This year's Lower Sixth Lecture Week was particularly successful, featuring trips for aspiring architects, lawyers, and entrepreneurs, alongside specialist study days for future medics and art portfolio candidates. Universities contributed a wide range of tutorials, and nearly 100 additional extension lectures and seminars were delivered across the week.

Our value-added data—comparing pupil outcomes against national expectations based on baseline ability—remains exceptionally strong. Students on A Level and BTEC programmes consistently exceeded expectations, while every GCSE subject recorded positive value-added outcomes. In the IB Diploma Programme, the average value-added score per pupil was the highest of any school nationally.

Almost 20% of leavers progressed to study overseas at prestigious institutions including Columbia, Cornell, Duke, Toronto, the University of Hong Kong, Heidelberg, and the Technical University of Munich. More than 100 students secured places at Russell Group universities. As in previous years, UCL and King's College London were the most popular destinations, alongside Exeter, Bath, and Cardiff.

The most popular degree courses were Economics and Business, with significant numbers also studying Politics and International Relations, Geography, Medicine, Natural Sciences, Engineering, and Law. By way of illustration, 28 students began Economics degrees at Russell Group or equivalent universities, while a further 18 successfully secured places in Medicine or Dentistry. Overall, 90% of leavers progressed to their first-choice university.

Creative and Performing Arts

Drama at Bromsgrove continues to flourish, with productions of outstanding quality throughout the year. In December, our sell-out production of *The Government Inspector* delighted audiences with its sharp comic timing and striking design. The Fourth Form House Drama Competition in the Lent Term involved over 80 pupils across 11 plays, demonstrating exceptional range and polish.

GCSE and A Level performance evenings in March highlighted the depth and creativity of our examination groups, followed by another highly successful Senior House Drama production. The year concluded with a bold and imaginative Fourth Form *Macbeth*, performed in-the-round and combining movement, lighting, music, and set design to powerful effect.

CURRENT YEAR PERFORMANCE REVIEW (Continued)

Musical opportunities at Bromsgrove remain extensive, with over 450 weekly instrumental lessons. Highlights included the Primary Schools' Orchestral Day and the St Cecilia Day Concert. We were also proud to host our first Alumni Concert at St Paul's Church, Covent Garden, featuring Handel's *Messiah* performed by a large choir of current and former pupils. The Chapel Choir sang Choral Evensong at Worcester Cathedral in March and again performed beautifully at St John's Church.

Sport and Enrichment

Thanks to the dedication of staff and pupils, sport continues to thrive both in breadth and excellence. Bromsgrove is currently ranked fifth nationally for sport. Highlights from an outstanding year include Midlands Championship success for the Inter Girls' Athletics team, multiple county and regional titles across badminton, basketball, cricket, netball, rugby, hockey, tennis, swimming, volleyball, and fencing, as well as national-level success in football, cross country, and table tennis.

Debating also enjoyed a highly successful year, with teams entering six national competitions and qualifying once again for the Oxford Union Schools' Debating Finals' Day. Two teams reached the Gold Final of the Nehru Cup, placing in the top four overall. Pupils Nuraiym T and Gleb S ranked among the top 50 school debating teams worldwide. Our Model United Nations programme recorded its highest participation to date, with 60 delegates attending conferences. Under strong pupil leadership, several students achieved awards, including the successful passage of a resolution on eco-terrorism led by Andrey Z.

Participation in the Duke of Edinburgh's Award was exceptional, with hundreds of pupils contributing over 6,100 hours of volunteering, equating to a social value of £39,270. Expeditions took place across the Peak District, Brecon Beacons, and Wye Valley, while 22 Upper Sixth pupils completed their Gold Awards and attended celebrations at Buckingham Palace.

The CCF flourished further, growing to 520 cadets and launching a new Pipe and Drum Band in collaboration with the local Army Cadet Force. The Bromsgrove Badge Award also continued to thrive, culminating in the popular Lower Fourth Camp.

Greenpower teams enjoyed a remarkable year, with the senior team, *The Egg*, completing a perfect season and becoming F24+ 2024 Kitcar International Champions. The junior team, *Team Chicken*, maintained their long-standing record of top-five finishes.

Developments in the year

The Governors continue to recognise the importance of ensuring that all of our boarding houses are maintained to the highest standard and are committed to an annual rolling boarding refurbishment programme. In the year, Phase 2 of Hayward House has been completed with all of the bedrooms now having ensuite facilities. Two existing classrooms in Webber House were also converted to boarding adding 8 additional rooms. All other capital projects were put on hold this year whilst we assessed the impact of VAT.

Looking forward, we are now planning a series of developments at the South entrance that will enhance both the experience and safety of everyone on site. The area will be transformed with a new School reception, a dedicated security line designed to support effective lockdown procedures if ever required, and an improved café space. The project also includes new bathroom style toilets and thoughtfully designed zones for small meetings and student work, creating a more welcoming and functional environment for the whole community.

Our links with the local community

Engagement with the local community remains central to Bromsgrove's ethos. The School shares its facilities extensively, hosting numerous sports clubs, arts organisations, and regional and national events. Over 1,100 local children benefit annually from our Swim and Tennis Academies, and new partnerships – including with the Aston Villa Foundation – have expanded opportunities further.

CURRENT YEAR PERFORMANCE REVIEW (Continued)

Bromsgrove also plays a significant economic role, contributing £45 million to UK GDP, employing 681 local staff, and exporting over £15 million in educational services internationally.

Our pupils and staff value the opportunity to work closely with the local community, and we believe that genuine partnership brings mutual benefit. An increasing number of teachers are now trained at Bromsgrove through the North Worcestershire Teacher Training Hub, established in collaboration with neighbouring schools. Each year, hundreds of activities take place both on campus and in the wider community under the umbrella of Bromsgrove Services, the Duke of Edinburgh Award, the CCF, and our Charity Committees.

Several of our boarders volunteer with the charity Re-engage, organising tea parties for isolated older residents in the local area. Our CCF cadets also supported the recent 5k and 10k run at the local rugby club, where they assisted with setting up barriers, managing car parking, and distributing water and medals to participants. Bromsgrove CCF continues to maintain a strong partnership with Trinity High School in Redditch.

Students and staff enjoy longstanding links with St Ambrose Primary School and Chadsgrove School, particularly through Forest School and Science activities. As part of Bromsgrove Service, senior pupils design and lead Science lessons for Chadsgrove pupils. Our Grounds team and other colleagues also support Chadsgrove by assisting with Gardening Clubs, Forest School sessions, and maintenance projects.

Bromsgrove is a proud member of the Ogden Trust's West Midlands Secondary Partnership, promoting the study and teaching of Physics. This year, we hosted partner schools and their middle school feeders to share best practice in developing mathematical skills within Physics education. Our partners include South Bromsgrove High School, King Edward VI Camp Hill School for Girls, Aston University Engineering Academy, and RSA Academy Arrow Vale

Bromsgrove Service students visit five local care homes each week, and Senior School pupils visit Rashwood Care Home once a week during term time to teach British Sign Language and run BSL-related activities for residents. Students also helped plant more than 200 trees on the care home grounds to enhance biodiversity for the benefit of residents. Our Flourishing Fivers team continues to support Primrose Hospice.

Winterfold School also partners with a wide range of local community groups and initiatives. Pupils take part in the Sports School Partnership, which brings together four local state schools for six events throughout the year. Our musicians perform at the Chaddesley Care Café, and the Winterfold Charity Committee has organised numerous collections for organisations including Home Start, HELP, The Basement Project, Shoe Share, Winter Warmers, Wyre Forest Food Share, and the Community Café. The Winterfold Greenfingers gardening club has raised over £4,000 for its chosen charities: The Listening Herd, Chadsgrove, and community gardening projects in Stourport and Bewdley.

Alongside raising £57,874 for charity this year, our Duke of Edinburgh participants have contributed 6,136 volunteering hours. We are immensely proud of the dedication, effort, and achievements of our young people, who make a meaningful difference in their community.

CURRENT YEAR PERFORMANCE REVIEW (Continued)

Our commitment to the Environment

The Governors and the Executive are committed to improving the School's carbon footprint. The tables below show the key metrics that are being reported for Streamlined Energy and Carbon Reporting in the financial year ending 31st August 2025.

Summary Data for FY 1st September 21 to 31st August 25	Value
Total Energy Use	8,194.0 MWh
Total Greenhouse Gas Emissions (mandatory & voluntary)	936.4 tCO_2
Total Students	2,058
Intensity Ratio	0.46 tCO_2 per student

Area of Measurement	FY 1st Sept 21 to 31st Aug 22	FY 1st Sept 22 to 31st Aug 23	FY 1st Sept 23 to 31st Aug 24	FY 1st Sept 24 to 31st Aug 25	Variance to previous year
Energy Use	9,743.2 MWh	9,366.5 MWh	8,503.0 MWh	8,194.9MWh	**3.6 % decrease**
Greenhouse Gas Emissions	1,283.9 tCO_2	1,192.6 tCO_2	1,001.4 tCO_2	936.4 tCO_2	**6.5% decrease**
Intensity Ratio	0.64 tCO_2 per student	0.58 tCO_2 per student	0.49 tCO_2 per student	0.46 tCO_2 per student	**6.1 % decrease**

It is clear from the above table that there has been a further decrease in emissions in the year as a result of a combination of the implementation of energy efficient projects and a commitment by the School community to reduce our carbon footprint by continuing our transition from Gas to Electricity. The above Greenhouse Gas emission figures exclude our electricity consumption as all of our supplies come from renewable sources.

The various Sustainability projects implemented this year include improved BMS control for the heating of buildings, upgrades to LED lighting on the main site, further lagging and insulation of plant rooms, updating to higher efficiency boilers.

FUTURE PLANS

Governors and the School Executive remain committed to delivering a first-class education and maintaining Bromsgrove's competitive position. Priorities include continued boarding house refurbishment, enhanced site security, careful financial stewardship, growth in trading income, preparation for the forthcoming ISI inspection, and a renewed commitment to bursary provision funded through non-fee income. Above all, we aim to remain a kind, inclusive, and supportive community.

The Governors and the Executive have recently reviewed the School's Strategic Plan and confirmed objectives for the next year:-

- To continue to develop the academic offer and ensure that our pupils are provided with an education of the highest quality which prepares them to thrive in their lives beyond School.
- To remain a kind, inclusive and supportive community which prioritises the wellbeing of pupils and staff.
- To ensure that the School continues to evolve and thrive, despite the imposition of VAT and removal of business rates relief.
- To further integrate health and well-being provisions to enhance the offers available.
- To prepare for the next ISI inspection under the new F23 framework so that the School performs at the highest level in each of the five sections
- To retain our bursary provision but aim to ensure that these are funded through non fee (trading) income.
- To continue our commitment to boarding house refurbishment and enhance boarder voice.
- To develop and promote our commitment to Environmental, Social, and Governance. To consider all aspects of ESG and develop further plans to ensure that the School has aspirational aims.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Performance

The School achieved net income before investment losses of £2,356k, which is £1,369k lower than the prior year.

In the year, net fees decreased from £41,830k to £40,968k, a decrease of £862k (2.1%). Mindful that VAT was on the horizon, our Governors kept the September 2024 fee increase as low as possible, at 3%, in line with inflation. This was the lowest amongst competitor day schools and UK-wide competitor boarding schools. Following the sudden imposition of VAT on school fees from January 2025, the Governors acted quickly and reduced all fees from Reception upwards by 6.3% from the start of the Lent Term. This shielded our parents from the full impact of the 20% increase, meaning a total fee increase after the addition of VAT of 12.5%. In addition, it was agreed that the School would extend its sibling discounts so that a third child would benefit from a 10% fee remission, as well as a fourth at 15%.

At the same time, the Government announced the removal of the School's charitable business rates relief of 80%, an increase to employers' National Insurance contributions, and a 10% rise in the National Minimum Wage – all of which have had a significant negative impact on the School's finances.

Fortunately, the School's trading income and other income has remained strong during the year. Most areas performed well, and the results from residential lettings and performing arts were again, very pleasing. These lets were a mix of art, music, drama, computing and sport, with many increasing and extending their bookings into 2026. There remains continued interest by our families in the Easter Revision courses provided and the Guardian Angel holiday care. Our International Summer School ran successfully for four weeks over the summer, despite it now being a very competitive market. The school shop relocated from the main school campus to the Old Police Station during July, which did result, as expected, in some lost sales during the set-up period. However, it is now trading successfully and serving our parents and pupils well in its new location.

Total School expenditure has increased by 1.5% overall in the year. The School's focus during the year has been to strip back costs where possible without compromising the offer to parents and its core values. Savings have been made where possible. Although VAT recovery is now possible, just under 70% of the School's cost base relates to staff salaries which are outside the scope of VAT. The School recovered £1.2m of VAT during the year on its remaining costs.

Our trading subsidiary receives the franchise fee from Bromsgrove International School Thailand and Mission Hills, Shenzhen. These fees were received in the year and the company was able to contribute £473k to School funds. (2024: £521k).

Bromsgrove School Foundation generated net income before investment losses of £40k, during the year ended 31 August 2025 (2024: £143k). The Foundation received two legacy donations in the year. Unless donations are restricted, the funds raised will contribute to bursary awards to pupils of Bromsgrove School in the future.

The School's investments stood at £6,943k at the end of the year, a 1.3% decrease on the prior year due to general global political instability.

After various movements in working capital, the net cash inflow from operations amounted to £213k, compared to £18,938k in the prior year. This decrease is due in part to the movement in fee deposits and fees in advance (FIA) year on year. In 2024, the increase in fee deposits and FIA was £13,399k compared to £213k in 2023. The 2025 figures reflect a return to normal levels of FIA and fee deposits. The £9m increase in debtors is due to a change in the presentation of the Winter 2025 fee billing and the Capital Goods Scheme debtor.

The net income before investment gains adjusted for depreciation amounted to a cash inflow of £4,364k. The School's cashflow has performed in line with the School's projection and its aim to build up cash reserves. The year end cash balance of £15.3m includes both fees paid in advance for the Michaelmas Term, and £6.3m of fees held within the Fees in Advance Scheme.

In 2021, the Governors withdrew from the Teachers Pension Scheme (TPS) on a phased basis. An alternative Defined Contribution Workplace Pension Scheme was introduced for all teachers joining the School from 1 September 2021. All teachers employed at 31 August 2021 have been offered the choice of remaining in the TPS or transferring to the School's new scheme. At 31st August 2025, we had 54% of our staff in TPS and 46% of our staff in the DC Scheme. This split has continued to mitigate the impact of the 5% increase in the TPS employer contribution rate from April 2024. With a further

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (Continued)

increase planned from April 2027, the Governors are pleased that they took this action to protect the long-term financial viability of the School.

Investment Policy and Performance

The Governors are permitted to hold a portfolio of investments. The guidance given to the Investment Advisers with regard to equity investment is to balance growth and income with a medium level of risk. These objectives are to be achieved by investing prudently in a broad range of fixed interest securities and equities which are quoted on a recognised Investment Exchange and unit trusts and OEIC's (open ended investment companies) which are authorised under the Financial Services and Markets Act 2000.

All funds are invested in managed charity investment funds. The School's funds and the Foundation's funds are invested in the CCLA Charities Investment Fund and the Sarasin Endowment Fund Class A. The Investment Committee continues to monitor the performance of these funds against market benchmarks including the Private Investor Balanced Index benchmark over a rolling three-year period. The Total Return generated by both funds was in line with the market benchmark for the period from inception.

Reserves Policy

The Governors recognise that free reserves are those unrestricted reserves which are not specifically designated for any purpose. The School's unrestricted reserves are invested primarily in fixed assets, which are recorded in the financial statements at book value. The Governors have invested significantly over the last few years in capital projects enhancing the School buildings and facilities for the benefit of the children being educated. However, due to the threat and subsequent imposition of VAT on school fees from January 2025, the School's capital expenditure plan was put on hold, hence the move from negative to positive free reserves during the year.

	£
Total Funds	78,989,200
Less: Restricted Funds	(17,697)
Less: Endowment Funds	(629,013)
Unrestricted Funds	78,342,490
Less: Property Funding	(76,456,360)
Free reserves	1,886,130
Prior Year	(3,806,555)

The Governors keep the level of free reserves under review. They are confident that the School's cashflow forecasts and external finance facilities are sufficient to meet the operational needs of the School.

The Governors' policy is to focus on the level of liquid assets that support the unrestricted reserves. To mitigate against future risks, the Governors believe that the School should hold sufficient liquid assets to cover three to six months' worth of expenditure (£10.2m - £20.4m). The aim is to be able to support the working capital needs of the School from liquid assets.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (Continued)

The School's investments are held to provide income and capital growth and as they are not designated for a specific purpose, they are viewed to be liquid assets. Based on the current market price of the investments and current cash balances at 31 August 2025, the School's liquid assets amounted to £22m (2024 £23m). This is higher than normal due to the School's strategy to increase liquids assets during this period of uncertainty. In addition, £6.4m is held in the Fees in Advance Scheme which remain part of the School's working capital.

The Governors monitor the School's liquid assets, the cashflow forecasts and levels of external financing on a termly basis at the Finance Committee.

Asset cover for funds

Note 12 of the financial statements sets out an analysis of the School's assets attributable to the various funds. These assets are sufficient to meet the School's obligations on a fund by fund basis.

Fundraising Policy

The School does not undertake fundraising for the financing of capital investment. All projects within the School are funded from School resources with external bank financing as and when necessary.

The Foundation's objective is to raise funds ultimately to enable the School to provide places to all deserving pupils on a needs blind basis. This is a long term ambition which has a focus on friend raising rather than targeted fundraising. It is intended that gentle appeals are made to all those with a connection to Bromsgrove School i.e.: alumni and parents through a fundraising programme of encouraging major gifts, regular giving and legacies. This is supported by a programme of non-fundraising events designed to encourage interest and involvement with the School. External fundraising companies are not used and the Foundation does not actively fundraise through targeted appeals or telephone campaigns.

The School has received no complaints related to fundraising in the year.

RISK MANAGEMENT

The Governing Body conducts a formal review each term of the School's Risk Register. The School's Executive identifies the major risks to which the School and its related organisations are exposed. The School Executive and the Sub Committee Chairs review these risks on a rolling basis. Mitigation and control procedures are put in place as necessary. This procedure and the Risk Register is reviewed by the Risk and Strategy Committee each term and recommendations are made to the Board regarding confirmation that systems are in place to provide reasonable assurance that major risks are being adequately managed.

The most significant risks for the School are detailed below:-

A collapse in any market, boarding or day and in particular a decline in international boarding.

A key risk to the School is a reduction in the number of boarders resulting in a reduction in the School's fee income and consequential pressures on cash flows. Whilst the pupil roll at the start of the 2025/2026 year is excellent, the School is concerned about the longer term impact of worldwide tensions on the international boarding community and the threat of a higher number of leading Boarding Schools competing in these markets. We have a number of mitigation strategies in place including continually assessing new market opportunities and supporting existing agent relationships through educational international events. We will also seek to continually develop the high level of pastoral care provided to our boarding community, including our Guardian Angel programme to maintain our reputation.

Competition from for profit groups

Following the imposition of VAT there has been a shift in the sector with more for profit groups taking over schools. Standalone schools like ours may well struggle to match the capital investments that groups can deploy quickly across their portfolio. They benefit from economies of scale: shared back office functions, centralised HR, bulk purchasing and stronger bargaining power, particularly when it comes to commission rates for international educational agents. For-profit groups actively acquire schools, especially those under financial strain. This can reduce the number of truly independent schools and shift the sector toward corporate ownership. Standalone schools risk being absorbed or outcompeted, especially if numbers fall.

Falling numbers at Prep and Pre-Prep age

It is becoming harder to recruit younger pupils because parents are facing rising financial pressure, shifting expectations, and increasing uncertainty about long-term affordability. Worcestershire's birthrate is on a downward trend with Bromsgrove showing one of the steepest declines, therefore shrinking the pool of potential pupils especially for early year, Pre-Prep and Prep settings. Whilst our numbers remain strong, it is a challenging area for the School.

Cyber attacks

Schools like ours face a *high* and *increasing* likelihood of cyberattacks. These attacks range from phishing and fee-payment fraud to ransomware, driven by valuable financial data, large transactions, and often under-resourced cybersecurity controls. Our IT company, NS optimum, have put additional safeguards in place and staff are regularly trained in this area. Presentations are regularly made to Governors so all are aware of the potential risks.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by its Memorandum and Articles of Association arising from incorporation in 2003, as amended on 4 October 2015.

Governors and professional advisers

A list of Governors and professional advisers appears on pages 1 and 2 of this report.

Recruitment and Training of Governors

The Charity's Governors are appointed at a meeting of the Board of Governors, following a selection process and recommendation from the Governance Committee. The Governing body requires breadth and depth of experience to carry out its duties effectively. When recruiting new Governors, the Governance Committee takes into consideration eligibility, personal competence, specialist skills and availability.

New Governors are inducted into the workings of the School, including the provision of key information covering Board policy, School ethos, strategy and financial information. All Governors are encouraged to attend training courses and workshops organised by specialist school organisations. All Governors give of their time freely and no remuneration was paid in the year. No Governor or person connected with a Governor received any benefit from either means tested bursaries or scholarships awarded to our pupils.

Organisational Management

The Board of Governors, as the trustees of the Charity, is responsible for the overall management and control of the School and meets at least three times a year.

The principal responsibilities of the Board are to:

- Ensure the School is run in accordance with its charitable objectives and that all the functions of the School are authorised by the powers provided by its statutes, regulations and by company and charity law
- To appoint the Headmaster
- To set, in consultation with the Headmaster and the Executive of the School, the strategy and policies by which the School will be run
- Approve the School Development Plan
- Control finance by approving budgets and longer-term plans and by approving systems that optimise the chances that they will be achieved and approving all major capital expenditure.
- Ensure that competent professional advice is taken when necessary.

The work in checking the strategy and policies are being correctly carried out is performed by the various committees of Governors as set out below:

- Finance and Property Committee – which deals with financial policy and review of budgets and financial statements prior to approval by the Board
- Education Committee – which deals with educational and related operational issues and brings recommendations and concerns with regard to such matters to the Board
- Buildings Committee – which considers and monitors major build and refurbishment projects within the School
- Investment Committee – which receives termly updates on investment and performance from the Investment Advisers and reports these matters to the Board.
- Governance Committee – which considers possible capability gaps with regard to the composition of the Board and makes recommendations regarding potential new Board members

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- Risk and Strategy Committee – which assesses the management of all risks encountered by the School and maintains an oversight of the implementation of the agreed strategic aims on the behalf of the full Board.
- Safeguarding and Welfare Committee – which assesses the management of all safeguarding and pastoral controls within the School
- Commercial Projects Committee
- Environmental, Social and Governance Committee

Each committee normally meets before the main Board meetings. The membership of the committees is supplemented by senior staff at the School and by co-opted external appointments.

The day-to-day running of the School is delegated to the School Executive. The School Executive (key management) comprises the Headmaster (M Punt), Bursar, Assistant Head (R Scannell), the Headmaster of the Preparatory and Pre-Preparatory Schools (M Marie) and the Headmistress of Winterfold House School (D Toms). The members of the Governance Committee have responsibility for reviewing the remuneration for the members of the Executive on an annual basis. The Governors aim to ensure that pay levels are consistent with the market within the independent school sector and use benchmarking data from professional associations such as AGBIS to guide them. In the Year the School appointed a Director of Estates and Projects (M Gowan).

The School Executive consults with all employees on a regular basis so that their views are taken into account in making decisions, which are likely to affect their interests. Information is shared with the teaching staff and the support staff on all key School developments and changes including the financial and economic factors affecting the performance of the School. The Governors regularly meet with senior staff through the Sub Committees and monitor communications within the School.

Group Structure and Relationships

The Charity has a wholly-owned non-charitable subsidiary, Bromsgrove School Enterprises Limited, whose activities and trading performance are discussed below.

The Charity also holds under trust certain endowed funds under Charity Commission schemes: the Society of Friends Fund and the David Walters Fund. The terms of the schemes are such that the income is applied for the benefit of pupils and former pupils of the School.

The School is the sole member of Bromsgrove School Foundation, a charitable company limited by guarantee. The objects of the company are to promote and advance any charitable purpose connected with Bromsgrove School and to promote other educational purposes for the benefit of the local community.

The School has established international links under licence agreements with Bromsgrove International School Thailand and with Bromsgrove School Mission Hills, Shenzhen.

The Headmaster is a member of HMC, The Heads' Conference which provides an opportunity to share expertise and knowledge across the independent school sector. The Conference also permits appropriate representation to Government and regulators of the views of the sector.

The School also benefits from close links with the Alumni. An Alumni Committee, with representation from Old Bromsgrovians, the Foundation and the School has responsibility for engaging with Old Bromsgrovians.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the trustees and directors of the charitable company) are responsible for preparing the Report of the Governors, including the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

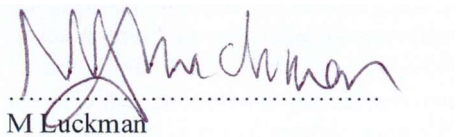
So far as each of the Governors is aware at the time the report is approved:

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

AUDITORS

HaysMac LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

In approving the Report of the Governors, the Board are also approving the Strategic Report contained herein in their capacity as company directors. Approved by the Board of Governors of Bromsgrove School on 28 March 2026 and signed on its behalf by:



M Luckman
Chairman

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

In our opinion, the financial statements:

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

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

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

Our responsibilities and the responsibilities of the 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 Report of the Governors. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Governors (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Governors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors (which incorporates the strategic report and the directors' 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
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors for the financial statements
As explained more fully in the Statement of Governors' Responsibilities set out on page 18, the Governors (who are also the directors of the charitable company for the purposes of company law and trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial

statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Adam Halsey (Senior Statutory Auditor)
for and on behalf of HaysMac LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 4AG

Date: 4 April 2026

BROMSGROVE SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2025

Income and Expenditure Account	Note	General Fund £	Restricted Funds £	Endowment Funds £	Total 2025 £	Total 2024 £
Income and Endowments from:						
Charitable activity:						
Fees		47,288,195	-	-	47,288,195	48,503,030
Prompt payment allowance		-	-	-	-	(322,761)
Bursaries, scholarships and grants	2	(6,320,595)	-	-	(6,320,595)	(6,350,106)
Net fees receivable		40,967,600			40,967,600	41,830,163
Other income		1,031,410	-	-	1,031,410	901,870
Grants and donations						
Donations		39,701	-	-	39,701	141,814
Other trading income:						
Lettings		1,789,998	-	-	1,789,998	1,987,738
School shop		373,041	-	-	373,041	413,925
Other		791,442	-	-	791,442	746,995
Investments		531,372	-	18,391	549,763	222,980
Other income						
Loss/(gain) on disposal of fixed assets		(600)	-	-	(600)	11,142
Total Income and Endowments		45,523,964		18,391	45,542,355	46,256,627
Expenditure on:						
Charitable activity:						
Teaching costs		21,654,570	-	-	21,654,570	21,244,786
Welfare costs		5,127,890	-	-	5,127,890	5,143,902
Premises costs		9,551,465	-	-	9,551,465	9,421,180
Support and governance costs		3,835,667	-	-	3,835,667	3,642,671
Raising funds		3,016,584			3,016,584	3,078,704
Total Expenditure	1	43,186,176	-	-	43,186,176	42,531,243
Net income before investment gains/(losses)		2,337,788	-	18,391	2,356,179	3,725,384
Gains/(losses) on investments	5	(67,950)	-	(23,723)	(91,673)	611,914
Net movement in funds		2,269,838	-	(5,332)	2,264,506	4,337,298
Fund balances brought forward		76,072,652	17,697	634,345	76,724,694	72,387,396
Fund balances carried forward		78,342,490	17,697	629,013	78,989,200	76,724,694

All of the charitable company's activities are continuing. All recognised gains and losses are included in the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL **Registered Company No: 4808121**

GROUP BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £	2025 £	2024 £	2024 £
NON CURRENT ASSETS					
Tangible	4		76,456,360		79,879,207
Investments	5		6,943,847		7,035,520
Debtors more than one year	7		2,375,795		-
			85,776,002		86,914,727
CURRENT ASSETS					
Stocks		450,365		466,415	
Debtors	6	11,436,181		1,646,099	
Cash at bank and in hand		15,317,950		15,987,842	
		27,204,496		18,100,356	
CREDITORS: Amounts falling due within one year	8	(24,718,986)		(16,710,904)	
NET CURRENT ASSETS/(LIABILITIES)			2,485,510		1,389,452
TOTAL ASSETS LESS CURRENT LIABILITIES			88,261,512		88,304,179
CREDITORS: Amounts falling due after more than one year	9		(9,272,312)		(11,579,485)
NET ASSETS			78,989,200		76,724,694
FUNDS					
Endowment	10		629,013		634,345
Unrestricted	11		78,342,490		76,072,652
Restricted	12		17,697		17,697
			78,989,200		76,724,694

The financial statements were approved and authorised for issue by the Board of Governors on 28th March 2026 and were signed below on its behalf by:

M Luckman

C Cameron

Governors

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL **Registered Company No: 4808121**

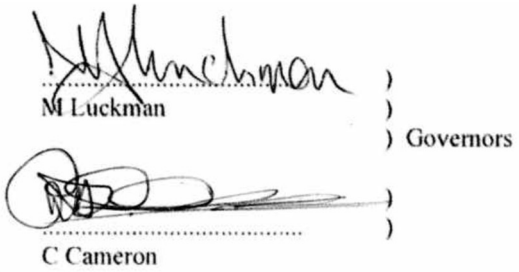
CHARITY BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £	2025 £	2024 £	2024 £
NON CURRENT ASSETS					
Tangible	4		76,452,706		79,873,726
Investments	5		5,000,652		5,042,316
Debtors more than one year	7		2,375,795		-
			83,829,153		84,916,042
CURRENT ASSETS					
Stocks		50,404		38,855	
Debtors	6	11,932,841		2,054,663	
Cash at bank and in hand		14,283,860		15,163,350	
		26,267,105		17,256,868	
CREDITORS: Amounts falling due within one year	8	(24,490,851)		(16,580,538)	
NET CURRENT (LIABILITIES)			1,776,254		676,330
TOTAL ASSETS LESS CURRENT LIABILITIES			85,605,407		85,592,372
CREDITORS: Amounts falling due after more than one year	9		(9,272,312)		(11,579,485)
NET ASSETS			76,333,095		74,012,887
FUNDS					
Endowment			629,014		634,345
Unrestricted			75,704,081		73,378,542
			76,333,095		74,012,887

The School income for the year was £47m (2024: £48m) with a surplus of £2.3m (2024: £4.3m).

The financial statements were approved and authorised for issue by the Board of Governors on 28th March 2026 and were signed below on its behalf by:



The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2025

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	Note	2025 £	2025 £	2024 £	2024 £
Net cash provided by operating activities	A		213,192		18,938,176
Investing activities					
Investment income received		549,763		222,980	
Purchase of fixed assets		(1,361,140)		(6,259,982)	
Proceeds on disposal of fixed assets		3,000		12,401	
Purchase of investments		-		(473,000)	
Sale of investments		-		973,239	
Net cash outflow from investing activities			(808,377)		(5,524,362)
Financing activities					
Loan repayments		-		(2,265,743)	
Capital element of finance lease rentals		(9,528)		(27,651)	
Interest cost		(65,179)		(134,016)	
Net cash inflow/(outflow) from financing activities			(74,707)		(2,427,410)
Increase/(decrease) in cash and cash equivalents			(669,892)		10,986,404
Cash and cash equivalents at 1 September			15,987,842		5,001,438
Cash and cash equivalents at 31 August			15,317,950		15,987,842
Cash and cash equivalents comprise:					
Cash at bank			15,317,950		15,987,842
			15,317,950		15,987,842

A.	RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2025 £	2024 £
	Net income before investment gains	2,356,179	3,725,384
	Depreciation	2,007,259	1,914,799
	(Gain)/loss on disposal of fixed assets	600	(11,142)
	(Increase)/ Decrease in stock	16,050	8,191
	(Increase)/Decrease in debtors	(9,392,749)	46,414
	Increase/(decrease) in fee deposits and fees in advance	(9,542,780)	13,399,132
	Increase/(Decrease) in creditors	15,253,217	(55,638)
	Investment income receivable	(549,763)	(222,980)
	Interest cost	65,179	134,016
	Net cash inflow from operations	213,192	18,938,176

B. ANALYSIS OF CHANGES IN NET (DEBT) / ASSET	At 1 September 2024	Cash flows	Other movements	At 31 August 2025
	£	£	£	£
Cash and cash equivalents	15,987,842	(669,892)	-	15,317,950
Finance lease	(9,528)	9,528	-	-
Net (debt) / assets	15,978,314	(660,364)	-	15,317,950

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) (Second Edition, effective 1 January 2019).

The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

The financial statements of the Group include the results and balances of the School consolidated on a line by line basis with Bromsgrove School Enterprises Limited and Bromsgrove School Foundation. In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Bromsgrove School.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 1 September 2003 (company number: 4808121) and registered as a charity (charity number: 1098740).

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

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

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

Fees and similar earned income
Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income
Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary income
Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

Expenditure
Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements. Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

Tangible fixed assets
Depreciation is provided at rates calculated to write off each asset over its estimated useful life. Equipment is depreciated at annual rates varying between 10% and 33.3% on cost.

No depreciation is provided on freehold land. Depreciation is provided on freehold buildings at 2% per annum, straight line, when the buildings are brought into use. The anticipated average life of buildings is estimated by reference to 1 September 1990 (date of commencement of depreciation policy), or date of expenditure since that date.

Investments
Listed investments are recognised at market value as at the balance sheet date. Realised and unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Stock
Stock represents goods for resale and is valued at the lower of cost and net realisable value.

Financial instruments
Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, trade and fee debtors, other debtors, accrued income and amounts owed by group undertakings. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise deposits, fees in advance, trade creditors, other creditors and amounts owed to group undertakings.

Debtors
Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Cash at bank and in hand
Cash at bank and in hand includes cash and deposits with a short term maturity of six months or less from the date of opening the deposit account.

Creditors
Creditors are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Endowment Funds
The Society of Friends Fund:

This represents permanent endowment funds held under a Charity Commission Scheme where the income is to be applied to further the charitable purposes of Bromsgrove School.

David Walters Fund:

This represents permanent endowment funds held under a Charity Commission Scheme where the income is to be applied for providing scholarships for pupils at Bromsgrove School or at an approved further education establishment.

Restricted Funds
Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor (see Note 11).

Unrestricted Funds
Unrestricted funds comprise the School's general fund, which is available for application in accordance with the School's objects.

Pension costs
Retirement benefits to employees of the School are provided through two pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School also contributes to a defined contribution scheme for teaching and non-teaching staff. Contributions are charged to expenditure when they become payable.

Operating leases
Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Re-presentation of comparative figures

The prior year comparatives have been re-presented to enhance the relevant and reliability of the financial statements. The re-presentation reflects updated classifications which more appropriately reflect the nature of certain income and expenditure streams. This constitutes a change in presentation only, with no effect on previously reported total funds or met movement in funds.

1. EXPENDITURE

2025	Staff Costs £	Other £	Total £
Charitable activity:			
Teaching costs	20,514,461	1,140,109	21,654,570
Welfare costs	2,549,963	2,577,927	5,127,890
Premises costs	2,666,960	6,884,505	9,551,465
Support and governance costs	2,470,291	1,365,376	3,835,667
	28,201,675	11,967,917	40,169,592
Raising funds:			
Lettings	397,055	472,145	869,200
School shop	97,814	261,599	359,413
Marketing	-	1,408,807	1,408,807
Finance costs	-	65,179	65,179
Other	213,153	100,832	313,985
	708,022	2,308,562	3,016,584
	28,909,697	14,276,479	43,186,176

2024	£	£	£
Charitable activity:			
Teaching costs	21,605,451	1,111,827	22,717,278
Welfare costs	2,413,430	2,730,472	5,143,902
Premises costs	2,285,090	7,136,090	9,421,180
Support and governance costs	2,454,187	1,188,484	3,642,671
	28,758,158	12,166,873	40,925,031
Raising funds:			
Lettings	417,746	571,067	988,813
School shop	92,318	296,225	388,543
Marketing	-	1,280,137	1,280,137
Finance costs	-	134,016	134,016
Other	194,537	92,658	287,195
	704,601	2,374,103	3,078,704
	29,462,759	14,540,976	44,003,735

Finance costs relate to interest on bank loans for 2024.

Governance costs included in support costs:	2025 £	2024 £
Auditor's remuneration	38,384	44,344
Governors' costs	1,517	1,184
Legal and professional	63,953	39,132
Other	10,094	9,398
	113,948	94,058

1. EXPENDITURE (continued)

Total expenditure includes:		2025 £	2024 £
Depreciation		2,007,259	1,911,797
Auditors remuneration:	- Audit fees (School)	27,750	29,500
	- Audit fees (Subsidiaries)	10,634	14,844
	- Other services relating to taxation	9,005	8,472

2. BURSARIES, SCHOLARSHIPS AND GRANTS

	2025 £	2024 £
Bursaries	2,466,092	2,518,432
Forces discounts	1,907,528	1,851,001
Scholarships, exhibitions and other discounts	505,025	508,181
Staff discounts	1,441,950	1,472,492
	6,320,595	6,350,106

3. STAFF COSTS

	2025 £	2024 £
Wages and salaries	24,152,227	24,715,117
Social security costs	2,407,952	1,893,830
Other pension costs	3,791,468	2,853,812
	30,351,647	29,462,759

	No	No
The average number of employees in the year was:		
Teachers	233	233
Administration (including academic support)	441	448
	674	681

The number of employees whose remuneration exceeded £60,000 is disclosed below:

	2025 No.	2024 No.
£60,000-£70,000	63	45
£70,001-£80,000	12	10
£80,001-£90,000	2	1
£90,001-£100,000	4	1
£100,001-£110,000	-	2
£110,001-£120,000	1	-
£120,001-£130,000	1	2
£130,001-£140,000	-	1
£200,000-£210,000	-	-
£210,001-£220,000	1	1

Of the above employees, 47 (2024: thirty-four) received contributions to a defined contribution pension scheme, 37 (2024: twenty-nine) were members of the Teachers' Pension Scheme and none (2024: none) had opted out of the Teachers' Pension Scheme.

	2025 £	2024 £
Aggregate employee benefits of key management personnel	£783,264	£878,834

Neither the Governors, nor persons connected with them received any remuneration from the School. Reimbursed expenses totalling £529 were received by three Governors for travelling expenses (2024: £442 to two Governors for travelling expenses).

During the year there were redundancy or termination payments amounting to £67,900 (2024: £46,637).

4. FIXED ASSETS – GROUP AND CHARITY	Freehold Property £	Equipment £	Total Charity £	Trading Company £	Total Group £
COST					
At 31 August 2024	100,868,913	2,063,104	102,932,017	63,953	102,995,970
Additions	1,212,604	148,536	1,361,140	-	1,361,140
Disposals	-	(18,000)	(18,000)	-	(18,000)
Capital Goods Scheme	(2,773,128)	-	(2,773,128)	-	(2,773,128)
At 31 August 2025	99,308,389	2,193,640	101,502,029	63,953	101,565,982
DEPRECIATION					
At 31 August 2024	21,410,402	1,647,889	23,058,291	58,472	23,116,763
Charge for the year	1,883,428	122,004	2,005,432	1,827	2,007,259
Disposals	-	(14,400)	(14,400)	-	(14,400)
At 31 August 2025	23,293,830	1,755,493	25,049,323	60,299	25,109,622
NET BOOK VALUE					
At 31 August 2025	76,014,559	438,147	76,452,706	3,654	76,456,360
At 31 August 2024	79,458,511	415,215	79,873,726	5,481	79,879,207

5. FIXED ASSETS INVESTMENTS

	Managed Funds £	Cash £	Total £
Group:			
Balance at 31 August 2024	7,017,844	17,676	7,035,520
Losses on revaluation	(91,731)	58	(91,673)
Balance at 31 August 2025	6,926,113	17,734	6,943,847
Charity:			
Balance at 31 August 2024	5,024,640	17,676	5,042,316
Losses on revaluation	(41,722)	58	(41,664)
Balance at 31 August 2025	4,982,918	17,734	5,000,652

The School holds 100% of the share capital of Bromsgrove School Enterprises Limited, whose principal activities are commercial lettings, operating a school shop and administering the School's international activities. This investment is held at nil value in the financial statements. A summary of the balance sheet and profit and loss account from the audited financial statements is set out below:

	31 August 2025 £	31 August 2024 £
Turnover	1,671,969	1,625,205
Expenditure	(1,196,340)	(1,104,183)
Net profit before donation under Gift Aid	475,629	521,022
Donation under Gift Aid to Governors of Bromsgrove School	(521,022)	(435,239)
Retained (loss)/profit	(45,393)	85,783
Net assets represented by		
Share capital	2	2
Profit and loss account	472,688	518,081
	472,690	518,083

6. DEBTORS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Fees (includes billed Winter 25 fees)	10,027,358	843,608	10,027,358	843,608
Amounts due from Bromsgrove School Enterprises Limited	-	-	1,016,751	868,360
Other debtors and prepayments	1,408,823	802,491	831,616	293,698
Amounts due from Bromsgrove School Foundation	-	-	57,116	48,997
	11,436,181	1,646,099	11,932,841	2,054,663

7. DEBTORS: amounts falling due after more than one year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Capital Goods Scheme	2,375,795	-	2,375,795	-
	2,375,795	-	2,375,795	-

8. CREDITORS: amounts falling due within one year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Finance lease	-	9,528	-	9,528
Trade creditors	817,644	560,032	761,803	502,652
Fees in advance and pupil deposits	2,947,715	10,097,460	2,947,715	10,097,460
Taxation and social security	2,571,207	581,431	2,455,220	572,089
Other creditors	1,157,417	1,237,478	1,157,417	1,237,478
Accruals & deferred income	14,670,958	1,585,068	14,614,651	1,521,424
Fees in Advance (FIA) Scheme	2,554,045	2,639,907	2,554,045	2,639,907
	24,718,986	16,710,904	24,490,851	16,580,538

9. CREDITORS: amounts falling due after more than one year

	Group and Charity 2025 £	Group and Charity 2024 £
Pupil deposits	3,743,996	3,600,928
Fees in Advance (FIA) Scheme	5,528,316	7,978,557
	9,272,312	11,579,485

10. ENDOWMENT FUNDS

	Balance 1 September 2024	Net income and gains/(losses)	Transfers	Balance 31 August 2025
	£	£	£	£
David Walters Fund	34,671	-	-	34,671
The Society of Friends	599,674	(5,332)	-	594,342
	634,345	(5,332)	-	629,013

	Balance 1 September 2023	Net income and gains	Transfers	Balance 31 August 2024
	£	£	£	£
David Walters Fund	34,671	-	-	34,671
The Society of Friends	536,157	63,517	-	599,674
	570,828	63,517	-	634,345

11. UNRESTRICTED FUNDS

	Balance 1 September 2024	Income	Expenditure	Gains and Transfers	Balance 31 August 2025
	£	£	£	£	£
General fund	76,072,652	45,523,964	43,186,176	(67,950)	78,342,490

	Balance 1 September 2023	Income	Expenditure	Gains and Transfers	Balance 31 August 2024
	£	£	£	£	£
General fund	71,798,871	46,240,077	42,531,243	564,947	76,072,652

12. RESTRICTED FUNDS

	Balance 1 September 2024 £	Net income and gains £	Transfers £	Balance 31 August 2025 £
John Nicholls Fund	5,251	-	-	5,251
Roger Brazier Fund	2,446	-	-	2,446
Tim Taylor Fund	10,000	-	-	10,000
	17,697	-	-	17,697

	Balance 1 September 2023 £	Net income and gains £	Transfers £	Balance 31 August 2024 £
John Nicholls Fund	5,251	-	-	5,251
Roger Brazier Fund	2,446	-	-	2,446
Tim Taylor Fund	10,000	-	-	10,000
	17,697	-	-	17,697

The John Nicholls Fund represents a legacy received to support children undertaking expeditions or outdoor activities.

The Roger Brazier Fund represents a donation received to support the learning and development of pupils with dyslexia.

The Tim Taylor Fund represents a donation received to support the redevelopment of the Learning & Resources Centre.

13. ALLOCATION OF THE GROUP NET ASSETS

2025	Investments & Debtors >1 yr £	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	Total £
Restricted	-	-	17,697	-	17,697
Endowment	629,013	-	-	-	629,013
Unrestricted:					
- General	8,690,629	76,456,360	2,467,813	(9,272,312)	78,342,490
	9,319,642	76,456,360	2,485,510	(9,272,312)	78,989,200

2024	Investments £	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	Total £
Restricted	-	-	17,697	-	17,697
Endowment	634,345	-		-	634,345
Unrestricted:					
- General	6,401,175	79,879,207	1,371,755	(11,579,485)	76,072,652
	7,035,520	79,879,207	1,389,452	(11,579,485)	76,724,694

14. CAPITAL COMMITMENTS

	2025 £	2024 £
Authorised but not contracted	-	-
Contracted but not provided for	-	-

15. FINANCIAL COMMITMENTS

	2025 £	2024 £
Operating leases for equipment that are subject to future minimum lease commitments are as follows:		
Within one year	-	5,543
In the second to fifth years	-	-
Total	-	5,543
Commitments under finance leases are as follows:		
Payable within one year	-	9,528
Payable in the second to fifth years	-	-
Total	-	9,528

16. SUBSIDIARY CHARITY

Bromsgrove School is the sole member of the Bromsgrove Foundation. The Bromsgrove Foundation has been consolidated into these accounts.

The Bromsgrove Foundation is a company limited by guarantee and a registered charity. It was incorporated on 6 February 2007 and has a year end of 31 August. A summary of the Statement of Financial Activities and Balance Sheet are given below:

Statement of Financial Activities for the year ended 31 August:	2025 £	2024 £
Income		
Investment income	57,116	50,391
Donations and legacies	131,960	193,201
	189,076	243,592
Expenditure	(149,375)	(100,457)
Realised and unrealised investment gains/(losses)	(50,009)	150,115
	(10,308)	293,250
Total funds brought forward	2,193,616	1,900,365
Total funds carried forward	2,183,308	2,193,615
Balance Sheet as at 31 August:		
Investments	1,943,196	1,993,204
Debtors	2,722	53,889
Cash	294,506	195,520
Creditors	(57,116)	(48,998)
Accumulated Funds	2,183,308	2,193,615

16. RELATED PARTY TRANSACTIONS

During the year the following related party transactions occurred:

Bromsgrove School Enterprises

- The charity charged £172,726 (2024: £182,132) to the subsidiary for use of school facilities and administrative support
- The subsidiary donated £521.022 (2024: £435,239) to the parent charity under gift aid.
- At year end, the subsidiary owed the charity £1,016,751 (2024: £868,340).

Bromsgrove School Foundation

- At the year end, the subsidiary owed the charity £1,016,751 (2024: £868,340).

BROMSGROVE SCHOOL

England & Wales - Charity number 1098740

Accounts

BROMSGROVE SCHOOL

(a company limited by guarantee)

(incorporating Bromsgrove School Scholarship and Prize Fund, David Walters Memorial Fund and The Society of Friends of Bromsgrove School Endowment Trust)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2024

Company Number 4808121
Charity Number 1098740

BROMSGROVE SCHOOL

REPORT OF THE GOVERNORS

THE GOVERNORS AND GOVERNING BODY

Mr M Luckman (EC; RC; FPC;SC ESG;CP)	Chairman Chair of Environmental, Social & Governance Committee
Lt Col M S Ballard (SC; ESG)	
Mr C D E Cameron (FPC; IC; RC; ESG)	Chair of Finance & Property Committee Chair of Risk & Strategy Committee
Mr J P Campion (FPC)	
Mrs A E Cleary (SC, EC)	Chair of Safeguarding & Welfare Committee
Dr D Cunningham (EC)	
Dr A Daly (ESG)	
Dr C Lidbury (EC; SC;RC)	Chair of Education Committee
Mr D Morton (EC)	
Mrs J Loynton (BC;CP)	
Mr W Roden (IC; FPC)	Chair of Investments Committee
Mr I Stringer (BC;ESG)	Chair of Building Committee
Mr C Thompson (FPC;CP)	Chair of the Commercial Projects Committee
Mr D R Walters	Resigned 16/03/24
Mrs D Waltier	Resigned 09/01/25
Mr A J G Wilcox (BC)	

FPC = Member of Finance & Property Committee
EC = Member of Education Committee
BC = Member of Building Committee
IC = Member of Investment Committee
RC = Member of Risk and Strategy Committee
SC = Member of Safeguarding and Wellbeing Committee
ESG = Member Environmental, Social and Governance Committee
CP = Member of the Commercial Projects Committee

CLERK TO THE GOVERNORS AND COMPANY SECRETARY

Mr J Sommerville

HEADMASTER

Mr M Punt MA (Oxon), MSC, PGCE

Website: www.bromsgrove-school.co.uk

PRESIDENT

Mr S Towe CBE DL

ADVISERS

Bankers:	Lloyds TSB Bank Plc 112 High Street Bromsgrove Worcs B61 8EZ
Solicitors:	Veale Wasbrough Orchard Court Orchard Lane Bristol BS1 5WS
	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham GL50 1YD
Auditors:	HaysMac LLP 10 Queen Street Place London EC4R 1AG
Investment Advisers:	CCLA One Angel Lane London EC4 3AB
	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
Insurance Brokers:	Hettle Andrews Eleven Brindley Place 2 Brunswick Square Birmingham B1 2LP

STATUS AND ADMINISTRATION

Bromsgrove School is a company limited by guarantee, not having a share capital and is governed by its memorandum and articles of association.

Company Registration number:	4808121
Registered Charity number:	1098740
Registered office:	Worcester Road Bromsgrove Worcestershire B61 7DU

CHAIRMAN'S STATEMENT

The School has enjoyed another excellent year which is particularly pleasing given the tough economic challenges we have faced. All areas of the School have benefitted from strong parental support and this is reflected in the high student numbers across all four schools. Alongside our day students we have just under 600 boarders representing 70 different nationalities. Amongst our British boarders we are thrilled that we have 160 forces' boarders.

External academic results were superb. At A level, 60% of all candidates attained a grade A*/A. 83% attained A*/B with our top one hundred students in the year group of 212 achieving 97% A* to B. It was also pleasing to see that 92% of all BTEC grades were either Distinction * or Distinction. Our students continue to thrive in their BTEC courses.

In the International Baccalaureate our average score was 38.9 compared to a world average of 30.32. One student achieved the maximum score of 45 points, one of only twenty-five pupils in the UK and Bromsgrove now ranks at number four in the UK IB league tables for a coeducational boarding and day school.

At GCSE, 62% of all GCSE entries were awarded at least a grade 7. 41% of candidates attained a grade 8 or 9 (equivalent to the old A*/A). The most common grade in the year group was an 8 and the average was a 7.

90% of our leavers gained places at their first choice University. 61% gained places at Russell Group Universities and 25% gained a place at World Top 50 University. Just under 10% of the year group left Bromsgrove to study medicine. We are very proud of the work our Futures department does with our students applying to UK and overseas Universities. This year 20% went to International Universities including UBS, Toronto, HKU, Chinese University of Hong Kong, Cornell and Columbia.

The breadth of our extra-curricular offering is staggering, encouraging all of our children to develop themselves and other key skills outside of the classroom. So, in addition to ranking number 7 in the UK for sport out of 20+ sports, we have the second largest CCF contingent in the UK with 420 cadets, were National Champions for Young Enterprise 2023 and became Greenpower Kit Car World Champions.

We remain as committed as ever to widening access to Bromsgrove whether through bursaries or through welcoming local clubs, societies and schools to use our facilities or host events here on campus at Bromsgrove or Winterfold, either in our sports facilities, theatres or classrooms.

Whilst these are challenging times, I believe the School is well placed to navigate these "stormy waters" and will continue to thrive by offering excellent education and pastoral care to our pupils.

The Directors, who are the Governors of the School, present their annual report for the year ended 31 August 2024 under the Companies Act 2006, together with the audited financial statements for the year and confirm that the financial statements comply with the requirements of the Act, the charity's governing document, applicable law and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second edition, effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE INFORMATION

The School was founded in 1553 and re-founded on the current site in 1693 by Thomas Cookes. Bromsgrove School was one of the original fourteen members of the Headmasters' Conference (HMC) when it was founded in 1869. The Pre-preparatory and Preparatory Schools are twentieth century foundations. Winterfold Preparatory School joined our family of Schools in 2017.

The School was incorporated as a company limited by guarantee on 1 September 2003 under charity number 1098740 and registered company number 4808121.

OBJECTS, AIMS AND ETHOS

Charitable Objects

The objects for which the Charity is established are to advance education and training by the provision and conduct in or near Worcestershire of any day and boarding school or schools for boys and girls.

The Charity provides education on three sites in Worcestershire to boys and girls from the ages of 2-18. It is the policy of the School to provide a first class education, which identifies and develops the potential of individual pupils in a variety of areas, provides them with the best achievable qualifications and prepares them for their future lives.

Aims

The Charity constantly aims to provide a first class education to boys and girls from the ages of 2-18.

Within the objects, the School aims to produce happy, creative, moral citizens who live motivated, fulfilled lives while enriching the lives of others. The School seeks to achieve this through an enlightened, disciplined and broad education that responds to global change while retaining core values. The core values that the School seeks to foster in its pupils are:

Humility and Confidence	Compassion and Ambition
Respect and Curiosity	Tolerance and Vision

Ethos

Bromsgrove School is committed to safeguarding and promoting the welfare and wellbeing of all pupils. The School is proud of the strong pastoral care provided by the House structure in the Senior School and by the form tutors within the Preparatory and Pre-preparatory Schools. The School has a caring ethos, which is reflected in all of the School's policies and procedures. The School maintains regular contact with parents through newsletters, social media, informal meetings and regular reports.

The School's ethos is to welcome pupils from all backgrounds. Entrance assessments are undertaken to satisfy both the School and parents that prospective pupils would cope with the pace of learning and benefit from the breadth of the education that the School provides. An individual's economic status, gender, ethnicity, sexual orientation, race, religion or disability do not form part of the assessment process.

The Governors are committed to the long-standing principle that charities must exist for the benefit of the public and the School has a long tradition of providing public benefit, both through educating pupils at the School and through associated activities for the benefit of the wider community. The Governors are committed to widening access to the School to ensure that children who could not otherwise attend the School can benefit from the education provided

OBJECTS, AIMS AND ETHOS (Continued)

The School is part of a wider community and has a long history of offering a range of educational activities for the benefit of local children. The School offers activities and access to the School's facilities to provide opportunities for children other than pupils at the School to benefit from the charity.

We are very proud of the Bromsgrove School Swim Academy which provides swimming lessons to 1,100 children from the local community each week. The Summer School that runs for eight weeks in the summer holidays and the Tennis Academy are also open to local children. Local primary schools use the swimming pool for weekly lessons at no charge. The School also continues to reach out to local children through a wide range of activities including the weekly joint Orchestra Group where a number of local Primary Schools come to Bromsgrove to rehearse together to the many local Sports Clubs and Associations that use the School's sports facilities.

Bursaries and Scholarships

The School is committed to ensuring that there is sufficient opportunity for children whose parents cannot afford the fees, including those in poverty, to benefit from its educational services and facilities. The Governors and the School management regularly review the School's Public Benefit Policy as part of the ongoing development of the School's strategy to widen access.

The Governors are committed to offering a means-tested bursary scheme to allow direct access to the educational services provided. The scheme is designed to assist prospective parents and existing parents on low incomes who, for financial reasons, might otherwise be unable to send or continue to send their child to the School. The bursary scheme includes Admissions bursaries for the parents of new pupils and Hardship bursaries for parents whose financial position worsens unexpectedly. Admissions bursaries include both life changing bursaries (75% - 100%) and lower awards for families needing fee assistance.

Bursaries are entirely means tested and are awarded on an annual basis to parents who satisfy the financial criteria set by the School in relation to their income and the value of their capital assets.

The School has a Bursary Policy, which is available to both prospective and existing parents. The policy contains an overview of the bursary scheme and details the procedure for applications and awards of bursaries.

The value of bursaries will be up to 100% of full fees and additional assistance is available to parents to assist with the associated costs of their child's education. The School allocates a proportion of its total income in each financial year to fund the bursary scheme. The School's current aim is to allocate not less than 5% of its total income in each financial year to fund means tested bursaries. These funds are generated from other revenue streams, not from fee income.

The School's scholarship awards recognise high academic potential or the ability to excel in co-curricular activities. Scholarships are awarded with a fixed remission of between 2.5% and 5%. Where further assistance is required, a means tested bursary may supplement scholarship awards. . From September 2025 the School have replaced all Scholarship awards below the Sixth Form with a Scholarship Pathway Programme.

STRATEGIC REPORT

CURRENT YEAR PERFORMANCE REVIEW

Pupil Numbers

Despite external worldwide tensions and economic pressures, the pupil roll has remained strong throughout the year. In the summer term, the roll stood at 2,079 pupils (2023: 2,052). The Senior School educated 1,050 pupils (2023: 1,038) of whom 471 (2022: 465) were boarding pupils; the Preparatory School educated 523 pupils (2023: 525) of whom 98 (2023: 94) were boarding pupils; Winterfold House educated 300 pupils (2023: 288) and the Pre-Preparatory School educated 201 day pupils (2023: 201).

This year, there has been a continued focus on widening access. The value of means tested bursaries including the hardship bursaries amounted to 5.2% of income (2023: 5.0%). The charity has also provided fee assistance in the form of scholarships and armed forces discounts. The value of such additional assistance when added to means tested bursaries represents 10.1% of the charity's total fee income. Of the 2,079 pupils educated at the school, 574 pupils (28%) received some degree of financial assistance in the form of bursaries, scholarships, armed forces discounts and staff discounts.

Pupil Achievements

From IB to GCSE, Bromsgrove pupils have achieved great success in public examinations this year.

Our 212 Upper Sixth leavers took 701 'main' subject qualifications this year. With some A Level reviews to come, a fraction under a quarter of all qualifications sat achieved an A* or equivalent, over a half achieved at least an A grade and just over four-fifths achieved at least a B grade. The most common grade achieved was an A grade.

At IB our cohort of 42 students performed well and earned exceptionally strong value-added scores. The average result for each student now stands at 38.9 and 19 students scored 40 points or more. The average result per subject was 6.1. Of the 134 HL entries, there were 70 x 7s achieved and 40 x 6s, equivalent to an A Level A* rate of 52% and an A Level A*/A rate of 82%.

Given Bromsgrove's high standards, 2024's A Level results in absolute terms are strong, overtly higher than last year and in some senses superb. Of the 515 qualifications awarded there were only 12 results below a C grade leading to an A* / C of 97.7%. This headline figure is amongst the School's best ever return by this metric and suggests that there was virtually no significant tail. Ignoring the Covid years, the A*/B rate of 82.3% represents the School's best results at this level since the Gove reforms. With just over a half of all A Level entries being awarded at least an A grade, the results are similar to those of 2022 when adjustments were still being made after the disruptions of lockdown. The proportion of A* grades is a notch up on what was seen last year.

Obviously with strong headline results many personal successes will be celebrated with the publication of these results. The most heartwarming of personal stories may be that of the young man who, following an accident in the Fifth Form, sustained lifechanging injuries. He achieved 3A*s together with an A* in his EPQ.

Of the 170 students who took A Levels or BTEC, 2 students gained at least 5 A Level A grades, another 16 scored at least 4 A Level A grade and another 31 achieved at least 3 A Level grades. In other words, 49 of our A Level / BTEC cohort achieved at least three A grades before other grades or qualifications are factored in.

In BTEC, the 52 entries saw 25 Distinction*s being achieved together with a further 23 Distinctions and 4 Merits. The proportion of those achieving at least a Distinction was therefore 92% compared to 66% in the previous year. As with the A Level results there was virtually no tail. EPQ results were also strong. A large cohort of 115 entries saw just under two-thirds achieve at least an A grade.

As regards universities, 90% of our leavers gained places at their first choice University. 61% gained places at Russell Group Universities and 25% gained a place at World Top 50 University. Just under 10% of the year group left Bromsgrove to study medicine. We are very proud of the work our Futures department does with our students applying to

CURRENT YEAR PERFORMANCE REVIEW (Continued)

UK and overseas Universities. This year 20% went to International Universities including UBS, Toronto, HKU, Chinese University of Hong Kong, Cornell and Columbia.

As with academic breadth, the School continues to pride itself on a varied co-curricular programme across a wide range of sporting, cultural and service activities. It was another busy year for Drama, Music and Sport across all of our Schools and our pupils take enriching opportunities seriously and participate with enthusiasm and enjoyment.

This year, the Lower Sixth Lecture week was reinstated, and this saw pupils travelling to the Globe Theatre, local businesses and participating in architectural and urban tours. There was preparation for Medicine, Law and Psychology applications or time to enrich Art portfolios. Many universities ran tutorials and almost 100 other extension lectures and seminars took place.

The new Core Maths programme is running as an alternative extension route for older pupils, and for younger there is the Higher Project Qualification.

Charity and Service is also at the heart of all we do and of particular note this year is the work that Winterfold does with Ncemaneni School in KwaZuluNatal South Africa. Entire sections of the School exist because of the work of Winterfold families over a number of years.

This year we have continued to keep our boarding houses open in the School holiday periods to allow boarders to remain in School should they wish to with the Guardian Angels team looking after them. It was particularly popular in the Easter holidays when many pupils chose to stay at School to study for examinations and to attend the Easter Revision Courses.

Developments in the year

The Governors continue to recognise the importance of ensuring that all of our boarding houses are maintained to the highest standard and are committed to an annual rolling boarding refurbishment programme. In the year, Phase 1 of Hayward House has been completed with all of the bedrooms now having ensuite facilities.

This year the School purchased Altered Images, a gym across the road on the Worcester Road opposite Thomas Cookes gate. Planning permission has been submitted for the Worcester Road site although all capital projects are currently on hold whilst we assess the impact of VAT.

The Penryn Hall, Performing Arts Centre at Winterfold was completed this year giving Winterfold a fabulous, state of the Art new Theatre, assembly hall and Chapel with a wonderful reception area for parent gatherings. This is a very exciting development for the Winterfold Community as this project provides state of the art facilities for Music and Drama as well as providing a wonderful space for school gatherings and Chapel services. The majority of the new building's heating comes from an air source heat pump reducing the School's current dependency on oil and therefore making a huge improvement in sustainability. An array of solar panels have also been added.

Our links with the local community

The Governors are committed to developing links with the local community by both ensuring that our facilities are available for use and also by engaging in outreach programmes to support local schools, local children and local charities.

The Bromsgrove School Swim and Tennis Academies are successfully providing swimming and tennis lessons to 1,100 young children in the local community. In addition, the sports facilities in the Senior School, Winterfold and the Ryland sites have been used regularly by local football, hockey, tennis, netball and badminton teams. We have also hosted the Worcestershire School Games and district cross country events.

The Governors are also very pleased that the local community are benefitting from the use of the Arts facilities. An increased number of local and national choirs, orchestras and dance groups have used the facilities in the year. A highlight of the year has been the hosting of a local Orchestra Group each week which includes pupils from all of the local primary schools.

CURRENT YEAR PERFORMANCE REVIEW (Continued)

A whole host of activities take place under the umbrella of Bromsgrove Service; through the Duke of Edinburgh Award scheme, Bromsgrove pupils volunteered for nearly 5,200 hours in the year to March and an ever-increasing number of teachers are trained here through the North Worcestershire Teacher Training Hub formed in partnership with other local schools.

Our approach is not new, rather it has been part of the Bromsgrove DNA for generations. Genuine partnership, we believe has mutual benefit and some families will have heard how much Bromsgrove pupils have enjoyed working with peers who have profound special needs at Chadsgrove School or helping a local school which is seeking to set up a Combined Cadet Force for example. The School's Contingent is the second largest in the UK, there have been highly successful camps and activities in the community and flight simulators and drones will be available for the RAF section from September.

Through Bromsgrove Service, fundraising events were led by pupils for a variety of local causes including the Basement project and Primrose Hospice. A successful partnership has been forged with Chadsgrove School for children with profound special needs, with pupils offering science lessons and finishing the year with a celebratory picnic. Our Grounds team have also supported Chadsgrove assisting with Gardening Clubs and Forest School.

Our commitment to the Environment

The Governors and the Executive are committed to improving the School's carbon footprint. The tables below show the key metrics that are being reported for Streamlined Energy and Carbon Reporting in the financial year ending 31st August 2024.

Summary Data for FY 1st September 21 to 31st August 24	Value
Total Energy Use	8,503.0 MWh
Total Greenhouse Gas Emissions (mandatory & voluntary)	1,001.4 tCO_2
Total Students	2,055
Intensity Ratio	0.49 tCO_2 per student

Area of Measurement	FY 1st Sept 21 to 31st Aug 22	FY 1st Sept 22 to 31st Aug 23	FY 1st Sept 23 to 31st Aug 24	Variance to previous year
Energy Use	9,743.2 MWh	9,366.5 MWh	8,503.0 MWh	**9.2 % decrease**
Greenhouse Gas Emissions	1,283.9 tCO_2	1,192.6 tCO_2	1,001.4 tCO_2	**16.0% decrease**
Intensity Ratio	0.64 tCO_2 per student	0.58 tCO_2 per student	0.49 tCO_2 per student	**16.0 % decrease**

It is clear from the above table that there has been a further decrease in emissions in the year as a result of a combination of the implementation of energy efficient projects and a commitment by the School community to reduce our carbon footprint by continuing our transition from Gas to Electricity. The above Greenhouse Gas emission figures exclude our electricity consumption as all of our supplies come from renewable sources.

The various Sustainability projects implemented this year include the introduction of solar panels on the Penryn Hall roof at Winterfold, upgrades to LED lighting on the main site, Installation of new air source heat pumps to replace traditional boilers, further lagging and insulation of plant rooms, improved BMS control for the heating of buildings.

FUTURE PLANS

The Governors together with the School Executive are committed to ensuring that the School continues to provide a first class education to all of its pupils. All strategic developments are committed to maintaining the School's position in the competitive market that it operates. The achievement of high standards of academic results and the development of the School's facilities are imperative to the School's continued success in the long term.

The Governors and the Executive have recently reviewed the School's Strategic Plan and confirmed new objectives for the next year:-

To ensure that the School continues to evolve and thrive, despite the imposition of VAT and removal of business rates relief.

We shall continue to reassure parents about the value of an independent school education and all that is special at Bromsgrove. We shall review our co-curricular programme to ensure that the programmes are stretching, exciting and enjoyable. We will continue our commitment to the boarding house refurbishment, increase the quantity and quality of staff accommodation, and work towards balancing the size of boarding houses and consider ways to develop more links and friendships between day and boarding pupils We will work towards building up cash reserves, achieve an annual surplus of 8%, avoid non-essential capital expenditure and ensure that fees remain affordable to our families.

To retain our bursary provision but aim to ensure that these are funded through non fee (trading) income.

We shall continue to look at further opportunities to grow the trading income of the School by:

- Letting School facilities
- Extending our revision courses to pupils attending other schools
- Offering the Guardian Angels scheme to students at other schools
- Expanding our summer school provision to the Easter holidays
- Considering the viability of an online School
- Continuing to be open to the possibility of opening new International Schools
- Remaining open to the possibility of acquiring another Prep School
- Continuing to support the work of the Foundation which seeks to maintain good relationships with all OBs, some of whom may choose to donate to bursary funds in the future

To continue to develop the academic offer and ensure that our pupils are provided with an education of the highest quality which prepares them to thrive in their lives beyond School.

- Establish an academic research and innovation group to undertake research to ensure that we are providing sufficient challenge for all pupils, adopting best practice and new developments.
- Respond to the challenges presented by Artificial Intelligence but also embrace the opportunities it provides to enhance teaching and learning.
- Review the use and configuration of the LRC.
- Consider a programme which is appropriate for those who struggle to achieve the entry requirements for ten GCSEs.
- Become a centre of excellence in the use of digital resources for learning, communication, collaboration and creativity.
- Begin preparation for the next ISI inspection.

To remain a kind, inclusive and supportive community which prioritises the wellbeing of pupils and staff.

To further integrate health and well-being provisions to enhance the offers available.

To develop and promote our commitment to Environmental, Social, and Governance. To consider all aspects of ESG and develop further plans to ensure that the School has aspirational aims.

- Environment: The School has an Environmental Sustainability Plan which focuses on four key pillars being the decarbonisation of the estate, waste management, transport and the School's natural environment. Specific initiatives planned for the year include the consideration of sustainable energy supplies for the Sports Centre, the introduction of green heating and lighting solutions in the new Penryn Hall, further food waste management improvements by our catering partner Holroyd Howe and the introduction of further electric School vehicles and equipment.

- Social: The School wants to develop further links and partnerships with the local community. The use of our facilities by the local community has increased significantly in the last year and we will ensure that good relationships are maintained with a view to increasing use further.

- Governance: To ensure that governance is of the highest quality to produce the best outcomes for pupils, current and future. HMC/AGBIS Good Governance accreditation was completed by the end of the 23/24. All Governors will undertake regular and relevant training and there will be further regular opportunities provided for Governors to visit the School, attend events and meet staff and pupils.

To begin preparation for the next ISI inspection under the new F23 framework so that the School performs at the highest level in each of the five sections

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Performance

The School achieved net income before investment losses of £3,725k, which is £460k higher than the prior year.

In the year, net fees increased from £39,909k to £43,303k, an increase of £3,394k (8.5%). This is attributable to the Governors increasing fees by 7% in this academic year and a higher pupil roll.

The School's trading income and other income increased by £304k in the year. Whilst all areas performed well, the results from residential lettings and performing arts lets were outstanding. These lets were a mix of art, music, drama, computing and sport, with many increasing and extending their bookings into 2025. The continued interest by our families in the Easter Revision courses and the Guardian Angel holiday care is also pleasing.

Total School expenditure has increased by 8% overall in the year with inflation still being a contributing factor. Welfare costs have increased by 13% due to a combination of increased cleaning staff costs, transport costs, exceptional kitchen equipment repairs and the continued impact of high inflation on food and disposables. Premises costs have increased by 9.5%. Although energy consumption was down during the year, the electricity half-hour contracts renewal increased by just under 110%. Teaching costs have increased by 6.5% due to the annual pay award of 5.0% and the increase in teacher pension employer contributions of 5% from April 2024.

Our trading subsidiary receives the franchise fee from Bromsgrove International School Thailand and Mission Hills, Shenzhen. These fees were received in the year and the company was able to contribute £521k to School funds. (2023: £435k).

Bromsgrove School Foundation generated net income before investment gains of £145k, during the year ended 31 August 2024 (2023: £126k). The Foundation received one legacy donation in the year. Unless donations are restricted, the funds raised will contribute to bursary awards to pupils of Bromsgrove School in the future.

The improvement in the stock markets during the year mean the School's investments stood at £7,035k at the end of the year, a 1.6% increase on the prior year.

After various movements in working capital, the net cash inflow from operations amounted to £18,938k, compared to £4,800k in the prior year. This increase is due to over £10m being received as part of the Fees in Advance Scheme, and higher fees paid in advance for the Winter Term 2024 compared to the prior year. All outstanding loans were also paid off during the year. The net income before investment gains adjusted for depreciation amounted to a cash inflow of £5,642k. The School's cashflow has performed in line with the School's projection.

In 2021, the Governors withdrew from the Teachers Pension Scheme (TPS) on a phased basis. An alternative Defined Contribution Workplace Pension Scheme was introduced for all teachers joining the School from 1 September 2021. All teachers employed at 31 August 2021 have been offered the choice of remaining in the TPS or transferring to the School's new scheme. At 31st August 2024, we had 50% of our staff in TPS and 50% of our staff in the DC Scheme. This split has mitigated the impact of the 5% increase in the TPS employer contribution rate from April 2024, and the Governors are pleased that they have taken this action to protect the long term financial viability of the School.

Investment Policy and Performance

The Governors are permitted to hold a portfolio of investments. The guidance given to the Investment Advisers with regard to equity investment is to balance growth and income with a medium level of risk. These objectives are to be achieved by investing prudently in a broad range of fixed interest securities and equities which are quoted on a recognised Investment Exchange and unit trusts and OEIC's (open ended investment companies) which are authorised under the Financial Services and Markets Act 2000.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (Continued)

All funds are invested in managed charity investment funds. The School's funds and the Foundation's funds are invested in the CCLA Charities Investment Fund and the Sarasin Endowment Fund Class A. The Investment Committee continues to monitor the performance of these funds against market benchmarks including the Private Investor Balanced Index benchmark over a rolling three-year period. The Total Return generated by both funds was in line with the market benchmark for the period from inception.

Reserves Policy

The Governors recognise that free reserves are those unrestricted reserves which are not specifically designated for any purpose. The School's unrestricted reserves are invested primarily in fixed assets, which are recorded in the financial statements at book value. The Governors have invested significantly over the last few years in capital projects enhancing the School buildings and facilities for the benefit of the children being educated. Due to this significant investment by the School, the free reserves are negative at the current time.

	£
Total Funds	76,724,694
Less: Restricted Funds	(17,697)
Less: Endowment Funds	(634,652)
Unrestricted Funds	76,072,652
Less: Property Funding	(79,879,207)
Free reserves	(3,806,555)
Prior Year	(3,736,411)

The Governors keep the level of free reserves under review. Despite this negative position, they are confident that the School's cashflow forecasts and external finance facilities are sufficient to meet the operational needs of the School.

The Governors' policy is to focus on the level of liquid assets that support the unrestricted reserves. To mitigate against future risks, the Governors believe that the School should hold sufficient liquid assets to cover three to six months' worth of expenditure. The aim is to be able to support the working capital needs of the School without needing to dispose of the School's land or buildings in the medium term.

The Governors' policy is to hold liquid assets representing three to six months of expenditure (£10.2m - £20.4m). The School's investments are held to provide income and capital growth and as they are not designated for a specific purpose, they are viewed to be liquid assets. Based on the current market price of the investments and current cash balances at 31st August 2024, the School's liquid assets amounted to £23m (2023 £12m). £8.5m of this relates to funds held in the Fees in Advance Scheme which remain part of the School's working capital.

The Governors monitor the School's liquid assets, the cashflow forecasts and levels of external financing on a termly basis at the Finance Committee. The current strategy is to further increase the liquid assets over the medium term due to the uncertainty detailed in the Risk Management section of this report.

Asset cover for funds

Note 12 of the financial statements sets out an analysis of the School's assets attributable to the various funds. These assets are sufficient to meet the School's obligations on a fund by fund basis.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (Continued)

Fundraising Policy

The School does not undertake fundraising for the financing of capital investment. All projects within the School are funded from School resources with external bank financing as and when necessary.

The Foundation's objective is to raise funds ultimately to enable the School to provide places to all deserving pupils on a needs blind basis. This is a long term ambition which has a focus on friend raising rather than targeted fundraising. It is intended that gentle appeals are made to all those with a connection to Bromsgrove School ie: alumni and parents through a fundraising programme of encouraging major gifts, regular giving and legacies. This is supported by a programme of non-fundraising events designed to encourage interest and involvement with the School. External fundraising companies are not used and the Foundation does not actively fundraise through targeted appeals or telephone campaigns.

The School has received no complaints related to fundraising in the year.

RISK MANAGEMENT

The Governing Body conducts a formal review each term of the School's Risk Register. The School's Executive identifies the major risks to which the School and its related organisations are exposed. The School Executive and the Sub Committee Chairs review these risks on a rolling basis. Mitigation and control procedures are put in place as necessary. This procedure and the Risk Register is reviewed by the Risk and Strategy Committee each term and recommendations are made to the Board regarding confirmation that systems are in place to provide reasonable assurance that major risks are being adequately managed.

The most significant risks for the School are detailed below:-

A collapse in any market, boarding or day and in particular a decline in international boarding.

A key risk to the School is a reduction in the number of boarders resulting in a reduction in the School's fee income and consequential pressures on cash flows. Whilst the pupil roll at the start of the 2024/2025 year is excellent, the School is concerned about the longer term impact of worldwide tensions on the international boarding community and the threat of a higher number of leading Boarding Schools competing in these markets. We have a number of mitigation strategies in place including continually assessing new market opportunities and supporting existing agent relationships through educational international events. We will also seek to continually develop the high level of pastoral care provided to our boarding community, including our Guardian Angel programme to maintain our reputation.

We strive to increase day numbers at Winterfold School. With the launch of the Winterfold Outdoor Education Programme and the new Performing Arts Facilities, we are hoping to attract more day children to the School.

The political landscape in the UK

The Labour Government has imposed VAT on School fees, removed business rate relief, increased National Insurance and raised the minimum wage. Our approach regarding fees has been well received by our families and we have not lost any families due to the imposition of VAT on fees. We shall continue to monitor the impact of VAT and ensure that we continue to offer value for money. Many international families have been concerned by the approach of the Government coupled with fluctuating exchange rates. There is more competition in the international market that ever before as more Schools realise that they have spaces to fill.

Bursar appointment

This year we are sad to announce our Bursar died in service in November. This was a huge shock to the community. The Bromsgrove Executive is a tight team and we now need to appoint a replacement. We are working with a recruitment consultancy and hope to find not only a superb financial leader, but also a strategic and commercial individual who can join our team.

We have robust contingency measures in place whilst the appointment process is conducted. Our Head of Finance has taken over the running, management and forecasting of the financial side of the School, supported by her superb team including a couple of colleagues who themselves have previously been Bursars. In August we appointed a Director of Estates and Projects who has taken over the line management of all Estates and Services teams as well as liaising with external suppliers for Projects. Line managers of other areas are reporting into the Headmaster and Assistant Head.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by its Memorandum and Articles of Association arising from incorporation in 2003, as amended on 4 October 2015.

Governors and professional advisers

A list of Governors and professional advisers appears on pages 1 and 2 of this report.

Recruitment and Training of Governors

The Charity's Governors are appointed at a meeting of the Board of Governors, following a selection process and recommendation from the Governance Committee. The Governing body requires breadth and depth of experience to carry out its duties effectively. When recruiting new Governors, the Governance Committee takes into consideration eligibility, personal competence, specialist skills and availability.

New Governors are inducted into the workings of the School, including the provision of key information covering Board policy, School ethos, strategy and financial information. All Governors are encouraged to attend training courses and workshops organised by specialist school organisations. All Governors give of their time freely and no remuneration was paid in the year. No Governor or person connected with a Governor received any benefit from either means tested bursaries or scholarships awarded to our pupils.

Organisational Management

The Board of Governors, as the trustees of the Charity, is responsible for the overall management and control of the School and meets at least three times a year.

The principal responsibilities of the Board are to:

- Ensure the School is run in accordance with its charitable objectives and that all the functions of the School are authorised by the powers provided by its statutes, regulations and by company and charity law
- To appoint the Headmaster
- To set, in consultation with the Headmaster and the Executive of the School, the strategy and policies by which the School will be run
- Approve the School Development Plan
- Control finance by approving budgets and longer-term plans and by approving systems that optimise the chances that they will be achieved and approving all major capital expenditure.
- Ensure that competent professional advice is taken when necessary.

The work in checking the strategy and policies are being correctly carried out is performed by the various committees of Governors as set out below:

- Finance and Property Committee – which deals with financial policy and review of budgets and financial statements prior to approval by the Board
- Education Committee – which deals with educational and related operational issues and brings recommendations and concerns with regard to such matters to the Board
- Buildings Committee – which considers and monitors major build and refurbishment projects within the School
- Health and Safety Committee – which meets formally each term and is attended by the Governor who chairs the Building Committee, to which it reports.
- Investment Committee – which receives termly updates on investment and performance from the Investment Advisers and reports these matters to the Board.
- Governance Committee – which considers possible capability gaps with regard to the composition of the Board and makes recommendations regarding potential new Board members

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- Risk and Strategy Committee – which assesses the management of all risks encountered by the School and maintains an oversight of the implementation of the agreed strategic aims on the behalf of the full Board.
- Safeguarding and Welfare Committee – which assesses the management of all safeguarding and pastoral controls within the School
- Commercial Projects Committee
- Environmental, Social and Governance Committee

Each committee normally meets before the main Board meetings. The membership of the committees is supplemented by senior staff at the School and by co-opted external appointments.

The day-to-day running of the School is delegated to the School Executive. The School Executive (key management) comprises of the Headmaster (M Punt), Bursar, Assistant Head (R Scannell), the Headmaster of the Preparatory and Pre-Preparatory Schools (M Marie) and the Headmistress of Winterfold House School (D Toms). The members of the Governance Committee have responsibility for reviewing the remuneration for the members of the Executive on an annual basis. The Governors aim to ensure that pay levels are consistent with the market within the independent school sector and use benchmarking data from professional associations such as AGBIS to guide them. In the Year the School appointed a Director of Estates and Projects (M Gowan).

The School Executive consults with all employees on a regular basis so that their views are taken into account in making decisions, which are likely to affect their interests. Information is shared with the teaching staff and the support staff on all key School developments and changes including the financial and economic factors affecting the performance of the School. The Governors regularly meet with senior staff through the Sub Committees and monitor communications within the School.

Group Structure and Relationships

The Charity has a wholly-owned non-charitable subsidiary, Bromsgrove School Enterprises Limited, whose activities and trading performance are discussed below.

The Charity also holds under trust certain endowed funds under Charity Commission schemes: the Society of Friends Fund and the David Walters Fund. The terms of the schemes are such that the income is applied for the benefit of pupils and former pupils of the School.

The School is the sole member of Bromsgrove School Foundation, a charitable company limited by guarantee. The objects of the company are to promote and advance any charitable purpose connected with Bromsgrove School and to promote other educational purposes for the benefit of the local community.

The School has established international links under licence agreements with Bromsgrove International School Thailand and with Bromsgrove School Mission Hills, Shenzhen.

The Headmaster is a member of HMC, The Heads' Conference which provides an opportunity to share expertise and knowledge across the independent school sector. The Conference also permits appropriate representation to Government and regulators of the views of the sector.

The School also benefits from close links with the Alumni. An Alumni Committee, with representation from Old Bromsgrovians, the Foundation and the School has responsibility for engaging with Old Bromsgrovians.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the trustees and directors of the charitable company) are responsible for preparing the Report of the Governors, including the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Governors is aware at the time the report is approved:

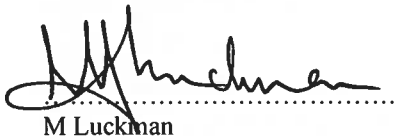
- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

On 18th November 2024, the Charity's auditors changed its name from haysmacintyre LLP to HaysMac LLP.

HaysMac LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

In approving the Report of the Governors, the Board are also approving the Strategic Report contained herein in their capacity as company directors. Approved by the Board of Governors of Bromsgrove School on 29 March 2025 and signed on its behalf by:



M Luckman
Chairman

Opinion
We have audited the financial statements of Bromsgrove School for the year ended 31 August 2024 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2024 and of the group's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

Our responsibilities and the responsibilities of the 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 Report of the Governors. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Governors (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Governors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors (which incorporates the strategic report and the directors' 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
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors for the financial statements
As explained more fully in the Statement of Governors' Responsibilities set out on page 15, the Governors (who are also the directors of the charitable company for the purposes of company law and trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

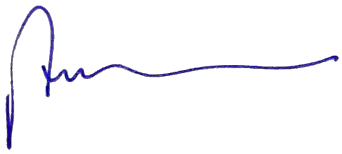
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying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

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

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

Use of our report

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



Adam Halsey (Senior Statutory Auditor)
for and on behalf of HaysMac LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 4AG

Date: 23/05/2025

BROMSGROVE SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2024

Income and Expenditure Account	Note	General Fund £	Restricted Funds £	Endowment Funds £	Total 2024 £	Total 2023 £
Income and Endowments from:						
Charitable activity:						
Fees		48,503,030	-	-	48,503,030	45,171,321
Prompt payment allowance		(322,761)	-	-	(322,761)	(968,300)
Bursaries, scholarships and grants	2	(4,877,614)	-	-	(4,877,614)	(4,294,370)
Net fees receivable		43,302,655			43,302,655	39,908,651
Other income		901,870	-	-	901,870	753,265
Grants and donations						
Donations		141,814	-	-	141,814	195,412
Other trading income:						
Lettings		1,987,738	-	-	1,987,738	1,847,609
School shop		413,925	-	-	413,925	399,345
Other		746,995	-	-	746,995	758,091
Investments		206,430	-	16,550	222,980	186,979
Other income						
Gain on disposal of fixed assets		11,142	-	-	11,142	-
Total Income and Endowments		47,712,569	-	16,550	47,729,119	44,049,352
Expenditure on:						
Charitable activity:						
Teaching costs		22,717,278	-	-	22,717,278	21,350,525
Welfare costs		5,143,902	-	-	5,143,902	4,552,432
Premises costs		9,421,180	-	-	9,421,180	8,607,209
Support and governance costs		3,642,671	-	-	3,642,671	3,364,324
Raising funds		3,078,704			3,078,704	2,910,333
Total Expenditure	1	44,003,735	-	-	44,003,735	40,784,822
Net income before investment gains/(losses)		3,708,834	-	16,550	3,725,384	3,264,530
Gains/(losses) on investments	5	564,947	-	46,967	611,914	(107,717)
Net movement in funds		4,273,781	-	63,517	4,337,298	3,156,813
Fund balances brought forward		71,798,871	17,697	570,828	72,387,396	69,230,583
Fund balances carried forward		76,072,652	17,697	634,345	76,724,694	£72,387,396

All of the charitable company's activities are continuing. All recognised gains and losses are included in the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL **Registered Company No: 4808121**

GROUP BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £	2024 £	2023 £	2023 £
FIXED ASSETS					
Tangible	4		79,879,207		75,535,282
Investments	5		7,035,520		6,923,846
			86,914,727		82,459,128
CURRENT ASSETS					
Stocks		466,415		474,606	
Debtors	6	1,646,099		1,692,513	
Cash at bank and in hand		15,987,842		5,001,438	
		18,100,356		7,168,557	
CREDITORS: Amounts falling due within one year	7	(16,710,904)		(11,797,368)	
NET CURRENT ASSETS/(LIABILITIES)			1,389,452		(4,628,811)
TOTAL ASSETS LESS CURRENT LIABILITIES			88,304,179		77,830,317
CREDITORS: Amounts falling due after more than one year	8		(11,579,485)		(5,442,921)
NET ASSETS			£76,724,694		£72,387,396
FUNDS					
Endowment	9		634,345		570,828
Unrestricted	10		76,072,652		71,798,871
Restricted	11		17,697		17,697
			76,724,694		£72,387,396

The financial statements were approved and authorised for issue by the Board of Governors on **29 March 2025** were signed below on its behalf by:

.....
M Luckman
) Governors

.....
C Cameron

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL **Registered Company No: 4808121**

CHARITY BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £	2024 £	2022 £	2022 £
FIXED ASSETS					
Tangible	4		79,873,726		75,526,799
Investments	5		5,042,316		5,080,518
			84,916,042		80,607,317
CURRENT ASSETS					
Stocks		38,855		39,303	
Debtors	6	2,054,663		2,192,163	
Cash at bank and in hand		15,163,350		4,319,359	
		17,256,868		6,550,825	
CREDITORS: Amounts falling due within one year	7	(16,580,538)		(11,660,598)	
NET CURRENT (LIABILITIES)			676,330		(5,109,773)
TOTAL ASSETS LESS CURRENT LIABILITIES			85,592,372		75,497,544
CREDITORS: Amounts falling due after more than one year	8		(11,579,485)		(5,442,921)
NET ASSETS			£74,012,887		£70,054,623
FUNDS					
Endowment			634,345		570,828
Unrestricted			73,378,542		69,483,795
			74,012,887		£70,054,623

The School income for the year was £48m (2023: £44m) with a surplus of £4.3m (2023: £3.1m).

The financial statements were approved and authorised for issue by the Board of Governors on **29 March 2025** and were signed below on its behalf by:

M Luckman)
) Governors
C Cameron)

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2024 £	2023 £	2023 £
Net cash provided by operating activities	A		18,938,176		4,800,085
Investing activities					
Investment income received		222,980		186,979	
Purchase of fixed assets		(6,259,982)		(5,499,535)	
Proceeds on disposal of fixed assets		12,401		38,500	
Purchase of investments		(473,000)		(150,000)	
Sale of investments		973,239		-	
Net cash outflow from investing activities			(5,524,362)		(5,424,056)
Financing activities					
Loan repayments		(2,265,743)		(1,433,481)	
Capital element of finance lease rentals		(27,651)		(23,890)	
Interest cost		(134,016)		(147,245)	
Net cash inflow/(outflow) from financing activities			(2,427,410)		(1,604.616)
Increase/(decrease) in cash and cash equivalents			10,986,404		(2,228,587)
Cash and cash equivalents at 1 September			5,001,438		7,230,025
Cash and cash equivalents at 31 August			15,987,842		£5,001,438
Cash and cash equivalents comprise:					
Cash at bank			15,987,842		5,001,438
Cash held as part of investments					-
			15,987,842		5,001,438

A.	RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2024 £	2023 £
	Net income before investment gains	3,725,384	3,264,530
	Depreciation	1,914,799	1,868,220
	Gain on disposal of fixed assets	(11,142)	(7,207)
	(Increase)/ Decrease in stock	8,191	(58,236)
	(Increase)/Decrease in debtors	46,414	(233,867)
	Increase/(decrease) in fee deposits and fees in advance	13,399,132	213,776
	(Decrease) in creditors	(55,638)	(207,397)
	Investment income receivable	(222,980)	(186,979)
	Interest cost	134,016	147,245
	Net cash inflow from operations	£18,938,176	£4,800,085

CONSOLIDATED CASH FLOW STATEMENT (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

B. ANALYSIS OF CHANGES IN NET (DEBT) / ASSET	At 1 September 2023	Cash flows	Other movements	At 31 August 2024
	£	£	£	£
Cash and cash equivalents	5,001,438	10,986,404		15,987,842
Short term borrowings	(493,860)	2,265,743	(1,771,883)	-
Long term borrowings	(1,771,883)		1,771,883	-
Finance lease	(37,179)	27,651		(9,528)
Net (debt) / assets	£2,698,516	13,279,798	-	15,978,314

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) (Second Edition, effective 1 January 2019).

The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

The financial statements of the Group include the results and balances of the School consolidated on a line by line basis with Bromsgrove School Enterprises Limited and Bromsgrove School Foundation. In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Bromsgrove School.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 1 September 2003 (company number: 4808121) and registered as a charity (charity number: 1098740).

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

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

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

Fees and similar earned income
Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income
Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary income
Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Grant income from the Coronavirus Job Retention Scheme is recognised in the same period as the related employment costs are incurred.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

Expenditure
Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements. Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

Tangible fixed assets
Depreciation is provided at rates calculated to write off each asset over its estimated useful life. Equipment is depreciated at annual rates varying between 10% and 33.3% on cost.

No depreciation is provided on freehold land. Depreciation is provided on freehold buildings at 2% per annum, straight line, when the buildings are brought into use. The anticipated average life of buildings is estimated by reference to 1 September 1990 (date of commencement of depreciation policy), or date of expenditure since that date.

Investments
Listed investments are recognised at market value as at the balance sheet date. Realised and unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Stock
Stock represents goods for resale and is valued at the lower of cost and net realisable value.

Financial instruments
Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, trade and fee debtors, other debtors, accrued income and amounts owed by group undertakings. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise deposits, fees in advance, trade creditors, other creditors and amounts owed to group undertakings.

Debtors
Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Cash at bank and in hand
Cash at bank and in hand includes cash and deposits with a short term maturity of six months or less from the date of opening the deposit account.

Creditors
Creditors are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Endowment Funds
The Society of Friends Fund:

This represents permanent endowment funds held under a Charity Commission Scheme where the income is to be applied to further the charitable purposes of Bromsgrove School.

David Walters Fund:

This represents permanent endowment funds held under a Charity Commission Scheme where the income is to be applied for providing scholarships for pupils at Bromsgrove School or at an approved further education establishment.

Restricted Funds
Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor (see Note 11).

Unrestricted Funds
Unrestricted funds comprise the School's general fund, which is available for application in accordance with the School's objects.

Pension costs
Retirement benefits to employees of the School are provided through two pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School also contributes to a defined contribution scheme for teaching and non-teaching staff. Contributions are charged to expenditure when they become payable.

Operating leases
Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

1. EXPENDITURE

	Staff Costs	Other	Total
2024	**£**	**£**	**£**
Charitable activity:			
Teaching costs	21,605,451	1,111,827	22,717,278
Welfare costs	2,413,430	2,730,472	5,143,902
Premises costs	2,285,090	7,136,090	9,421,180
Support and governance costs	2,454,187	1,188,484	3,642,671
	28,758,158	12,166,873	40,925,031
Raising funds:			
Lettings	417,746	571,067	988,813
School shop	92,318	296,225	388,543
Marketing	-	1,280,137	1,280,137
Finance costs	-	134,016	134,016
Other	194,537	92,658	287,195
	704,601	2,374,103	3,078,704
	29,462,759	14,540,976	44,003,735
2023	**£**	**£**	**£**
Charitable activity:			
Teaching costs	18,414,501	2,936,023	21,350,524
Welfare costs	2,274,265	2,278,167	4,552,432
Premises costs	2,450,452	6,156,757	8,607,209
Support and governance costs	2,055,847	1,308,477	3,364,324
	25,195,065	12,679,424	37,874,489
Raising funds:			
Lettings	323,996	568,794	892,790
School shop	86,678	281,935	368,613
Marketing	-	1,242,790	1,242,790
Finance costs	-	148,015	148,015
Other	189,386	68,739	258,125
	600,060	2,310,273	2,910,333
	£25,795,125	£14,989,697	£40,784,822

Finance costs relate to interest on bank loans for 2024 and 2023.

Governance costs included in support costs:	**2024** **£**	**2023** **£**
Auditor's remuneration	44,344	40,450
Governors' costs	1,184	1,401
Legal and professional	39,132	15,745
Other	9,398	8,882
	£94,058	£66,478

1. EXPENDITURE (continued)

Total expenditure includes:		2024 £	2023 £
Depreciation		1,911,797	1,861,912
Auditors remuneration:	- Audit fees (School)	29,500	28,075
	- Audit fees (Subsidiaries)	14,844	12,375
	- Other services relating to taxation	8,472	642

2. BURSARIES, SCHOLARSHIPS AND GRANTS

	2024 £	2023 £
Bursaries	2,518,432	2,304,036
Forces discounts	1,851,001	1,504,222
Scholarships, exhibitions and other discounts	508,181	486,112
	4,877,614	£4,294,370

3. STAFF COSTS

	2024 £	2023 £
Wages and salaries	24,715,117	20,653,008
Social security costs	1,893,830	2,003,718
Other pension costs	2,853,812	3,138,399
	£29,462,759	£25,795,125

	No	No
The average number of employees in the year was:		
Teachers	233	231
Administration (including academic support)	448	439
	681	670

The number of employees whose remuneration exceeded £60,000 is disclosed below:

	2024 No.	2023 No.
£60,000-£70,000	45	34
£70,001-£80,000	10	4
£80,001-£90,000	1	2
£90,001-£100,000	1	2
£100,001-£110,000	2	-
£110,001-£120,000	-	2
£120,001-£130,000	2	1
£130,001-£140,000	1	-
£200,001-£210,000	-	1
£210,001-£220,000	1	-

Of the above employees, thirty-four (2023:nineteen) received contributions to a defined contribution pension scheme, twenty-nine (2023: twenty-seven) were members of the Teachers' Pension Scheme and none (2023: none) had opted out of the Teachers' Pension Scheme.

	2024 £	2023 £
Aggregate employee benefits of key management personnel	£878,834	£811,418

Neither the Governors, nor persons connected with them received any remuneration from the School. Reimbursed expenses totalling £442 were received by two Governors for travelling expenses (2023: £176 to two Governors for travelling expenses).

During the year there were redundancy or termination payments amounting to £46,637 (2023: £42,853).

4. FIXED ASSETS – GROUP AND CHARITY	Freehold Property £	Equipment £	Total Charity £	Trading Company £	Total Group £
COST					
At 31 August 2023	94,770,207	1,937,809	96,708,016	63,953	96,771,969
Additions	6,098,706	161,276	6,259,982	-	6,259,982
Disposals	-	(35,981)	(35,981)	-	(35,981)
At 31 August 2024	100,868,913	2,063,104	102,932,017	63,953	102,995,970
DEPRECIATION					
At 31 August 2023	19,603,096	1,578,122	21,181,218	55,469	21,236,687
Charge for the year	1,807,306	104,490	1,911,796	3,003	1,914,799
Disposals	-	(34,723)	(34,723)	-	(34,723)
At 31 August 2024	21,410,402	1,647,889	23,058,291	58,472	23,116,763
NET BOOK VALUE					
At 31 August 2024	79,458,511	415,215	79,873,726	5,481	79,879,207
At 31 August 2023	75,167,111	359,687	75,526,799	8,484	75,535,283

5. FIXED ASSETS INVESTMENTS

	Managed Funds £	Cash £	Total £
Group:			
Balance at 31 August 2023	6,906,379	17,467	6,923,846
Additions	473,000	209	473,000
Disposals	(973,240)	-	(973,240)
Transfers in			
Gains on revaluation	611,914	-	611,914
Balance at 31 August 2024	£7,035,520	17,676	£7,035,520
Charity:			
Balance at 31 August 2023	£5,080,518	17,467	£5,080,518
Additions	100,000	209	100,000
Disposals	(600,000)	-	(600,000)
Transfers in			
Gains on revaluation	461,798	-	461,798
Balance at 31 August 2024	£5,042,316	17,676	£5,042,316

The School holds 100% of the share capital of Bromsgrove School Enterprises Limited, whose principal activities are commercial lettings, operating a school shop and administering the School's international activities. This investment is held at nil value in the financial statements. A summary of the balance sheet and profit and loss account from the audited financial statements is set out below:

	31 August 2024 £	31 August 2023 £
Turnover	1,625,205	1,365,711
Expenditure	(1,104,183)	(930,473)
Net profit before donation under Gift Aid	521,022	435,238
Donation under Gift Aid to Governors of Bromsgrove School	(435,239)	(386,664)
Retained profit	£85,783	£48,574
Net assets represented by		
Share capital	2	2
Profit and loss account	518,081	432,298
	518,083	£432,300

6. DEBTORS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fees	843,608	1,033,083	843,608	1,033,083
Amounts due from Bromsgrove School Enterprises Limited	-	-	868,360	776,657
Other debtors and prepayments	802,491	659,430	293,698	342,025
Amounts due from Bromsgrove School Foundation	-	-	48,997	40,398
	£1,646,099	£1,692,513	£2,054,663	£2,192,163

7. CREDITORS: amounts falling due within one year	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Bank loans	-	493,860	-	493,860
Finance lease	9,528	27,651	9,528	27,651
Trade creditors	560,032	795,749	502,652	754,220
Fees in advance and pupil deposits	10,097,460	7,256,210	10,097,460	7,256,210
Taxation and social security	581,431	616,576	572,089	572,616
Other creditors	1,237,478	1,093,595	1,237,478	1,095,401
Accruals	1,585,068	1,513,727	1,521,424	1,460,640
Fees in Advance (FIA) Scheme	2,639,907	-	2,639,907	-
	£16,710,904	£11,797,368	£16,580,538	£11,660,598

8. CREDITORS: amounts falling due after more than one year	Group and Charity 2024 £	Group and Charity 2023 £
Bank loans	-	1,771,883
Pupil deposits	3,600,928	3,661,510
Finance Lease	-	9,528
Fees in Advance (FIA) Scheme	7,978,557	-
	£11,579,485	£5,442,921

All loans were repaid in during the year and the outstanding balance is nil.

9. ENDOWMENT FUNDS

	Balance 1 September 2023 £	Net income and gains £	Transfers £	Balance 31 August 2024 £
David Walters Fund	34,671	-	-	34,671
The Society of Friends	536,157	63,517	-	599,674
	£570,828	63,517	-	£634,345

	Balance 1 September 2022 £	Net income and gains £	Transfers £	Balance 31 August 2023 £
David Walters Fund	34,671	-	-	34,671
The Society of Friends	461,327	74,830	-	536,157
	£495,998	£74,830	-	£570,828

10. UNRESTRICTED FUNDS

	Balance 1 September 2023 £	Income £	Expenditure £	Gains and Transfers £	Balance 31 August 2024 £
General fund	£71,798,871	£47,712,569	£44,003,735	£564,947	£76,072,652

	Balance 1 September 2022 £	Income £	Expenditure £	Gains and Transfers £	Balance 31 August 2023 £
General fund	£68,716,888	£43,964,324	£40,784,822	£(97,519)	£71,798,871

11. RESTRICTED FUNDS

	Balance 1 September 2023 £	Net income and gains £	Transfers £	Balance 31 August 2024 £
John Nicholls Fund	5,251	-	-	5,251
Roger Brazier Fund	2,446	-	-	2,446
Tim Taylor Fund	10,000	-	-	10,000
	£17,697	-	-	£17,697

	Balance 1 September 2022 £	Net income and gains £	Transfers £	Balance 31 August 2023 £
John Nicholls Fund	5,251	-	-	5,251
Roger Brazier Fund	2,446	-	-	2,446
Tim Taylor Fund	10,000	-	-	10,000
	£17,697	-	-	£17,697

The John Nicholls Fund represents a legacy received to support children undertaking expeditions or outdoor activities.

The Roger Brazier Fund represents a donation received to support the learning and development of pupils with dyslexia.

The Tim Taylor Fund represents a donation received to support the redevelopment of the Learning & Resources Centre.

12. ALLOCATION OF THE GROUP NET ASSETS

2024	Investments £	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	Total £
Restricted	-	-	17,697	-	17,697
Endowment	634,345	-		-	634,345
Unrestricted:					
- General	6,401,175	79,879,207	1,371,755	(11,579,485)	76,072,652
	£7,035,520	£79,879,207	£1,389,452	£(11,579,485)	£76,724,694

2023	Investments £	Fixed Assets £	Net Current Liabilities £	Long Term Liabilities £	Total £
Restricted	-	-	17,697	-	17,697
Endowment	519,880	-	50,948	-	570,828
Unrestricted:					
- General	6,403,966	75,535,282	(4,697,456)	(5,442,921)	71,798,871
	£6,923,846	£75,535,282	£(4,628,811)	£(5,442,921)	£72,387,396

13. CAPITAL COMMITMENTS

	2024 £	2023 £
Authorised but not contracted	£nil	£nil
Contracted but not provided for	£nil	£3,564,666

14. FINANCIAL COMMITMENTS

	2024 £	2023 £
Operating leases for equipment that are subject to future minimum lease commitments are as follows:		
Within one year	5,543	10,713
In the second to fifth years	-	5,543
Total	£5,543	£16,256
Commitments under finance leases are as follows:		
Payable within one year	9,528	27,651
Payable in the second to fifth years	-	9,528
Total	£9,528	£37,179

15. SUBSIDIARY CHARITY

Bromsgrove School is the sole member of the Bromsgrove Foundation. The Bromsgrove Foundation has been consolidated into these accounts.

The Bromsgrove Foundation is a company limited by guarantee and a registered charity. It was incorporated on 6 February 2007 and has a year end of 31 August. A summary of the Statement of Financial Activities and Balance Sheet are given below:

Statement of Financial Activities for the year ended 31 August:	2024 £	2023 £
Income		
Investment income	50,392	40,859
Donations and legacies	193,201	237,839
	243,595	278,698
Expenditure	(100,457)	(152,967)
Realised and unrealised investment gains/(losses)	150,115	(35,846)
	293,250	89,885
Total funds brought forward	1,900,365	1,810,480
Total funds carried forward	£2,193,615	£1,900,365
Balance Sheet as at 31 August:		
Investments	1,993,204	1,843,328
Debtors	53,889	3,105
Cash	195,520	94,331
Creditors	(48,998)	(40,398)
Accumulated Funds	£2,193,615	£1,900,366

BROMSGROVE SCHOOL

England & Wales - Charity number 1098740

Accounts

BROMSGROVE SCHOOL

(a company limited by guarantee)

(incorporating Bromsgrove School Scholarship and Prize Fund, David Walters Memorial Fund and The Society of Friends of Bromsgrove School Endowment Trust)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2023

Company Number 4808121
Charity Number 1098740

Haysmacintyre LLP
Chartered Accountants
Registered Auditors
London

BROMSGROVE SCHOOL

REPORT OF THE GOVERNORS

THE GOVERNORS AND GOVERNING BODY

Mr M Luckman (EC; RC; GC)	Chairman Chair of Governance Committee
Lt Col M S Ballard (HC; SC)	Chair of Health & Safety Committee
Mr C D E Cameron (FPC; IC; SC; RC; GC)	Boarding Governor Chair of Risk & Strategy Committee
Mr J P Campion (FPC)	
Mrs A E Cleary (SC, EC)	Chair of Safeguarding & Welfare Committee
Dr D Cunningham (EC)	
Dr A Daly	Appointed 09/11/23
Dr C Lidbury (EC; SC)	Chair of Education Committee
Mr D Morton (EC)	
Mrs J Loynton (BC)	
Mr W Roden (IC; FPC)	Chair of Investments Committee
Mr I Stringer (BC)	Chair of Building Committee
Mr C Thompson	Appointed 09/10/23
Mr D R Walters (FPC; RC; GC)	Chairman of Finance & Property Committee
Mrs D Waltier (HC, IC)	
Mr A J G Wilcox (BC)	

FPC = Member of Finance & Property Committee
EC = Member of Education Committee
BC = Member of Building Committee
IC = Member of Investment Committee
RC = Member of Risk and Strategy Committee
SC = Member of Safeguarding and Welfare Committee
HC = Member of Health and Safety Committee
GC = Member of Governance Committee

CLERK TO THE GOVERNORS AND COMPANY SECRETARY

Mr J Sommerville

HEADMASTER

Mr M Punt MA (Oxon), MSC, PGCE

Website: www.bromsgrove-school.co.uk

PRESIDENT

Mr S Towe CBE DL

ADVISERS

Bankers:	Lloyds TSB Bank Plc 112 High Street Bromsgrove Worcs B61 8EZ
Solicitors:	Veale Wasbrough Orchard Court Orchard Lane Bristol BS1 5WS
	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham GL50 1YD
Auditors:	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Investment Advisers:	CCLA One Angel Lane London EC4 3AB
	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
Insurance Brokers:	Marsh Ltd 4 Milton Road Haywards Heath, West Sussex RH16 1AH

STATUS AND ADMINISTRATION

Bromsgrove School is a company limited by guarantee, not having a share capital and is governed by its memorandum and articles of association.

Company Registration number:	4808121
Registered Charity number:	1098740
Registered office:	Worcester Road Bromsgrove Worcestershire B61 7DU

CHAIRMAN'S STATEMENT

The School has enjoyed an excellent year which is particularly pleasing given the tough economic conditions we faced. All areas of the School have benefitted from strong parental support for our quality education. This is reflected in high student numbers across all four Schools.

External academic results were excellent. For many in the Upper sixth, their GCSE year had been disrupted by COVID and this year's exams, were the first time they had experienced the full external exam process. I am delighted to report that the IB cohort achieved an average score of 38, with one pupil achieving full marks! This is an excellent set of results. A level results were also strong and these performances resulted in 90% of our leavers going to their Universities of choice including 5 of the top universities in the world. Well done to all!

The School has continued to make good progress on sustainability with pupils and staff actively involved in improvements. Over the year we have seen a 4% reduction in energy used and a 7% reduction in Greenhouse Gas Emissions. We will continue to make sustainable improvements.

During the year the whole School was inspected by ISI. This is a very thorough process and I am delighted to report that all four areas of the School were awarded Excellent, the top grade awarded. I would like to thank all staff involved in this demanding process.

The School offers an extensive range of extra-curricular activities encouraging children to develop themselves outside the classroom. The School is always looking at ways of developing life skills and this year we established closer links with Chadgrove School where our pupils provided support to children with profound special needs.

We continue to widen access by the public to School facilities this includes the highly successful swimming and tennis academies. Many local clubs are able to enjoy the School's facilities including the Arts centre.

In the year the School acquired the Ryland Centre which not only secured the long term future of the School's athletic facilities, but also enable the School to provide gym facilities to the local community.

The political landscape in England is particularly challenging for the independent sector with Labour stating they will impose VAT on School fees if they win the next election. I believe the School is well placed to navigate these 'stormy waters' and will continue to thrive by offering excellent education to our pupils.

The Directors, who are the Governors of the School, present their annual report for the year ended 31 August 2023 under the Companies Act 2006, together with the audited financial statements for the year and confirm that the financial statements comply with the requirements of the Act, the charity's governing document, applicable law and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second edition, effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE INFORMATION

The School was founded in 1553 and re-founded on the current site in 1693 by Thomas Cookes. Bromsgrove School was one of the original fourteen members of the Headmasters' Conference (HMC) when it was founded in 1869. The Pre-preparatory and Preparatory Schools are twentieth century foundations. Winterfold Preparatory School joined our family of Schools in 2017.

The School was incorporated as a company limited by guarantee on 1 September 2003 under charity number 1098740 and registered company number 4808121.

OBJECTS, AIMS AND ETHOS

Charitable Objects

The objects for which the Charity is established are to advance education and training by the provision and conduct in or near Worcestershire of any day and boarding school or schools for boys and girls.

The Charity provides education on three sites in Worcestershire to boys and girls from the ages of 2-18. The Charity also provides nursery care at the Winterfold site for babies aged 6 weeks to 2 years. It is the policy of the School to provide a first class education, which identifies and develops the potential of individual pupils in a variety of areas, provides them with the best achievable qualifications and prepares them for their future lives.

Aims

The Charity constantly aims to provide a first class education to boys and girls from the ages of 2-18.

Within the objects, the School aims to produce happy, creative, moral citizens who live motivated, fulfilled lives while enriching the lives of others. The School seeks to achieve this through an enlightened, disciplined and broad education that responds to global change while retaining core values. The core values that the School seeks to foster in its pupils are:

Humility and Confidence	Compassion and Ambition
Respect and Curiosity	Tolerance and Vision

Ethos

Bromsgrove School is committed to safeguarding and promoting the welfare and wellbeing of all pupils. The School is proud of the strong pastoral care provided by the House structure in the Senior School and by the form tutors within the Preparatory and Pre-preparatory Schools. The School has a caring ethos, which is reflected in all of the School's policies and procedures. The School maintains regular contact with parents through newsletters, social media, informal meetings and regular reports.

The School's ethos is to welcome pupils from all backgrounds. Entrance assessments are undertaken to satisfy both the School and parents that prospective pupils would cope with the pace of learning and benefit from the breadth of the education that the School provides. An individual's economic status, gender, ethnicity, sexual orientation, race, religion or disability do not form part of the assessment process.

The Governors are committed to the long-standing principle that charities must exist for the benefit of the public and the School has a long tradition of providing public benefit, both through educating pupils at the School and through associated activities for the benefit of the wider community. The Governors are committed to widening access to the School to ensure that children who could not otherwise attend the School can benefit from the education provided

OBJECTS, AIMS AND ETHOS (Continued)

The School is part of a wider community and has a long history of offering a range of educational activities for the benefit of local children. The School offers activities and access to the School's facilities to provide opportunities for children other than pupils at the School to benefit from the charity.

We are very proud of the Bromsgrove School Swim Academy which provides swimming lessons to 1,100 children from the local community each week. The Summer School that runs for eight weeks in the summer holidays and the Tennis Academy are also open to local children. Local primary schools use the swimming pool for weekly lessons at no charge. The School also continues to reach out to local children through a wide range of activities including the weekly joint Orchestra Group where a number of local Primary Schools come to Bromsgrove to rehearse together to the many local Sports Clubs and Associations that use the School's sports facilities.

Bursaries and Scholarships

The School is committed to ensuring that there is sufficient opportunity for children whose parents cannot afford the fees, including those in poverty, to benefit from its educational services and facilities. The Governors and the School management regularly review the School's Public Benefit Policy as part of the ongoing development of the School's strategy to widen access.

The Governors are committed to offering a means-tested bursary scheme to allow direct access to the educational services provided. The scheme is designed to assist prospective parents and existing parents on low incomes who, for financial reasons, might otherwise be unable to send or continue to send their child to the School. The bursary scheme includes Admissions bursaries for the parents of new pupils and Hardship bursaries for parents whose financial position worsens unexpectedly. Admissions bursaries include both life changing bursaries (75% - 100%) and lower awards for families needing fee assistance.

Bursaries are entirely means tested and are awarded on an annual basis to parents who satisfy the financial criteria set by the School in relation to their income and the value of their capital assets.

The School has a Bursary Policy, which is available to both prospective and existing parents. The policy contains an overview of the bursary scheme and details the procedure for applications and awards of bursaries.

The value of bursaries will be up to 100% of full fees and additional assistance is available to parents to assist with the associated costs of their child's education. The School allocates a proportion of its total income in each financial year to fund the bursary scheme. The School's current aim is to allocate not less than 5% of its total income in each financial year to fund means tested bursaries.

The School's scholarship awards recognise high academic potential or the ability to excel in co-curricular activities. Scholarships are awarded with a fixed remission of between 2.5% and 5%. Where further assistance is required, a means tested bursary may supplement scholarship awards.

STRATEGIC REPORT

CURRENT YEAR PERFORMANCE REVIEW

Pupil Numbers

Despite external worldwide tensions and economic pressures, the pupil roll has remained strong throughout the year. In the summer term, the roll stood at 2,052 pupils (2022: 2,001). The Senior School educated 1,038 pupils (2022: 1,011) of whom 471 (2022: 465) were boarding pupils; the Preparatory School educated 525 pupils (2022: 524) of whom 94 (2022: 100) were boarding pupils; Winterfold House educated 288 pupils (2022: 290) and the Pre-Preparatory School educated 201 day pupils (2022: 176).

This year, there has been a continued focus on widening access. The value of means tested bursaries including the hardship bursaries amounted to 5.0% of income (2022: 5.1%). The charity has also provided fee assistance in the form of scholarships and armed forces discounts. The value of such additional assistance when added to means tested bursaries represented 9.7% of the charity's total fee income. Of the 2,052 pupils educated at the school, 520 pupils (25%) received some degree of financial assistance in the form of bursaries, scholarships, armed forces discounts and staff discounts.

ISI Inspection

All sections of Bromsgrove School were inspected by a team of ISI inspectors in early June and the School was thrilled to announce that all of our four Schools have were judged as double 'Excellent' by the Independent School Inspectorate. This is the highest possible grading.

The team of inspectors found that on the quality measures they judge – the quality of pupils' academic and other achievements, and the quality of pupils' personal development that all four Schools were excellent.

In addition, the School was found to be fully complaint in all areas of compliance to School Standards.

At the time, The Headmaster, Michael Punt, commented 'We are absolutely delighted that the inspection reports provide independent verification of the excellent education and care that we are providing for children and young people'.

Pupil Achievements

From IB to GCSE, Bromsgrove pupils have achieved great success in public examinations this year.

Bromsgrove School's IB average was 38.0 points and results surpassed both the UK average of 34.7 and the global average of 30.2 points. One boarder scored a spectacular and much coveted top score of 45 points – one of only twenty-five students to do so in the UK. A third of the total cohort gained 40 or more points (equivalent to 4 A*s at A level).

90% of all A level and BTEC results were equivalent to A level grades A*- C which is amongst the very highest proportion that we have ever seen at Bromsgrove. Three quarters of all grades awarded were A* to B, or the equivalent.

In BTEC, the 73 entries saw 27 Distinction* grades achieved, together with a further 21 Distinctions, 16 Merits and 9 Passes. The proportion of those achieving at least a Distinction was 66%.

When combined, this Upper Sixth cohort of 210 student leavers took 681 'main' subject qualifications and almost a quarter were graded A* or equivalent and over half achieved were at an A grade.

These fantastic results enabled 90% of our Upper Sixth leavers to go on to their chosen university, mostly in the UK but also to some prestigious institutions abroad. Students have accepted places at every single one of the 24 Russell Group universities. 11% of students are going to World Top 50 universities, including 5 of the World's top 10 universities with highlights including students heading to Columbia University (Ivy League), Toronto, McGill, Oxford and Cambridge, LSE, Imperial and UCL.

At GCSE, Bromsgrove School's Fifth Form students gained just over 36% of grades at 8/9 (or A*). Four students gained a full suite of grade 9s, whilst many others came close to this mark. 59% of all GCSE entries were awarded at least grade 7 and over three-quarters were at grade 6.

CURRENT YEAR PERFORMANCE REVIEW (Continued)

As with academic breadth, the School continues to pride itself on a varied co-curricular programme across a wide range of sporting, cultural and service activities. It was another busy year for Drama, Music and Sport across all of our Schools and our pupils take enriching opportunities seriously and participate with enthusiasm and enjoyment.

Extra-curricular academic pursuits continued to excel. 20 Bromsgrove students achieved Gold in the UK Mathematics Challenge, 24 pupils were ranked in the top 15% of entries in the Biology Olympiad, 2 pupils achieved Gold in the Physics Olympiad, two teams entered an international Mathematics modelling challenge, and two of the five L4 Computer Science teams who entered the Perse Coding competition reached the final round of the competition.

In the year, we have continued to keep our boarding houses open in the school holiday periods to allow boarders to remain in School. Our Guardian Angel team care for the boarders and whilst this was originally established to look after boarders throughout the pandemic when travel was restricted, our boarding community has asked the School to continue to offer this service. It was particularly popular in the Easter holidays when many pupils chose to stay at School to study for examinations and to attend the Easter Revision Courses.

Developments in the year

The Governors recognise the importance of ensuring that all of our boarding houses are maintained to the highest standard and are committed to an annual rolling boarding refurbishment programme. In the year, the extensive refurbishment of the Page Boarding House was completed. The house community are very pleased with the refurbishment which has provided new bathrooms, new furniture and new decor. This project has also addressed sustainability aims by improving the thermal performance of a large section of the building through the installation of new external glazing systems and double glazed window units. We have also introduced a living green wall which improves biodiversity and provides an interesting feature for these young boarders.

In the year, the Governors purchased the Ryland Centre in the town centre. This has secured the provision of athletic facilities for current and future generations of Bromsgrove School. The School is also delighted to have taken over the running of the Sports Centre which will continue to provide affordable gym and fitness facilities to the local community. The School will continue to work closely with Bromsgrove Council and Sport England to develop the facility for the benefit of the community.

Investment also took place in the Learning and Resource Centre through the renovation of facilities, provision of new equipment and two new Computer Science teaching suites. Computer Science was introduced in the 21/22 academic year and there is a high demand at GCSE, A level and IB as pupils enjoy the subject and recognise its relevance to their future careers.

The building of the new Penryn Hall at Winterfold commenced in the year and this is due for completion in Summer 2024. This is a very exciting development for the Winterfold community as this project will provide state of the art facilities for Music and Drama as well as providing a wonderful space for school gatherings and Chapel services. The project will also provide a huge improvement in Sustainability as the majority of the new building's heating will come from an air source heat pump eliminating the School's current dependency on oil. An array of solar panels will also be added.

Our links with the local community

The Governors are committed to developing links with the local community by both ensuring that our facilities are available for use and also by engaging in outreach programmes to support local schools, local children and local charities.

The Bromsgrove School Swim and Tennis Academies are successfully providing swimming and tennis lessons to 1,200 young children in the local community. In addition, the sports facilities in the Senior School, Winterfold and the Ryland sites have been used regularly by local football, hockey, tennis, netball and badminton teams. We have also hosted the Worcestershire School Games this summer which involves a number of local schools.

The Governors are also very pleased that the local community are benefitting from the use of the Arts facilities. An increased number of local and national choirs, orchestras and dance groups have used the facilities in the year. A highlight of the year has been the hosting of a local Orchestra Group each week which includes pupils from all of the local primary schools.

CURRENT YEAR PERFORMANCE REVIEW (Continued)

Through Bromsgrove Service, fundraising events were led by pupils for a variety of local causes including the Basement project and Primrose Hospice. A successful partnership has been forged with Chadsgrove School for children with profound special needs, with pupils offering science lessons and finishing the year with a celebratory picnic. Our Grounds team have also supported Chadsgrove assisting with Gardening Clubs and Forest School. Other charity ventures have included a 12 hour piano playing marathon by 1 pupil, while the boys of Lyttelton House cycled for 24 hours, racking up over 5000km to cross America (and actually an extra 500km) to raise over £3,600. Another £2,000 for the Matt Hampson Foundation was raised by U6 BTEC Business planning and delivering a range of events including an escape room and an online auction.

The Young Enterprise team Monito, with their product trying to help children to develop financial acumen, progressed from winning the award for Best Product in December to being crowned UK Champions and Company of the Year.

Over 100 pupils enrolled onto the Bronze Duke of Edinburgh Award this year. 23 U6 pupils successfully completed their Gold Award this year. Collectively, Bromsgrove DofE pupils have completed 3,718 hours of community service over the year, which can be calculated to have a 'social value' of almost £18,000.

Our commitment to the Environment

The Governors and the Executive are committed to improving the School's carbon footprint. The tables below show the key metrics that are being reported for Streamlined Energy and Carbon Reporting in the financial year ending 31st August 2023.

Summary Data for FY 1st September 21 to 31st August 23	Value
Total Energy Use	9,366,500 kWh
Total Greenhouse Gas Emissions (mandatory & voluntary)	1,192.6 tCO_2
Total Students	2,052
Intensity Ratio	0.58 tCO_2 per student

Area of Measurement	FY 1st Sept 20 to 31st Aug 21	FY 1st Sept 21 to 31st Aug 22	FY 1st Sept 22 to 31st Aug 23	Variance to previous year
Energy Use	12,196.1 MWh	9,743.2 MWh	9,366.5 MWh	**3.9 % decrease**
Greenhouse Gas Emissions	1,757.2 tCO_2	1,283.9 tCO_2	1,192.6 tCO_2	**7.1% decrease**
Intensity Ratio	0.90 tCO_2 per student	0.64 tCO_2 per student	0.58 tCO_2 per student	**9.3 % decrease**

It is clear from the above table that there has been a further decrease in emissions in the year as a result of a combination of the implementation of energy efficient projects and a commitment by the School community to reduce our carbon footprint. The above figures exclude our electricity consumption as all of our supplies come from renewable sources. However, it should be noted that our electricity usage reduced by 9.7% in the year which is an outstanding result.

The various Sustainability projects implemented this year include the introduction of solar panels on the Dining Hall roof, LED lighting upgrades, new air source heat pumps to replace traditional boilers, further lagging of plant rooms, improved BMS control for the heating of buildings and the addition of electric charging points in the car parks.

FUTURE PLANS

The Governors together with the School Executive are committed to ensuring that the School continues to provide a first class education to all of its pupils. All strategic developments are committed to maintaining the School's position in the competitive market that it operates. The achievement of high standards of academic results and the development of the School's facilities are imperative to the School's continued success in the long term.

The Governors and the Executive have recently reviewed the School's Strategic Plan and confirmed new objectives for the next year:-

Senior School academic offer

To continue to review the Sixth form and GCSE academic offer. Alongside the curriculum, the School will seek to expand the opportunities for pupils to develop curiosity, creativity and challenge through external links, awards and competitions. To provide more opportunities for pupils and departments to learn from one another, across the Bromsgrove family of schools and to become a centre of excellence in the use of digital resources for learning, communication, collaboration and creativity.

Health & Wellbeing

To further integrate health and well-being provisions to enhance the provision for pupils.

Preparatory School academic offer

As part of our continued review of the academic offering to ensure excellence, a review of alternative academic programmes will be completed A number of alternative existing programmes will be reviewed including the Prep Baccalaureate but consideration will also be given to developing a bespoke Bromsgrove offer.

The extra curriculum activities programme will also be reviewed to consider further integration with the academic programme.

Winterfold Performing Arts

To build a new modern state of the art hall providing facilities for Music, Drama, Mass and other School gatherings. Winterfold has a longstanding reputation for providing outstanding Music and Drama opportunities for pupils and the aim of this project is to develop these facilities to move this key aspect of the School on to an even higher level.

Preparation for a possible change in Government

To continue to monitor developments to ensure that the School is fully prepared for a change in government and the possible removal of certain tax reliefs and changes in VAT legislation. The School will endeavour to support our parents wherever possible to ensure that the School remains accessible. The Governors will also consider whether consultation is needed with the staff about moving from a phased withdrawal to a full withdrawal from the Teachers Pension Scheme.

Environmental, Social and Governance (ESG)

To consider all aspects of ESG and develop further plans to ensure that the School has aspirational aims. Specific plans are detailed overleaf.

- **Environment:** The School has an Environmental Sustainability Plan which focuses on four key pillars being the decarbonisation of the estate, waste management, transport and the School's natural environment. Specific initiatives planned for the year include the consideration of sustainable energy supplies for the Sports Centre, the introduction of green heating and lighting solutions in the new Penryn Hall, further food waste management improvements by our catering partner Holroyd Howe and the introduction of further electric School vehicles and equipment.

- **Social**: The School is exploring new initiatives to develop further links and partnerships with the local community. The use of our facilities by the local community has increased significantly in the last year and we will ensure that good relationships are maintained with a view to increasing use further.

- **Governance:** To ensure that governance is of the highest quality to produce the best outcomes for pupils, current and future. HMC/AGBIS Good Governance accreditation will be completed by the end of the 23/24. All Governors will undertake regular and relevant training and there will be further regular opportunities provided for Governors to visit the School, attend events and meet staff and pupils.

-

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Performance

The School achieved net income before investment losses of £3,265k, which is £126k lower than the prior year.

In the year, net fees increased from £37,927k to £39,909k, an increase of £1,982k (5%). This is attributable to the Governors increasing fees by 5% in this academic year. As many parts of the School are continuing to operate at full capacity, the fee income has not been affected by a change in pupil numbers.

The School's trading income increased by £977k in the year. This growth in income is extremely pleasing and is attributable to the success of our International Summer School and our lettings programme. In the year, there was a significant increase in new lettings for the Music, Drama and boarding facilities from national and local arts associations. The continued interest by our families in the Easter Revision courses and the Guardian Angel holiday care have also contributed to this growth in revenue.

Total School expenditure has increased by 8% in the year. The main contributing factor to this increase is the impact of high inflation. Welfare costs have increased by 9% due to high food and transport costs. Premises costs have also increased by 9% due to an increase in energy costs. Whilst energy inflation is currently running at a much higher rate, we were fortunate as we had fixed many of our contracts three years ago and it was the smaller of our two electricity contracts that renewed in the year. Teaching costs have also increased by 7% due to the addition of four new teaching positions, the annual pay award of 3.5% and some exceptional cover costs due to long term sickness.

Our trading subsidiary receives the franchise fee from Bromsgrove International School Thailand and Mission Hills, Shenzhen. These fees were received in the year and the company was able to contribute £435k to School funds. (2022: £384k).

Bromsgrove School Foundation generated net income before investment gains of £126k, during the year ended 31 August 2023 (2022: £62k). The Foundation received two legacy donations in the year. Unless, donations are restricted, the funds raised will contribute to bursary awards to pupils of Bromsgrove School in the future.

Despite the turmoil in stock markets due to world tensions and the deterioration in the economic outlook, the School's investments remained stable in the year. The school's investments stood at £6,923k at the end of the year, a 1% increase on the prior year.

After various movements in working capital, the net cash inflow from operations amounted to £4,800k, compared to £6,498k in the prior year. The net income before investment gains adjusted for depreciation amounted to a cash inflow of £5,133k. Last year, there was a significant cash flow benefit due to the timing of payments to contractors for works completed in the summer holidays but this has not happened this year. The School's cashflow has performed in line with the School's projection.

In 2021, the Governors withdrew from the Teachers Pension Scheme (TPS) on a phased basis. An alternative Defined Contribution Workplace Pension Scheme has been introduced for all teachers joining the School from 1 September 2021. Teachers employed at 31 August 2021 have been offered the choice of remaining in the TPS or transferring to the School's new scheme. At 31st August 2023, we had 55% of our staff in TPS and 45% of our staff in the DC Scheme. With the 5% increase in the TPS employer contribution rate from April 2024, the Governors are pleased that they have taken this action to protect the long term financial viability of the School.

Investment Policy and Performance

The Governors are permitted to hold a portfolio of investments. The guidance given to the Investment Advisers with regard to equity investment is to balance growth and income with a medium level of risk. These objectives are to be achieved by investing prudently in a broad range of fixed interest securities and equities which are quoted on a recognised Investment Exchange and unit trusts and OEIC's (open ended investment companies) which are authorised under the Financial Services and Markets Act 2000.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (Continued)

All funds are invested in managed charity investment funds. The School's funds are invested in the CCLA Charities Investment Fund and the Sarasin Endowment Fund Class A. The Foundation's funds are invested in the CCLA Charities Investment Fund. The Investment Committee continues to monitor the performance of these funds against market benchmarks including the Private Investor Balanced Index benchmark over a rolling three-year period. The Total Return generated by both funds was in line with the market benchmark for the period from inception.

Reserves Policy

The Governors recognise that free reserves are those unrestricted reserves which are not specifically designated for any purpose. The School's unrestricted reserves are invested primarily in fixed assets, which are recorded in the financial statements at book value. The Governors have invested significantly over the last few years in capital projects enhancing the School buildings and facilities for the benefit of the children being educated. Due to this significant investment by the School, the free reserves are negative at the current time.

	£
Total Funds	72,387,396
Less: Restricted Funds	(17,697)
Less: Endowment Funds	(570,828)
Unrestricted Funds	71,798,871
Less: Property Funding	(75,535,282)
Free reserves	(3,736,411)
Prior Year	(3,160,578)

The Governors keep the level of free reserves under review. Despite this negative position, they are confident that the School's cashflow forecasts and external finance facilities are sufficient to meet the operational needs of the School.

The Governors' policy is to focus on the level of liquid assets that support the unrestricted reserves. To mitigate against future risks, the Governors believe that the School should hold sufficient liquid assets to cover three to six months' worth of expenditure. The aim is to be able to support the working capital needs of the School without needing to dispose of the School's land or buildings in the medium term.

The Governors' policy is to hold liquid assets representing three to six months of expenditure (£10.2m - £20.4m). The School's investments are held to provide income and capital growth and as they are not designated for a specific purpose, they are viewed to be liquid assets. Based on the current market price of the investments and current cash balances at 31st August 2023, the School's liquid assets amounted to £12m (2021 £14m).

The Governors monitor the School's liquid assets, the cashflow forecasts and levels of external financing on a termly basis at the Finance Committee. The current strategy is to further increase the liquid assets over the medium term due to the uncertainty detailed in the Risk Management section of this report.

Asset cover for funds

Note 12 of the financial statements sets out an analysis of the School's assets attributable to the various funds. These assets are sufficient to meet the School's obligations on a fund by fund basis.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (Continued)

Fundraising Policy

The School does not undertake fundraising for the financing of capital investment. All projects within the School are funded from School resources with external bank financing as and when necessary.

The Foundation's objective is to raise funds ultimately to enable the School to provide places to all deserving pupils on a needs blind basis. This is a long term ambition which has a focus on friend raising rather than targeted fundraising. It is intended that gentle appeals are made to all those with a connection to Bromsgrove School ie: alumni and parents through a fundraising programme of encouraging major gifts, regular giving and legacies. This is supported by a programme of non-fundraising events designed to encourage interest and involvement with the School. External fundraising companies are not used and the Foundation does not actively fundraise through targeted appeals or telephone campaigns.

The School has received no complaints related to fundraising in the year.

RISK MANAGEMENT

The Governing Body conducts a formal review each term of the School's Risk Register. The School's Executive identifies the major risks to which the School and its related organisations are exposed. The School Executive and the Sub Committee Chairs review these risks on a rolling basis. Mitigation and control procedures are put in place as necessary. This procedure and the Risk Register is reviewed by the Risk and Strategy Committee each term and recommendations are made to the Board regarding confirmation that systems are in place to provide reasonable assurance that major risks are being adequately managed.

The most significant risks for the School are detailed below:-

A decline in international boarding.

A key risk to the School is a reduction in the number of boarders resulting in a reduction in the School's fee income and consequential pressures on cash flows. Whilst the pupil roll at the start of the 2023/204 academic year is excellent, the School is concerned about the longer term impact of worldwide tensions on the international boarding community and the threat of a higher number of leading Boarding Schools competing in these markets. We have a number of mitigation strategies in place including continually assessing new market opportunities and supporting existing agent relationships through educational international events. We will also seek to continually develop the high level of pastoral care provided to our boarding community, including our Guardian Angel programme to maintain our reputation.

The political landscape in the UK

The Governors are aware of the possible challenges that a change in Government could pose regarding the loss of charitable taxation reliefs. The School continues to feel that it is in a strong position in defending its public benefit due to the extensive bursary and outreach programmes.

However, the Governors are preparing for the challenges of possible changes in government policy, including the possibility of the introduction of VAT on school fees and higher business rates. The School will endeavour to seek cost savings and other mitigations to assist in supporting parents to allow their children to continue to benefit from an education at Bromsgrove School.

In addition, the School continues to be concerned about the impact of high inflation on the School's cost base. A cautious approach will be adopted with regard to discretionary expenditure and adequate cash reserves will be maintained. The Finance team will continue to monitor forecasts and cashflow tightly.

EDI

Recent pupil surveys have shown that the inclusive and respectful community at Bromsgrove is highly valued by the pupil body. However, the School recognises the challenges that some aspects of EDI place on the School and in particular on our single sex Boarding Houses and Day Houses. In the next year, there will be further considerations involving consultation with the School community.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by its Memorandum and Articles of Association arising from incorporation in 2003, as amended on 4 October 2015.

Governors and professional advisers

A list of Governors and professional advisers appears on pages 1 and 2 of this report.

Recruitment and Training of Governors

The Charity's Governors are appointed at a meeting of the Board of Governors, following a selection process and recommendation from the Governance Committee. The Governing body requires breadth and depth of experience to carry out its duties effectively. When recruiting new Governors, the Governance Committee takes into consideration eligibility, personal competence, specialist skills and availability.

New Governors are inducted into the workings of the School, including the provision of key information covering Board policy, School ethos, strategy and financial information. All Governors are encouraged to attend training courses and workshops organised by specialist school organisations. All Governors give of their time freely and no remuneration was paid in the year. No Governor or person connected with a Governor received any benefit from either means tested bursaries or scholarships awarded to our pupils.

Organisational Management

The Board of Governors, as the trustees of the Charity, is responsible for the overall management and control of the School and meets at least three times a year.

The principal responsibilities of the Board are to:

- Ensure the School is run in accordance with its charitable objectives and that all the functions of the School are authorised by the powers provided by its statutes, regulations and by company and charity law
- To appoint the Headmaster
- To set, in consultation with the Headmaster and the Executive of the School, the strategy and policies by which the School will be run
- Approve the School Development Plan
- Control finance by approving budgets and longer-term plans and by approving systems that optimise the chances that they will be achieved and approving all major capital expenditure.
- Ensure that competent professional advice is taken when necessary.

The work in checking the strategy and policies are being correctly carried out is performed by the various committees of Governors as set out below:

- Finance and Property Committee – which deals with financial policy and review of budgets and financial statements prior to approval by the Board
- Education Committee – which deals with educational and related operational issues and brings recommendations and concerns with regard to such matters to the Board
- Buildings Committee – which considers and monitors major build and refurbishment projects within the School
- Investment Committee – which receives termly updates on investment and performance from the Investment Advisers and reports these matters to the Board.
- Governance Committee – which considers possible capability gaps with regard to the composition of the Board and makes recommendations regarding potential new Board members

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- Health & Safety Committee – this ensures that there are adequate policies and procedures in place to ensure the health and safety of all pupils and staff and to ensure that the School complies with all legislative changes.
- Risk and Strategy Committee – which assesses the management of all risks encountered by the School and maintains an oversight of the implementation of the agreed strategic aims on the behalf of the full Board.
- Safeguarding and Welfare Committee – which assesses the management of all safeguarding and pastoral controls within the School

Each committee normally meets before the main Board meetings. The membership of the committees is supplemented by senior staff at the School and by co-opted external appointments.

The day-to-day running of the School is delegated to the School Executive. The School Executive (key management) comprises of the Headmaster (M Punt), Bursar (L Brookes), Assistant Head (R Scannell), the Headmaster of the Preparatory and Pre-Preparatory Schools (M Marie) and the Headmistress of Winterfold House School (D Toms). The members of the Governance Committee have responsibility for reviewing the remuneration for the members of the Executive on an annual basis. The Governors aim to ensure that pay levels are consistent with the market within the independent school sector and use benchmarking data from professional associations such as AGBIS to guide them.

The School Executive consults with all employees on a regular basis so that their views are taken in to account in making decisions, which are likely to affect their interests. Information is shared with the teaching staff and the support staff on all key School developments and changes including the financial and economic factors affecting the performance of the School. The Governors regularly meet with senior staff through the Sub Committees and monitor communications within the School.

Group Structure and Relationships

The Charity has a wholly-owned non-charitable subsidiary, Bromsgrove School Enterprises Limited, whose activities and trading performance are discussed below.

The Charity also holds under trust certain endowed funds under Charity Commission schemes: the Society of Friends Fund and the David Walters Fund. The terms of the schemes are such that the income is applied for the benefit of pupils and former pupils of the School.

The School is the sole member of Bromsgrove School Foundation, a charitable company limited by guarantee. The objects of the company are to promote and advance any charitable purpose connected with Bromsgrove School and to promote other educational purposes for the benefit of the local community.

The School has established international links under licence agreements with Bromsgrove International School Thailand and with Bromsgrove School Mission Hills, Shenzhen.

The Headmaster is a member of HMC, The Heads' Conference which provides an opportunity to share expertise and knowledge across the independent school sector. The Conference also permits appropriate representation to Government and regulators of the views of the sector.

The School also benefits from close links with the Alumni. An Alumni Committee, with representation from Old Bromsgrovians, the Foundation and the School has responsibility for engaging with Old Bromsgrovians.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the trustees and directors of the charitable company) are responsible for preparing the Report of the Governors, including the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

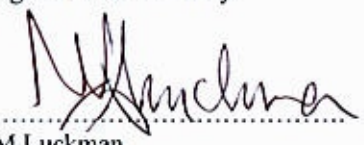
So far as each of the Governors is aware at the time the report is approved:

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

AUDITORS

Haysmacintyre LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

In approving the Report of the Governors, the Board are also approving the Strategic Report contained herein in their capacity as company directors. Approved by the Board of Governors of Bromsgrove School on 11 January 2024 and signed on its behalf by:



M Luckman
Chairman

Opinion

We have audited the financial statements of Bromsgrove School for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2023 and of the group's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Our responsibilities and the responsibilities of the 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 Report of the Governors. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Governors (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Governors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors (which incorporates the strategic report and the directors' 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
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors for the financial statements
As explained more fully in the Statement of Governors' Responsibilities set out on page 15, the Governors (who are also the directors of the charitable company for the purposes of company law and trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

Use of our report

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

Adam Halsey (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor
Date: 11 January 2024

10 Queen Street Place
London
EC4R4AG

BROMSGROVE SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2023

Income and Expenditure Account	Note	General Fund £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
Income and Endowments from:						
Charitable activity:						
Fees		45,171,321	-	-	45,171,321	42,770,356
Prompt payment allowance		(968,300)	-	-	(968,300)	(962,917)
Bursaries, scholarships and grants	2	(4,294,370)	-	-	(4,294,370)	(3,880,386)
Net fees receivable		39,908,651			39,908,651	37,927,053
Other income		753,265	-	-	753,265	983,494
Grants and donations						
Donations		125,412	-	70,000	195,412	63,708
Other trading income:						
Lettings		1,847,609	-	-	1,847,609	896,921
School shop		399,345	-	-	399,345	399,964
Other		758,091	-	-	758,091	731,269
Investments		171,952	-	15,028	186,979	181,326
Other income						
Gain on disposal of fixed assets		-	-	-	-	-
Total Income and Endowments		43,964,324	-	85,028	44,049,352	41,183,735
Expenditure on:						
Charitable activity:						
Teaching costs		21,350,525	-	-	21,350,525	19,909,932
Welfare costs		4,552,432	-	-	4,552,432	4,192,872
Premises costs		8,607,209	-	-	8,607,209	7,861,544
Support and governance costs		3,364,324	-	-	3,364,324	3,390,686
Raising funds		2,910,333	-	-	2,910,333	2,438,144
Total Expenditure	1	40,784,822			40,784,822	37,793,178
Net income before investment losses		3,179,502		85,028	3,264,530	3,390,557
Gains/(losses) on investments	5	(97,519))		(10,198)	(107,717)	(410,990)
Net movement in funds		3,081,983	-	74,830	3,156,813	2,979,567
Fund balances brought forward		68,716,888	17,697	495,998	69,230,583	66,251,016
Fund balances carried forward		£71,798,871	£17,697	£570,828	£72,387,396	£69,230,583

All of the charitable company's activities are continuing. All recognised gains and losses are included in the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL **Registered Company No: 4808121**

GROUP BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible	4		75,535,282		71,877,466
Investments	5		6,923,846		6,881,563
			82,459,128		78,759,029
CURRENT ASSETS					
Stocks		474,606		416,370	
Debtors	6	1,692,513		1,458,646	
Cash at bank and in hand		5,001,438		7,230,025	
		7,168,557		9,105,041	
CREDITORS: Amounts falling due within one year	7	(11,797,368)		(12,469,419)	
NET CURRENT (LIABILITIES)			(4,628,811)		(3,364,378)
TOTAL ASSETS LESS CURRENT LIABILITIES			77,830,317		75,394,651
CREDITORS: Amounts falling due after more than one year	8		(5,442,921)		(6,164,068)
NET ASSETS			£72,387,396		£69,230,583
FUNDS					
Endowment	9		570,828		495,998
Unrestricted	10		71,798,871		68,716,888
Restricted	11		17,697		17,697
			£72,387,396		£69,230,583

The financial statements were approved and authorised for issue by the Board of Governors on 11/01/24 and were signed below on its behalf by:

.....
M Luckman) Governors

.....
D Walters

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL **Registered Company No: 4808121**

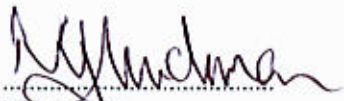
CHARITY BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible	4		75,526,799		71,871,809
Investments	5		5,080,518		5,152,389
			80,607,317		77,024,198
CURRENT ASSETS					
Stocks		39,303		42,173	
Debtors	6	2,192,163		1,833,258	
Cash at bank and in hand		4,319,359		6,677,095	
		6,550,825		8,552,526	
CREDITORS: Amounts falling due within one year	7	(11,660,598)		(12,376,386)	
NET CURRENT (LIABILITIES)			(5,109,773)		(3,823,860)
TOTAL ASSETS LESS CURRENT LIABILITIES			75,497,544		73,200,338
CREDITORS: Amounts falling due after more than one year	8		(5,442,921)		(6,164,068)
NET ASSETS			£70,054,623		£67,036,270
FUNDS					
Endowment			570,828		495,998
Unrestricted			69,483,795		66,540,272
			£70,054,623		£67,036,270

The School income for the year was £44m (2022: £41.1m) with a surplus of £3.1m (2022: £2.8m).

The financial statements were approved and authorised for issue by the Board of Governors on 11 January 2024 and were signed below on its behalf by:



M Luckman) Governors

D Walters

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2023 £	2022 £	2022 £
Net cash provided by operating activities	A		4,800,085		6,497,618
Investing activities					
Investment income received		186,979		181,326	
Purchase of fixed assets		(5,499,535)		(4,775,805)	
Proceeds on disposal of fixed assets		38,500		-	
Purchase of investments		(150,000)		(6,204,883)	
Sale of investments		-		6,038,755	
Net cash outflow from investing activities			(5,424,056)		(4,760,607)
Financing activities					
Loan repayments		(1,433,481)		(2,223,117)	
Capital element of finance lease rentals		(23,890)		(23,475)	
Interest cost		(147,245)		(111,484)	
Net cash inflow/(outflow) from financing activities			(1,604.616)		(2,358,076)
Increase/(decrease) in cash and cash equivalents			(2,228,587)		(621,065)
Cash and cash equivalents at 1 September			7,230,025		7,851,090
Cash and cash equivalents at 31 August			£5,001,438		£7,230,025
Cash and cash equivalents comprise:					
Cash at bank			5,001,438		7,239,025
Cash held as part of investments			-		-
			5,001,438		£7,230,025

A. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2023 £	2022 £
Net income before investment gains	3,264,530	3,390,557
Depreciation	1,868,220	1,762,686
Gain on disposal of fixed assets	(7,207)	-
(Increase)/ Decrease in stock	(58,236)	(9,251)
(Increase) in debtors	(233,867)	(566,123)
Increase/(decrease) in fee deposits and fees in advance	213,776	810,384
(Decrease) in creditors	(207,397)	1,179,207
Investment income receivable	(186,979)	(181,326)
Interest cost	147,245	111,484
Net cash inflow from operations	£4,800,085	£6,497,618

CONSOLIDATED CASH FLOW STATEMENT (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

B. ANALYSIS OF CHANGES IN NET (DEBT) / ASSET	At 1 September 2022	Cash flows	Other movements	At 31 August 2023
	£	£	£	£
Cash and cash equivalents	7,230,025	(2,228,587)		5,001,438
Short term borrowings	(1,215,043)	1,433,481	(712,298)	(493,860)
Long term borrowings	(2,484,181)		712,298	(1,771,883)
Finance lease	(5,979)	23,890	(55,090)	(37,179)
Net (debt) / assets	£3,524,822	(771,216)	(55,090)	£2,698,516

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) (Second Edition, effective 1 January 2019).

The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

The financial statements of the Group include the results and balances of the School consolidated on a line by line basis with Bromsgrove School Enterprises Limited and Bromsgrove School Foundation. In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Bromsgrove School.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 1 September 2003 (company number: 4808121) and registered as a charity (charity number: 1098740).

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

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

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

Fees and similar earned income
Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income
Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary income
Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Grant income from the Coronavirus Job Retention Scheme is recognised in the same period as the related employment costs are incurred.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

Expenditure
Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements. Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

Tangible fixed assets
Depreciation is provided at rates calculated to write off each asset over its estimated useful life. Equipment is depreciated at annual rates varying between 10% and 33.3% on cost.

No depreciation is provided on freehold land. Depreciation is provided on freehold buildings at 2% per annum, straight line, when the buildings are brought into use. The anticipated average life of buildings is estimated by reference to 1 September 1990 (date of commencement of depreciation policy), or date of expenditure since that date.

Investments
Listed investments are recognised at market value as at the balance sheet date. Realised and unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Stock
Stock represents goods for resale and is valued at the lower of cost and net realisable value.

Financial instruments
Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, trade and fee debtors, other debtors, accrued income and amounts owed by group undertakings. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise deposits, fees in advance, trade creditors, other creditors and amounts owed to group undertakings.

Debtors
Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Cash at bank and in hand
Cash at bank and in hand includes cash and deposits with a short term maturity of six months or less from the date of opening the deposit account.

Creditors
Creditors are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Endowment Funds
The Society of Friends Fund:

This represents permanent endowment funds held under a Charity Commission Scheme where the income is to be applied to further the charitable purposes of Bromsgrove School.

David Walters Fund:

This represents permanent endowment funds held under a Charity Commission Scheme where the income is to be applied for providing scholarships for pupils at Bromsgrove School or at an approved further education establishment.

Restricted Funds
Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor (see Note 11).

Unrestricted Funds
Unrestricted funds comprise the School's general fund, which is available for application in accordance with the School's objects.

Pension costs
Retirement benefits to employees of the School are provided through two pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School also contributes to a defined contribution scheme for teaching and non-teaching staff. Contributions are charged to expenditure when they become payable.

Operating leases
Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

1. EXPENDITURE

2023	Staff Costs £	Other £	Total £
Charitable activity:			
Teaching costs	18,414,501	2,936,023	21,350,524
Welfare costs	2,274,265	2,278,167	4,552,432
Premises costs	2,450,452	6,156,757	8,607,209
Support and governance costs	2,055,847	1,308,477	3,364,324
	25,195,065	12,679,424	37,874,489
Raising funds:			
Lettings	323,996	568,794	892,790
School shop	86,678	281,935	368,613
Marketing	-	1,242,790	1,242,790
Finance costs	-	148,015	148,015
Other	189,386	68,739	258,125
	600,060	2,310,273	2,910,333
	£25,795,125	£14,989,697	£40,784,822

2022	£	£	£
Charitable activity:			
Teaching costs	17,689,076	2,220,856	19,909,932
Welfare costs	2,108,665	2,084,207	4,192,872
Premises costs	2,320,859	5,540,685	7,861,544
Support and governance costs	2,274,811	1,115,875	3,390,686
	24,393,411	10,961,623	35,355,034
Raising funds:			
Lettings	182,358	205,315	387,673
School shop	83,979	290,360	374,339
Marketing	-	1,319,029	1,319,029
Finance costs	-	111,484	111,484
Other	173,892	71,728	245,620
	440,229	1,997,916	2,438,145
	£24,833,640	£12,959,539	£37,793,179

Finance costs relates to interest on bank loans for 2023 and 2022.

Governance costs included in support costs:	2023 £	2022 £
Auditor's remuneration	40,450	34,500
Governors' costs	1,401	723
Legal and professional	15,745	53,451
Other	8,882	8,316
	£66,478	£96,990

1. EXPENDITURE (continued)

Total expenditure includes:		2023 £	2022 £
Depreciation		1,861,912	1,762,686
Auditors remuneration:	- Audit fees (School)	28,075	23,250
	- Audit fees (Subsidiaries)	12,375	11,250
	- Other services relating to taxation	642	9,822

2. BURSARIES, SCHOLARSHIPS AND GRANTS

	2023 £	2022 £
Bursaries	2,304,036	2,123,685
Forces discounts	1,504,222	1,300,514
Scholarships, exhibitions and other discounts	486,112	456,187
	£4,294,370	£3,880,386

3. STAFF COSTS

	2023 £	2022 £
Wages and salaries	20,653,008	20,078,573
Social security costs	2,003,718	1,893,830
Other pension costs	3,138,399	2,861,237
	£25,795,125	£24,833,640

	No	No
The average number of employees in the year was:		
Teachers	231	229
Administration (including academic support)	439	427
	670	656

The number of employees whose remuneration exceeded £60,000 is disclosed below:

	2023 No.	2022 No.
£60,000-£70,000	34	18
£70,001-£80,000	4	4
£80,001-£90,000	2	2
£90,001-£100,000	2	2
£100,001-£110,000	-	-
£110,001-£120,000	2	2
£120,001-£130,000	1	1
£200,000-£210,000	1	-
£220,001-£230,000	-	-
£240,001-£250,001	-	-
£250,001-£260,000	-	1

Of the above employees, nineteen (2022:fourteen) received contributions to a defined contribution pension scheme, twenty-seven (2022: twenty-one) were members of the Teachers' Pension Scheme and none (2022: one) had opted out of the Teachers' Pension Scheme.

	2023 £	2022 £
Aggregate employee benefits of key management personnel	£811,418	£830,108

Neither the Governors, nor persons connected with them received any remuneration from the School. Reimbursed expenses totalling £176 were received by two Governors for travelling expenses (2022: £243 to one Governor for travelling expenses).

During the year there were redundancy or termination payments amounting to £ 42,853 (2022: £41,127).

4. FIXED ASSETS – GROUP AND CHARITY

	Freehold Property £	Equipment £	Total Charity £	Trading Company £	Total Group £
COST					
At 31 August 2022	89,424,645	1,819,886	91,244,531	54,818	91,299,349
Additions	5,345,562	199,928	5,545,490	9,135	5,554,625
Disposals		(82,005)	(82,005)	-	(82,005)
At 31 August 2023	94,770,207	1,937,809	96,708,016	63,953	96,771,969
DEPRECIATION					
At 31 August 2022	17,861,291	1,511,431	19,372,722	49,161	19,421,883
Charge for the year	1,741,805	120,107	1,861,912	6,308	1,868,220
Disposals	-	(53,416)	(53,416)		(53,416)
At 31 August 2023	19,603,096	1,578,122	21,181,218	55,469	21,236,687
NET BOOK VALUE					
At 31 August 2023	75,167,111	359,687	75,526,799	8,484	75,535,283
At 31 August 2022	£71,563,354	£308,455	£71,871,809	£5,657	£71,877,466

5. FIXED ASSETS INVESTMENTS

	Managed Funds £	Cash £	Total £
Group:			
Balance at 31 August 2022	6,881,563	-	6,881,563
Additions	150,000	-	150,000
Disposals	-	-	-
Transfers in	-	-	-
Management fees paid	-	-	-
(Losses) on revaluation	(107,717)	-	(107,717)
Balance at 31 August 2023	6,923,846	-	6,923,846
School			
Balance at 31 August 2022	5,152,389	-	5,152,389
Additions	-	-	-
Disposals	-	-	-
Transfers in	-	-	-
Management fees paid	-	-	-
(Losses) on revaluation	(71,871)	-	(71,871)
Balance at 31 August 2023	£5,080,518	-	£5,080,518

The School holds 100% of the share capital of Bromsgrove School Enterprises Limited, whose principal activities are commercial lettings, operating a school shop and administering the School's international activities. This investment is held at nil value in the financial statements. A summary of the balance sheet and profit and loss account from the audited financial statements is set out below:

	31 August 2023 £	31 August 2022 £
Turnover	1,365,711	1,144,123
Expenditure	(930,473)	(760,399)
Net profit before donation under Gift Aid	435,238	383,724
Donation under Gift Aid to Governors of Bromsgrove School	(386,664)	(165,474)
Retained profit/(loss)	£48,574	£218,250
Net assets represented by		
Share capital	2	2
Profit and loss account	432,298	383,724
	£432,300	£383,726

6. DEBTORS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fees	1,033,083	727,372	1,033,083	727,373
Amounts due from Bromsgrove School Enterprises Limited	-	-	776,657	752,520
Other debtors and prepayments	659,430	731,274	342,025	313,029
Amounts due from Bromsgrove School Foundation	-	-	40,398	40,336
	£1,692,513	£1,458,646	£2,192,163	£1,833,258

7. CREDITORS: amounts falling due within one year	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank loans	493,860	1,215,043	493,860	1,215,043
Finance lease	27,651	5,979	27,651	5,979
Trade creditors	795,749	888,461	754,220	855,160
Fees in advance and pupil deposits	7,256,210	7,024,057	7,256,210	7,024,057
Taxation and social security	616,576	525,859	572,616	500,775
Other creditors	1,093,595	834,480	1,095,401	834,480
Accruals	1,513,727	1,975,540	1,460,641	1,940,892
	£11,797,368	£12,469,419	£11,660,599	£12,376,386

8. CREDITORS: amounts falling due after more than one year	Group and Charity 2023 £	Group and Charity 2022 £
Bank loans	1,771,883	2,484,181
Pupil deposits	3,661,510	3,679,887
Finance Lease	9,528	-
	£5,442,921	£6,164,068

Details of above loans are as follows:

10 Year Term: Outstanding balance of £326,062. Repayments which commenced in December 2016 are made quarterly and complete in December 2026. Interest is payable at a rate of £1.7% over the bank's base rate.

10 Year Term: Outstanding balance of £886,077 which is unsecured. Repayments which commenced in November 2018 are made quarterly and will complete in August 2027. Interest is payable at a fixed rate of 3.2% but has now been converted to a variable rate of 1.7% over the bank's base rate.

10 Year Term: Outstanding balance of £1,053,604, which is unsecured. Repayments which commenced in November 2018 are made quarterly and will complete in August 2027. Interest is payable at a rate of 1.7% over the bank's base rate.

5 Year Term: Coronavirus Business Interruption Loan (CBIL) was repaid back in full during the year, hence the outstanding balance is £nil.

9. ENDOWMENT FUNDS

	Balance 1 September 2022 £	Net income and gains £	Transfers £	Balance 31 August 2023 £
David Walters Fund	34,671	-	-	34,671
The Society of Friends	461,327	74,830	-	536,157
	£495,998	£74,830	-	£570,828

	Balance 1 September 2021 £	Net income and gains £	Transfers £	Balance 31 August 2022 £
David Walters Fund	34,671	-	-	34,671
The Society of Friends	474,140	(12,813)	-	461,327
	£508,811	£(12,813)	-	£495,998

10. UNRESTRICTED FUNDS

	Balance 1 September 2022 £	Income £	Expenditure £	Gains and Transfers £	Balance 31 August 2023 £
General fund	£68,716,888	£43,964,324	£40,784,822	£(97,519)	£71,798,871

	Balance 1 September 2021 £	Income £	Expenditure £	Gains and Transfers £	Balance 31 August 2022 £
General fund	£65,731,954	£41,173,735	£(37,790,624)	£(398,177)	£68,716,888

11. RESTRICTED FUNDS

	Balance 1 September 2022 £	Net income and gains £	Transfers £	Balance 31 August 2023 £
John Nicholls Fund	5,251	-	-	5,251
Roger Brazier Fund	5,000	-	-	5,000
Tim Taylor Fund	10,000	-	-	10,000
	£17,697	-	-	£17,697

	Balance 1 September 2021 £	Net income and gains £	Transfers £	Balance 31 August 2022 £
John Nicholls Fund	5,251	-	-	5,251
Roger Brazier Fund	5,000	(2,554)	-	2,446
Tim Taylor Fund	-	10,000		10,000
	£10,251	£7,446	-	£17,697

The John Nicholls Fund represents a legacy received to support children undertaking expeditions or outdoor activities.

The Roger Brazier Fund represents a donation received to support the learning and development of pupils with dyslexia.

The Tim Taylor Fund represents a donation received to support the redevelopment of the Learning & Resources Centre.

12. ALLOCATION OF THE GROUP NET ASSETS

2023	Investments £	Fixed Assets £	Net Current Liabilities £	Long Term Liabilities £	Total £
Restricted			17,697		17,697
Endowment	519,880		50,948		570,828
Unrestricted:					
- General	6,403,966	75,535,282	(4,697.456)	(5,442,921)	71,798,871
	£6,923,846	£75,535,282	£(4,628,811)	£(5,442,921)	£72,387,396

2022	Investments £	Fixed Assets £	Net Current Liabilities £	Long Term Liabilities £	Total £
Restricted	-	-	17,697	-	17,697
Endowment	495,998	-	-	-	495,998
Unrestricted:					
- General	6,385,565	71,877,466	(3,382,075)	(6,164,068)	68,716,888
	£6,881,563	£71,877,466	£(3,364,378)	£(6,164,068)	£69,230,583

13. CAPITAL COMMITMENTS

	2023 £	2022 £
Authorised but not contracted	£nil	£nil
Contracted but not provided for	£3,564,666	£307,050

14. FINANCIAL COMMITMENTS

	2023 £	2022 £
Operating leases for equipment that are subject to future minimum lease commitments are as follows:		
Within one year	10,713	10,713
In the second to fifth years	5,543	16,256
Total	£16,256	£26,969
Commitments under finance leases are as follows:		
Payable within one year	27,651	5,979
Payable in the second to fifth years	9,528	-
Total	£37,179	£5,979

15. SUBSIDIARY CHARITY

Bromsgrove School is the sole member of the Bromsgrove Foundation. The Bromsgrove Foundation has been consolidated into these accounts.

The Bromsgrove Foundation is a company limited by guarantee and a registered charity. It was incorporated on 6 February 2007 and has a year end of 31 August. A summary of the Statement of Financial Activities and Balance Sheet are given below:

Statement of Financial Activities for the year ended 31 August:	2023 £	2022 £
Income		
Investment income	40,859	37,933
Donations and legacies	237,839	149,873
	278,698	187,806
Expenditure	(152,967)	(128,851)
Realised and unrealised investment gains/(losses)	(35,846)	(111,430)
	89,885	(52,475)
Total funds brought forward	1,810,480	1,862,955
Total funds carried forward	£1,900,365	£1,810,480
Balance Sheet as at 31 August:		
Investments	1,843,328	1,729,174
Debtors	3,105	5,683
Cash	94,331	115,962
Creditors	(40,398)	(40,339)
Accumulated Funds	£1,900,366	£1,810,480

BROMSGROVE SCHOOL

England & Wales - Charity number 1098740

Accounts

BROMSGROVE SCHOOL

(a company limited by guarantee)
(Incorporating Bromsgrove School Scholarship and Prize Fund, David Walters Memorial Fund and The Society of Friends of Bromsgrove School Endowment Trust)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2022

Company Number 4808121
Charity Number 1098740

Haysmacintyre LLP
Chartered Accountants
Registered Auditors
London

BROMSGROVE SCHOOL

REPORT OF THE GOVERNORS

THE GOVERNORS AND GOVERNING BODY

Mr M Luckman (EC; RC)	Chairman
Lt Col M S Ballard (HC; SC)	Chair of Health & Safety Committee
Dr C Barnett	Resigned 19 March 2022
Mr C D E Cameron (FPC; IC; SC; RC)	Boarding Governor Chair of Risk & Strategy Committee
Mr J-P Campion	Appointed 9 February 2023
Mrs A E Cleary (SC, EC)	Chair of Safeguarding & Welfare Committee
Dr D Cunningham (EC)	
Dr C Lidbury (EC; SC)	Chair of Education Committee
Mrs J Loynton (BC)	
Mr D Morton (EC)	Appointed 3 October 2022
Mr W Roden (IC; FPC)	Chair of Investments Committee
Mr I Stringer (BC)	Chair of Building Committee
Mr D R Walters (FPC; RC; GC)	Chairman of Finance & Property Committee
Mrs D Waltier (HC, IC)	
Mr P West	Resigned 25 June 2022
Mr A J G Willcox	Appointed 3 February 2023

FPC = Member of Finance & Property Committee
EC = Member of Education Committee
BC = Member of Building Committee
IC = Member of Investment Committee
RC = Member of Risk and Strategy Committee
SC = Member of Safeguarding and Welfare Committee
HC = Member of Health and Safety Committee
GC = Member of Governance Committee

CLERK TO THE GOVERNORS AND COMPANY SECRETARY

Mr J Sommerville (Thomas Horton & Sons)

HEADMASTER

Mr M Punt MA (Oxon), MSC, PGCE

Website: www.bromsgrove-school.co.uk

PRESIDENT

Mr S Towe CBE DL

ADVISERS

Bankers:	Lloyds TSB Bank Plc 112 High Street Bromsgrove Worcs B61 8EZ
Solicitors:	Veale Wasbrough Orchard Court Orchard Lane Bristol BS1 5WS
	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham GL50 1YD
Auditors:	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Investment Advisers:	CCLA One Angel Lane London EC4 3AB
	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
Insurance Brokers:	Marsh Ltd 4 Milton Road Haywards Heath, West Sussex RH16 1AH

STATUS AND ADMINISTRATION

Bromsgrove School is a company limited by guarantee, not having a share capital and is governed by its memorandum and articles of association.

Company Registration number:	4808121
Registered Charity number:	1098740
Registered office:	Worcester Road Bromsgrove Worcestershire B61 7DU

CHAIRMAN'S STATEMENT

Following the disruptions caused by the COVID pandemic, this year saw the School returning to normal operations. It was a particular pleasure to greet everybody at our end-of-year Commemoration as it was the first time in three years that we were all able to celebrate together in person. The swift and smooth transition of the School back to normal has been a testament to the adaptability and hard work of all its staff and the character of the pupils they teach.

Whilst much has been written about the impact of COVID on external exams, it had a significant impact too on extra-curricular activities, such an important part of life at Bromsgrove. Many activities - sporting, cultural, and community based - had been severely disrupted. The resumption of the full calendar of extra-curricular activities that are so important in our pupils 'education was a real milestone.

The School also took the opportunity from the pandemic to develop new ways of working. The introduction of our online offering and the creation of our Guardian Angels programme are two examples that are likely to endure. The latter provided accommodation and pastoral care for pupils during half terms and school holidays and has been a great success.

No sooner had School life returned to normal then we were faced with the consequences of the Ukrainian War. In a School with a significant and diverse community, our pupils have been magnificent in the way they have supported each other during these difficult times and it says much for their open-mindedness, empathy, and strength of character.

That diversity too is a cause for celebration and the School is very focused on creating an environment in which each of its teachers and pupils feel accepted and valued, and where their individual well-being is of paramount importance.

With the return of external examinations, I am pleased to report excellent results across GCSE, A Level, IB and BTEC. In all cases, the overall results were higher than the pre-pandemic levels.

It is a testament to all who support and contribute to the School and help build its reputation - staff, governors, parents and pupils - that I can report that the School roll is up for the new academic year and that the School is in a strong financial position in an increasingly challenging environment.

I would like to thank personally Peter Clague, our exiting Headmaster, for his outstanding leadership of our four Schools over the past eight years. He very ably led the School through the COVID pandemic and leaves it in a very strong position. I would also like to welcome Michael Punt as our new Headmaster, the unanimous choice of all those involved in his selection. I am confident that the School will go from strength to strength under his direction.

The Directors, who are the Governors of the School, present their annual report for the year ended 31 August 2022 under the Companies Act 2006, together with the audited financial statements for the year and confirm that the financial statements comply with the requirements of the Act, the charity's governing document, applicable law and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second edition, effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE INFORMATION

The School was founded in 1553 and re-founded on the current site in 1693 by Thomas Cookes. Bromsgrove School was one of the original fourteen members of the Headmasters' Conference (HMC) when it was founded in 1869. The Pre-preparatory and Preparatory Schools are twentieth century foundations.

The School was incorporated as a company limited by guarantee on 1 September 2003 under charity number 1098740 and registered company number 4808121.

OBJECTS, AIMS AND ETHOS

Charitable Objects

The objects for which the Charity is established are to advance education and training by the provision and conduct in or near Worcestershire of any day and boarding school or schools for boys and girls.

The Charity provides education on three sites in Worcestershire to boys and girls from the ages of 2-18.The Charity also provides nursery care at the Winterfold site for babies aged 6 weeks to 2 years. It is the policy of the School to provide a first class education, which identifies and develops the potential of individual pupils in a variety of areas, provides them with the best achievable qualifications and prepares them for their future life.

Aims

The Charity constantly aims to provide a first class education to boys and girls from the ages of 2-18.

Within the objects, the School aims to produce happy, creative, moral citizens who live motivated, fulfilled lives while enriching the lives of others. The School seeks to achieve this through an enlightened, disciplined and broad education that responds to global change while retaining core values. The core values that the School seeks to foster in its pupils are:

Humility and Confidence	Compassion and Ambition
Respect and Curiosity	Tolerance and Vision

Ethos

Bromsgrove School is committed to safeguarding and promoting the welfare and wellbeing of all pupils. The School is proud of the strong pastoral care provided by the House structure in the Senior School and by the form tutors within the Preparatory and Pre-preparatory Schools. The School has a caring ethos, which is reflected in all of the School's policies and procedures. The School maintains regular contact with parents through newsletters, social media, informal meetings and regular reports.

The Governors are committed to the long standing principle that charities must exist for the benefit of the public and have a long tradition of providing public benefit, both through educating pupils at the School and through associated activities for the benefit of the wider community. The Governors are committed to widening access to the School to ensure that children who could not otherwise attend the School can benefit from the education it provides.

The School's ethos is to welcome pupils from all backgrounds. Entrance assessments are undertaken to satisfy both the School and the parents that prospective pupils can cope with the pace of learning and benefit from the breadth of the education that the School provides. An individual's economic status, gender, ethnicity, sexual orientation, race, religion or disability do not form part of the assessment process.

OBJECTS, AIMS AND ETHOS (Continued)

The School is part of a wider community and has a long history of offering a range of educational activities for the benefit of local children. The School offers activities and access to the School's facilities to provide opportunities for children other than pupils at the School to benefit from the charity.

We are very proud of the Bromsgrove School Swim Academy which provides swimming lessons to 1,100 children from the local community. The Summer School that runs for eight weeks in the summer holidays and the Tennis Academy are also open to local children. Local primary schools use the swimming pool for weekly lessons at no charge. The School also continues to reach out to local children through a wide range of activities including the weekly joint Orchestra Group where a number of local Primary Schools come to Bromsgrove to rehearse together to the many local Sports Clubs and Associations that use the School's sports facilities.

Bursaries and Scholarships

The School is committed to ensuring that there is sufficient opportunity for children whose parents cannot afford the fees, including those in poverty, to benefit from its educational services and facilities. The Governors and the School management regularly review the School's Public Benefit Policy as part of the ongoing development of the School's strategy to widen access.

The Governors are committed to running a means-tested bursary scheme to allow direct access to the educational services provided. The scheme is designed to assist prospective parents and existing parents on low incomes who for financial reasons might otherwise be unable to send or continue to send their child to the School. The bursary scheme includes Admissions bursaries for the parents of new pupils and Hardship bursaries for parents whose financial position worsens unexpectedly. Admissions bursaries include both life changing bursaries (75% - 100%) and lower awards for families needing fee assistance.

Bursaries are entirely means tested and are awarded on an annual basis to parents who satisfy the financial criteria set by the School in relation to their income and the value of their capital assets.

The School has a Bursary Policy, which is available to both prospective and existing parents. The policy contains an overview of the bursary scheme and details the procedure for applications and awards of bursaries.

The value of bursaries will be up to 100% of full fees and additional assistance is available to parents to assist with the associated costs of their child's education. The School allocates a proportion of its total income in each financial year to fund the bursary scheme. The School's current aim is to allocate not less than 5% of its total income in each financial year to fund means tested bursaries.

The School's scholarship awards recognise high academic potential or the ability to excel in co-curricular activities. Scholarships are awarded with a fixed remission of between 2.5% and 5%. Where further assistance is required, a means tested bursary may supplement scholarship awards.

STRATEGIC REPORT

CURRENT YEAR PERFORMANCE REVIEW

Principal Activities of the Year

At the end of the year, we said farewell to Mr Clague, the Headmaster of Bromsgrove School. Mr Clague has provided outstanding leadership over his seven years of service. As a much respected Headmaster, the School community expressed their gratitude at Commemoration to Mr and Mrs Clague and wished them well in the next chapter of their lives.

Despite external worldwide tensions and economic pressures, the pupil roll has remained strong throughout the year and it was pleasing that only a very small number of families left the School. In the summer term, the roll stood at 2,001 pupils (2021: 1,956). The Senior School educated 1,011 pupils (2021: 985) of whom 465 (2021: 476) were boarding pupils; the Preparatory School educated 524 pupils (2021: 521) of whom 100 (2021: 80) were boarding pupils; Winterfold House educated 290 pupils (2021: 271) and the Pre-Preparatory School educated 176 day pupils (2021: 179).

This year, there has been a continued focus on widening access. The value of means tested bursaries including the hardship bursaries amounted to 5.1% of income (2021: 5.4%). The charity has also provided fee assistance in the form of scholarships and armed forces discounts. The value of such additional assistance when added to means tested bursaries represented 9.3% of the charity's total fee income. Of the 2,001 pupils educated at the school, 530 pupils (27%) received some degree of financial assistance in the form of bursaries, scholarships, armed forces discounts and staff discounts.

Despite pressures on the budget for the forthcoming year, the Governors have continued to support bursaries and have agreed an annual bursary budget for 2022/2023 amounting to 5.0% of total fee income.

Despite the uncertainty regarding the national public exams, the School was very proud to publish this year's academic results for our pupils.

At GCSE 46.6% of entries were graded 9/8, and 65.1% scored at least a 7, both high watermarks for Bromsgrove cohorts. In 2019 the average point per GCSE entry was 7.0, in 2022 it was 7.1.

In the Upper Sixth, there were 221 candidates taking a mixture of IB, A levels and BTEC qualifications. At A level, 18.3% of entries achieved an A* (14.5% in 2019, 11.1% 2018). The A*/A rate was 53.1% (47.7% in 2019, 42.6% in 2018). The A*/B rate in 2022 of 77.8% was fractionally higher than the 75.5% of 2019 and 75.9% achieved in 2018.

In the IB diploma, 55 IB students averaged a School record 39.3 points. Of 178 Higher Level subjects sat, there were 79 x 7s and 78 x 6s. With UCAS equating a 7 to an A Level A* and a 6 to a grade A, the 7 / A* rate for the IB cohort was 44%, the A*-A / 7-6 rate is 88%. All students passed their overall Diploma, 30 students (55% of the cohort) scored 40 or more points in total, whilst three students achieved the coveted full 45 points.

In BTEC qualifications, 78 entries saw 15 Distinction*s being achieved together with a further 25 Distinctions.

Of the 125 EPQs taken, 48 were awarded an A* and 54 an A with virtually all the remainder gaining a B grade.

Our leavers headed off to a wide range of top universities in the United Kingdom and around the world. 80% gained their first choice University place, 12 to Medicine or Biomedical degrees, 29 to Business related degrees and 20 gained International University places to Columbia, UCLA, Toronto, BCU, HKU, IE in Madrid and Bocconi in Milan (4 with scholarships). Two of our pupils have moved into high quality apprenticeships at BAE and Barclays and one into army nursing. Fifteen pupils have decided to take a gap year.

In recent years, the education of these cohorts has been severely disrupted by factors beyond their control with a national lockdown, local quarantines and the need to work online. All subject teachers and pupils deserve great credit.

Improvements made in the use of digital technology when responding to the pandemic have informed several changes to digital strategy this year. Within the Senior School, all pupils are now required to bring their own devices in to School and all teachers have been provided with new digital devices. Pupil learning has been enhanced as teaching resources are shared more efficiently and feedback is more effective as it is pupil specific and prompt. A further aim has been to assist the pupils in developing good IT skills and improving their organisational skills.

CURRENT YEAR PERFORMANCE REVIEW (Continued)

Despite concerns about the impact of the pandemic on the boarding market, boarding numbers at Bromsgrove remain very strong. We are particularly pleased that there is a strong demand for places in our Prep Boarding houses with boarding numbers increasing from 80 to 100 in the year. An extension to the Prep Boarding House on Conway Road was completed in the year to enhance the communal spaces and to improve access to the staff accommodation.

The Governors recognise the importance of ensuring that all of our boarding houses are maintained at the highest standard and are committed to an annual rolling boarding refurbishment programme. In the year, the extensive refurbishment of the Wendron Gordon boarding house continued. The house community are very pleased with the refurbishment which has provided ensuite facilities in all rooms, new furniture, new decor and enhanced Common Room, kitchen and laundry facilities. This project has also addressed sustainability aims by significantly improving the thermal performance of the building through the installation of new double glazed window units and roof insulation.

In the year, the Governors have also invested in the car parks at both the Bromsgrove Preparatory School and at Winterfold House School. The projects have provided additional parking spaces and improved both site safety and security. In addition, one of the Senior School astroturf pitches was refurbished with the installation of a new carpet.

In the last decade, the School acquired an adjacent site that housed the Bromsgrove Town Police Station. After securing planning permission, the Governors agreed to demolish one of the two buildings. In the year, work has commenced on building a new residential property on the site for the Preparatory School Headmaster and his family.

The Governors and the Executive are committed to improving the School's carbon footprint. The tables below show the key metrics that are being reported for Streamlined Energy and Carbon Reporting in the financial year ending 31st August 2022.

Summary Data for FY 1st September 21 to 31st August 22	Value
Total Energy Use	9,743,154 kWh
Total Greenhouse Gas Emissions (mandatory & voluntary)	1,283.92 tCO_2
Total Students	2,001
Intensity Ratio	0.64 tCO_2 per student

Area of Measurement	FY 1st Sept 19 to 31st Aug 20	FY 1st Sept 20 to 31st Aug 21	FY 1st Sept 21 to 31st Aug 22	Variance to previous year
Energy Use	10,927.3 MWh	12,196.1 MWh	9,743.2 MWh	**20.1% decrease**
Greenhouse Gas Emissions	2,157.73 tCO_2	1,757.2 tCO_2	1,283.9 tCO_2	**26.9% decrease**
Intensity Ratio	1.11 tCO_2 per student	0.90 tCO_2 per student	0.64 tCO_2 per student	**28.5% decrease**

It is clear from the above table that there has been a decrease in emissions from the 2020/21 to 2021/22 year as a result of both warmer winter temperatures and the implementation of energy efficient projects. The largest saving has been observed on gas consumption with the School consuming 3,100kWh per Degree Day compared to 3,530kWh in the 20/21 year.

The various projects implemented this year include LED lighting upgrades in several buildings, a new air source heat pump at Elmshurst, solar thermal tubes installed at WG, roof insulation and new glazed window units installed at WG, further lagging of plant rooms and improved BMS control of 72% of the School's buildings.

CURRENT YEAR PERFORMANCE REVIEW (Continued)

An inclusion review was undertaken in the year in the Senior School which sought views of whether pupils of different gender, race and sexuality feel included within all aspects of the School. Whilst the results of the review were very pleasing as pupils felt that they belonged at Bromsgrove, focus groups are now being established to discuss and address some of the concerns raised.

A number of safeguarding, mental health and physical health services within the School have been bought together in the year to enhance the care and wellbeing of our pupils. A new Director of Wellbeing has been appointed to lead the mental health provision and to integrate them with the Relationships and Sex Education (RSE) provision.

In the year, we have continued to keep our boarding houses open in the school holiday periods to allow our boarders to remain in School. Our Guardian Angel team care for the boarders and whilst this was originally established to look after boarders throughout the pandemic when travel was restricted, our boarding community has asked the School to continue to offer this service. It was particularly popular in the Easter holidays when a lot of pupils stayed at School to study for examinations and to attend the Easter Revision Courses.

The Governors are committed to widening access through the School's extensive bursary programme and also by developing links with the local community by both ensuring that our facilities are available for use and also by engaging in outreach programmes to support local Schools, local children and local charities.

The Bromsgrove School Swim and Tennis Academies are successfully providing swimming and tennis lessons to 1,100 young children in the local community. In addition, the sports facilities at both the Senior School and Winterfold sites have been used regularly by local football, hockey, tennis, netball and badminton teams. We have also hosted the Worcestershire School Games and a Cricket Festival this summer. In addition, we were very pleased to host the Birmingham Rockets basketball residential group, building new links and sharing our facilities with children from across Birmingham.

The Governors are also very pleased that the local community are benefitting from the use of the Arts facilities. An increased number of local choirs, orchestras and dance groups have used the facilities in the year. A highlight of the year has been the hosting of a local Orchestra Group each week which includes pupils from all of the local primary schools. The School also hosted the prestigious Bromsgrove International Music Competition in May which was enjoyed by many members of the local community, both in person and through live streaming. The School is also delighted to have developed a very strong relationship with the English Symphonic Orchestra who will be using the School for many junior and intermediate residential orchestra courses in the future. A local theatre group, All and Sundry Productions performed a Christmas pantomine for the local community in the School theatre.

With regard to community outreach, our pupils as part of Bromsgrove Service and CAS have engaged in a large number of community projects. These include visits to local nurseries and residential homes and raising funds through fundraising events for local charities including the Basement Project and the Primrose Hospice.

In the year, the School has also provided support to various projects outside of the School in the local community. These included contributing to the new Bromsgrove town heat network project and the maintenance of the external facilities at the Ryland Centre. The School takes pride in ensuring that supportive relationships are maintained with all of the School's local suppliers and contractors. All supplier payments are made promptly and the School has a good reputation.

As with academic breadth, the School continues to pride itself on a varied co-curricular programme across a wide range of sporting, cultural and service activities. Our pupils take enriching opportunities seriously and participate with enthusiasm and enjoyment. There are currently 347 clubs and activities on offer.

Bromsgrove Badge has given the Lower Fourth pupils the opportunity to enjoy highlights such as the Malvern Walk and the recent residential camp at Symonds Yat as well as sessions at School on team building, crafting, navigation, orienteering, healthy eating/cooking and problem-solving skills. The Sixth Form enrichment programme had a successful year, including self-defence and de-escalation techniques, first aid scenarios, cooking on a budget sessions and many more.

Numbers in the Combined Cadet Force have risen sharply to 420 this year. There have been several successful field days, an enjoyable week's residential camp in November and several days at the indoor range. The Duke of Edinburgh's Award has returned to a full schedule of expeditions this year. Pupils' engagement in the different sections remains fantastic, with a wide range of physical activities and skills.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Performance

The School achieved net income before investment (losses)/gains of £3,391k, which is £76k lower than the prior year. This performance is also consistent with the School's budget for the year.

In the year, net fees increased from £34,772k to £37,927k, an increase of £3,155k (9%). A significant contributing factor to this increase is the impact of the fee remissions awarded in response to the second lockdown in the prior year (£1,637k). After allowing for this exceptional impact, the underlying growth is an increase in fee income of 4%. This is due to a 2% growth in pupil numbers across the four Schools and a 2% fee increase.

The School's trading and other income increased by £1,151k in the year. It was very pleasing to see the return of our International Summer School, our revision courses, our Sports Academies and the Cricket Festival after the pandemic. In the year, there was also a significant increase in new lettings for the Sports, Arts and boarding facilities.

In the prior year, a significant amount of discretionary and non-essential expenditure was cancelled or delayed achieving cost savings of £1,400k to offset the fee remission awarded to families in the second lockdown. Total School expenditure has increased by 10% in the year but after allowing for these exceptional cost savings in the prior year, the underlying increase in expenditure is 7%. The main contributing factor to this increase is staff costs increasing by 7% in the year. There have been various external employment changes including a change in holiday pay arrangements for part year workers, the increase in the national minimum wage and the introduction of the Health & Social Care levy. In addition, there was an annual pay award of 2.0%, the School incurred high teaching cover costs in the year due to a few long term absences.

Our trading subsidiary receives the franchise fee from Bromsgrove International School Thailand and Mission Hills, Shenzhen. These fees were received in the year and the company was able to contribute £384k to School funds. (2021: £165k).

Bromsgrove School Foundation generated net income before investment gains of £62k, during the year ended 31 August 2022 (2021: £486k). The improved performance in 2021 was due to a donation of £402k from the Bromsgrovian Club in the form of a transfer of investments following the closure of the Club. The Foundation received two legacy donations in the year. Unless, donations are restricted, the funds raised will contribute to bursary awards to pupils of Bromsgrove School in the future.

The School's investments decreased in value over the year as stock markets around the world responded to world tensions and the deterioration in economic outlook due to inflationary pressures. The School's investments fell in the period by £438k, an 6% decline.

The net cash inflow from operations during the year amounted to £6,498k compared to £5,907k in the prior year. The net income before investment gains adjusted for depreciation amounted to a cash inflow of £5,154k. There has been a cashflow benefit due to the timing of payments to contractors for works completed in the summer holidays but not paid until September (£868k). The School's cashflow has performed in line with the School's projection.

In 2021, the Governors withdrew from the Teachers Pension Scheme (TPS) on a phased basis. An alternative Defined Contribution Workplace Pension Scheme has been introduced for all teachers joining the School from 1 September 2021. Teachers employed at 31 August 2021 have been offered the choice of remaining in the TPS or transferring to the School's new scheme. With the risk of future increased employer contributions to the TPS, the Governors have taken this action to protect the long term financial viability of the School.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (Continued)

Investment Policy and Performance

The Governors are permitted to hold a portfolio of investments. The guidance given to the Investment Advisers with regard to equity investment is to balance growth and income with a medium level of risk. These objectives are to be achieved by investing prudently in a broad range of fixed interest securities and equities which are quoted on a recognised Investment Exchange and unit trusts and OEIC's (open ended investment companies) which are authorised under the Financial Services and Markets Act 2000.

In the year, the Governors undertook a review of the management of the School's investments. After detailed discussions with four Investment Management companies, it was agreed that the School should transfer its investments from being managed by Rathbones on a discretional mandate. The Governors agreed a different strategy and all funds are now invested in managed charity investment funds. The School's funds are invested in the CCLA Charities Investment Fund and the Sarasin Endowment Fund Class A. The Foundation's funds are invested in the CCLA Charities Investment Fund. The Investment Committee will continue to monitor the performance of these funds against market benchmarks including the Private Investor Balanced Index benchmark over a rolling three-year period. The Total Return generated by both funds was in line with the market benchmark (-2.07%) for the period from inception.

Reserves Policy

The Governors recognise that free reserves are those unrestricted reserves which are not specifically designated for any purpose. The School's unrestricted reserves are invested primarily in fixed assets, which are recorded in the financial statements at book value. The Governors have invested significantly over the last few years in capital projects enhancing the School buildings and facilities for the benefit of the children being educated. Due to this significant investment by the School, the free reserves are negative at the current time.

	£
Total Funds	69,230,583
Less: Restricted Funds	(17,697)
Less: Endowment Funds	(495,998)
Unrestricted Funds	68,716,888
Less: Property Funding	(71,877,466)
Free reserves	(3,160,578)
Prior Year	(3,131,388)

The Governors keep the level of free reserves under review. Despite this negative position, they are confident that the School's cashflow forecasts and external finance facilities are sufficient to meet the operational needs of the School.

The Governors' policy is to focus on the level of liquid assets that support the unrestricted reserves. To mitigate against future risks, the Governors believe that the School should hold sufficient liquid assets to cover three to six months' worth of expenditure. The aim is to be able to support the working capital needs of the School without needing to dispose of the School's land or buildings in the medium term.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (Continued)

The Governors' policy is to hold liquid assets representing three to six months of expenditure (£9.4m - £18.8m). The School's investments are held to provide income and capital growth and as they are not designated for a specific purpose, they are viewed to be liquid assets. Based on the current market price of the investments and current cash balances at 31st August 2022, the School's liquid assets amounted to £14.1m (2021 £15m).

The Governors monitor the School's liquid assets, the cashflow forecasts and levels of external financing on a termly basis at the Finance Committee. The current strategy is to further increase the liquid assets over the medium term due to the uncertainty detailed in the Risk Management section of this report.

Asset cover for funds

Note 12 of the financial statements sets out an analysis of the School's assets attributable to the various funds. These assets are sufficient to meet the School's obligations on a fund by fund basis.

Fundraising Policy

The School does not undertake fundraising for the financing of capital investment. All projects within the School are funded from School resources with external bank financing as and when necessary.

The Foundation's objective is to raise funds ultimately to enable the School to provide places to all deserving pupils on a needs blind basis. This is a long term ambition which has a focus on friend raising rather than targeted fundraising. It is intended that gentle appeals are made to all those with a connection to Bromsgrove School ie: alumni and parents through a fundraising programme of encouraging major gifts, regular giving and legacies. This is supported by a programme of non-fundraising events designed to encourage interest and involvement with the School. External fundraising companies are not used and the Foundation does not actively fundraise through targeted appeals or telephone campaigns.

The School has received no complaints related to fundraising in the year.

RISK MANAGEMENT

The Governing Body conducts a formal review each term of the School's Risk Register. The School's Executive identifies the major risks to which the School and its related organisations are exposed. The School Executive and the Sub Committee Chairs review these risks on a rolling basis. Mitigation and control procedures are put in place as necessary. This procedure and the Risk Register is reviewed by the Risk and Strategy Committee each term and recommendations are made to the Board regarding confirmation that systems are in place to provide reasonable assurance that major risks are being adequately managed.

The most significant risks for the School are detailed below:-

The impact of high inflation and high interest costs.

The School has two key concerns. The first concern is the impact of high inflation and interest costs on household finances for our families. In the short term, we will continue to work with our families and offer support wherever possible through flexible payment options and the hardship bursary fund. However, we have concerns that a longer period of uncertainty could lead to some families needing to withdraw from the School for financial reasons. We will continue to monitor the situation very closely.

The second concern is the impact of inflationary pressures on the School's cost base. The Bursar and the finance team are monitoring the situation and preparing regular cashflow forecasts. A cautious approach will be adopted with regard to discretionary expenditure and adequate cash reserves will be maintained. It is likely that some capital development projects will be delayed until there is more certainty about the economic forecast.

A decline in international boarding.

A key risk to the School is a reduction in the number of boarders resulting in a reduction in the School's fee income and consequential pressures on cash flows. Whilst the pupil roll at the start of the 2022/2023 academic year is excellent, the School is concerned about the longer term impact of worldwide tensions on the international boarding community. We have a number of mitigation strategies in place including continually assessing new market opportunities and supporting existing agent relationships through educational international events. We will also seek to continually improve in providing first class pastoral care to our boarding community.

The political landscape in the UK

The Governors are aware of the possible challenges that a change in Government could pose were it to adopt policies not conducive to the Independent School sector. The School feels that it is in a strong position in defending its public benefit due to the extensive bursary and outreach programmes. However, the Governors are preparing for the challenges of possible changes in government policy regarding charitable status, including the possibility of the introduction of VAT on school fees and higher business rates.

FUTURE PLANS

The Governors together with the School Executive are committed to ensuring that the School continues to provide a first class education to all of its pupils. All strategic developments are committed to maintaining the School's position in the competitive market that it operates. The achievement of high standards of academic results and the development of the School's facilities are imperative to the School's continued success in the long term.

The Governors and the Executive have recently reviewed the School's Strategic Plan and confirmed new objectives for the next year:-

The Senior School academic offer

To continue to review the Sixth form and GCSE academic offer. Computer Science GCSE has been introduced from September 2022 and further new subjects are to be considered. Alongside the curriculum, the School will seek to expand the opportunities for pupils to develop curiosity, creativity and challenge through external links, awards and competitions. Further to a recent decline in pupils opting for the International Baccalaureate, the Governors also wish for the School to continue to promote the benefits of this programme.

Preparatory School academic offer

A review of alternative academic programmes will be completed. A number of alternative existing programmes will be reviewed including the Prep Baccalaureate but consideration will also be given to developing a bespoke Bromsgrove offer. The extra curriculum activities programme will also be reviewed to consider integration with the academic programme.

Boarding

In accordance with the commitment to the continued refurbishment of the boarding houses, the refurbishment of the Page Boarding House will be completed in the year. This project will enhance the boarding experience for our younger boarders and improve the sustainability of the house as new double glazed units and a living green wall will be added to the exterior of the house.

Winterfold Performing Arts

Music and Drama is a large part of a child's experience at Winterfold. However, the Governors are very aware that the facilities at Winterfold are of an inferior quality to other Schools within the Bromsgrove family. As planning permission has now been secured, the Governors intend to demolish the aged Penryn Hall and commence in the year to build a new modern state of the art Arts Hall providing facilities for Music, Drama, Mass and other School gatherings.

Sustainability

An Environmental Sustainability Plan is to be developed in the year for approval by the Governors. This plan will recognise the excellent work being done within the School Support teams as well as the achievements of the pupils across the various Eco-committees in the School. The plan will focus on four key areas being the decarbonisation of the estate and energy management, waste management, transport and the School's natural environment.

The plan will monitor the School's carbon, recognise achievements to date and outline our aims for the future. A number of new initiatives are already planned for the 2022/23 academic year including investment in a solar array on the Dining Hall, electric charging points in the staff car park, further roll out of LED lighting, further recycling and improvements in food waste management. The feasibility of further plans will also be considered in the year including converting the laundry in to a carbon neutral building and converting the heat loss from the swimming pool to electricity for the surrounding areas. The Bursar will also continue to sit on the Board of the Town Heat Network project to consider a longer term sustainable solution for the town.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by its Memorandum and Articles of Association arising from incorporation in 2003, as amended on 4 October 2015.

Governors and professional advisers

A list of Governors and professional advisers appears on pages 1 and 2 of this report.

Recruitment and Training of Governors

The Charity's Governors are appointed at a meeting of the Board of Governors, following a selection process and recommendation from the Governance Committee. The Governing body requires breadth and depth of experience to carry out its duties effectively. When recruiting new Governors, the Governance Committee takes into consideration eligibility, personal competence, specialist skills and availability.

New Governors are inducted into the workings of the School, including the provision of key information covering Board policy, School ethos, strategy and financial information. All Governors are encouraged to attend training courses and workshops organised by specialist school organisations.

All Governors give of their time freely and no remuneration was paid in the year. No Governor or person connected with a Governor received any benefit from either means tested bursaries or scholarships awarded to our pupils.

Organisational Management

The Board of Governors, as the trustees of the Charity, is responsible for the overall management and control of the School and meets at least three times a year.

The principal responsibilities of the Board are to:

- Ensure the School is run in accordance with its charitable objectives and that all the functions of the School are authorised by the powers provided by its statutes, regulations and by company and charity law
- To appoint the Headmaster
- To set, in consultation with the Headmaster and the Executive of the School, the strategy and policies by which the School will be run
- Approve the School Development Plan
- Control finance by approving budgets and longer-term plans and by approving systems that optimise the chances that they will be achieved
- Ensure that competent professional advice is taken when necessary.

The work in checking the strategy and policies are being correctly carried out is performed by the various committees of Governors as set out below:

- Finance and Property Committee – which deals with financial policy and review of budgets and financial statements prior to approval by the Board
- Education Committee – which deals with educational and related operational issues and brings recommendations and concerns with regard to such matters to the Board
- Buildings Committee – which considers and monitors major build and refurbishment projects within the School
- Investment Committee – which receives termly updates on investment and performance from the Investment Advisers and reports these matters to the Board.
- Governance Committee – which considers possible capability gaps with regard to the composition of the Board and makes recommendations regarding potential new Board members
- Health & Safety Committee – this ensures that there are adequate policies and procedures in place to ensure the health and safety of all pupils and staff and to ensure that the School complies with all legislative changes.
- Risk and Strategy Committee – which assesses the management of all risks encountered by the School and maintains an oversight of the implementation of the agreed strategic aims on the behalf of the full Board.
- Safeguarding and Welfare Committee – which assesses the management of all safeguarding and pastoral controls within the School.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Each committee normally meets before the main Board meetings. The membership of the committees is supplemented by senior staff at the School and by co-opted external appointments.

The day-to-day running of the School is delegated to the School Executive. The School Executive (key management) comprises of the Headmaster (M Punt), Bursar (L Brookes), Assistant Head (R Scannell), the Headmaster of the Preparatory and Pre-Preparatory Schools (M Marie) and the Headmistress of Winterfold House School (D Toms). The members of the Governance Committee have responsibility for reviewing the remuneration for the members of the Executive on an annual basis. The Governors aim to ensure that pay levels are consistent with the market within the independent school sector and use benchmarking data from professional associations such as AGBIS to guide them.

The School Executive consults with all employees on a regular basis so that their views are taken in to account in making decisions, which are likely to affect their interests. Information is shared with the teaching staff and the support staff on all key School developments and changes including the financial and economic factors affecting the performance of the School. The Governors regularly meet with senior staff through the Sub Committees and monitor communications within the School.

Group Structure and Relationships

The Charity has a wholly-owned non-charitable subsidiary, Bromsgrove School Enterprises Limited, whose activities and trading performance are discussed below.

The Charity also holds under trust certain endowed funds under Charity Commission schemes: the Society of Friends Fund and the David Walters Fund. The terms of the schemes are such that the income is applied for the benefit of pupils and former pupils of the School.

The School is the sole member of Bromsgrove School Foundation, a charitable company limited by guarantee. The objects of the company are to promote and advance any charitable purpose connected with Bromsgrove School and to promote other educational purposes for the benefit of the local community.

The School has established international links under licence agreements with Bromsgrove International School Thailand and with Bromsgrove School Mission Hills, Shenzhen.

The Headmaster is a member of the Head Masters' and Mistresses' Conference which provides an opportunity to share expertise and knowledge across the independent school sector. The Conference also permits appropriate representation to Government and regulators of the views of the sector.

The School also benefits from close links with the Alumni. An Alumni Committee, with representation from Old Bromsgrovians, the Foundation and the School has responsibility for engaging with Alumni.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the trustees and directors of the charitable company) are responsible for preparing the Report of the Governors, including the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

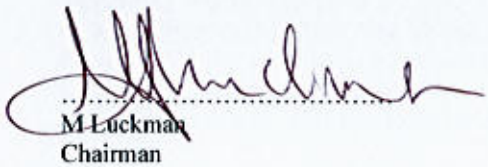
So far as each of the Governors is aware at the time the report is approved:

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

AUDITORS

Haysmacintyre LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

In approving the Report of the Governors, the Board are also approving the Strategic Report contained herein in their capacity as company directors. Approved by the Board of Governors of Bromsgrove School on 18 March 2023 and signed on its behalf by:



M Luckman
Chairman

Opinion
We have audited the financial statements of Bromsgrove School for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2022 and of the group's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

Our responsibilities and the responsibilities of the 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 Report of the Governors. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Governors (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Governors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors (which incorporates the strategic report and the directors' 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
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors for the financial statements
As explained more fully in the Statement of Governors' Responsibilities set out on page 15, the Governors (who are also the directors of the charitable company for the purposes of company law and trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

Use of our report

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

Tracey Young

Tracey Young (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 4AG

Date: 31 March 2023

BROMSGROVE SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2022

Income and Expenditure Account	Note	General Fund £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
Income and Endowments from:						
Charitable activity:						
Fees		42,770,356	-	-	42,770,356	39,014,002
Prompt payment allowance		(962,917)	-	-	(962,917)	(934,609)
Bursaries, scholarships and grants	2	(3,880,386)	-	-	(3,880,386)	(3,307,137)
Net fees receivable		37,927,053	-	-	37,927,053	34,772,256
Other income		983,494	-	-	983,494	832,629
Grants and donations						
Donations		53,708	10,000	-	63,708	492,251
CJRS Grant income		-	-	-	-	239,186
Other trading income:						
Lettings		896,921	-	-	896,921	200,463
School shop		399,964	-	-	399,964	389,387
Other		731,269	-	-	731,269	438,270
Investments		181,326	-	-	181,326	168,288
Other income						
Gain on disposal of fixed assets		-	-	-	-	5,153
Total Income and Endowments		41,173,735	10,000	-	41,183,735	37,537,883
Expenditure on:						
Charitable activity:						
Teaching costs		19,909,932	-	-	19,909,932	18,620,438
Welfare costs		4,192,872	-	-	4,192,872	3,734,108
Premises costs		7,861,544	-	-	7,861,544	7,027,022
Support and governance costs		3,388,132	2,554	-	3,390,686	2,821,892
Raising funds		2,438,144	-	-	2,438,144	1,866,861
Total Expenditure	1	37,790,624	2,554	-	37,793,178	34,070,321
Net income before investment losses		3,383,111	7,446	-	3,390,557	3,467,562
(Losses)/gains on investments	5	(398,177)	-	(12,813)	(410,990)	946,839
Net movement in funds		2,984,934	7,446	(12,813)	2,979,567	4,414,401
Fund balances brought forward		65,731,954	10,251	508,811	66,251,016	61,836,615
Fund balances carried forward		£68,716,888	£17,697	£495,998	£69,230,583	£66,251,016

All of the charitable company's activities are continuing. All recognised gains and losses are included in the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL **Registered Company No: 4808121**

GROUP BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	2022 £	2021 £	2021 £
FIXED ASSETS					
Tangible	4		71,877,466		68,863,342
Investments	5		6,881,563		7,244,737
			78,759,029		76,108,079
CURRENT ASSETS					
Stocks		416,370		407,119	
Debtors	6	1,458,646		894,388	
Cash at bank and in hand		7,230,025		7,732,778	
		9,105,041		9,034,285	
CREDITORS: Amounts falling due within one year	7	(12,469,419)		(11,557,938)	
NET CURRENT (LIABILITIES)			(3,364,378)		(2,523,653)
TOTAL ASSETS LESS CURRENT LIABILITIES			75,394,651		73,584,426
CREDITORS: Amounts falling due after more than one year	8		(6,164,068)		(7,333,410)
NET ASSETS			69,230,583		£66,251,016
FUNDS					
Endowment	9		495,998		508,811
Unrestricted	10		68,716,888		65,731,954
Restricted	11		17,697		10,251
			69,230,583		£66,251,016

The financial statements were approved and authorised for issue by the Board of Governors on 18 March 2023 and were signed below on its behalf by:

.....
M Luckman
) Governors
.....
D Walters

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL **Registered Company No: 4808121**

CHARITY BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	2022 £	2021 £	2021 £
FIXED ASSETS					
Tangible	4		71,871,809		68,853,203
Investments	5		5,152,389		5,476,973
			77,024,198		74,330,176
CURRENT ASSETS					
Stocks		42,173		33,894	
Debtors	6	1,833,258		1,339,771	
Cash at bank and in hand		6,677,095		7,349,448	
		8,552,526		8,723,113	
CREDITORS: Amounts falling due within one year	7	(12,376,386)		(11,497,394)	
NET CURRENT (LIABILITIES)			(3,823,860)		(2,774,281)
TOTAL ASSETS LESS CURRENT LIABILITIES			73,200,338		71,555,895
CREDITORS: Amounts falling due after more than one year	8		(6,164,068)		(7,333,410)
NET ASSETS			£67,036,270		£64,222,485
FUNDS					
Endowment			495,998		508,811
Unrestricted			66,540,272		63,713,674
			£67,036,270		£64,222,485

The School income for the year was £44.1m (2021: £36.4m) with a surplus of £2.8m (2021: £3.5m).

The financial statements were approved and authorised for issue by the Board of Governors on 18 March 2023 and were signed below on its behalf by:

.....
M Luckman) Governors

.....
D Walters

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2022 £	2021 £	2021 £
Net cash provided by operating activities	A		6,497,618		5,907,365
Investing activities					
Investment income received		181,326		168,288	
Purchase of fixed assets		(4,775,805)		(1,192,605)	
Proceeds on disposal of fixed assets		-		9,908	
Purchase of investments		(6,204,883)		(1,023,774)	
Sale of investments		6,038,755		1,042,333	
Net cash outflow from investing activities			(4,760,607)		(995,850)
Financing activities					
Loan repayments		(2,223,117)		(3,446,065)	
Capital element of finance lease rentals		(23,475)		(22,693)	
Interest cost		(111,484)		(105,067)	
Net cash inflow/(outflow) from financing activities			(2,358,076)		(3,573,825)
(Decrease) / increase in cash and cash equivalents			(621,065)		1,337,690
Cash and cash equivalents at 1 September			7,851,090		6,513,400
Cash and cash equivalents at 31 August			£7,230,025		£7,851,090
Cash and cash equivalents comprise:					
Cash at bank			7,230,025		7,732,778
Cash held as part of investments			-		118,312
			£7,230,025		£7,851,090

A. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2022 £	2021 £
Net income before investment (losses)/gains	3,390,557	3,467,562
Depreciation	1,762,686	1,725,724
Gain on disposal of fixed assets	-	5,153
(Increase) / decrease in stock	(9,251)	82,845
(Increase) / decrease in debtors	(566,123)	613,508
Increase/(decrease) in fee deposits and fees in advance	810,384	610,650
Increase /(decrease) in creditors	1,179,207	(534,856)
Investment income receivable	(181,326)	(168,288)
Interest cost	111,484	105,067
Net cash inflow from operations	£6,497,618	£5,907,365

B. ANALYSIS OF CHANGES IN NET (DEBT) / ASSET	At 1 September 2021	Cash flows	Other movements	At 31 August 2022
	£	£	£	£
Cash and cash equivalents	7,851,090	(621,065)	-	7,230,025
Short term borrowings	(2,205,392)	2,223,117	(1,232,768)	(1,215,043)
Long term borrowings	(3,716,949)	-	1,232,768	(2,484,181)
Finance lease	(29,454)	23,475	-	(5,979)
Net assets / (debt)	£1,899,295	£1,625,527	-	£3,524,822

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) (Second Edition, effective 1 January 2019).

The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

The financial statements of the Group include the results and balances of the School consolidated on a line by line basis with Bromsgrove School Enterprises Limited and Bromsgrove School Foundation. In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Bromsgrove School.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 1 September 2003 (company number: 4808121) and registered as a charity (charity number: 1098740).

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

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

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

Fees and similar earned income
Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income
Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary income
Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Grant income from the Coronavirus Job Retention Scheme is recognised in the same period as the related employment costs are incurred.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

Expenditure
Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements. Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

Tangible fixed assets
Depreciation is provided at rates calculated to write off each asset over its estimated useful life. Equipment is depreciated at annual rates varying between 10% and 33.3% on cost.

No depreciation is provided on freehold land. Depreciation is provided on freehold buildings at 2% per annum, straight line, when the buildings are brought into use. The anticipated average life of buildings is estimated by reference to 1 September 1990 (date of commencement of depreciation policy), or date of expenditure since that date.

Investments
Listed investments are recognised at market value as at the balance sheet date. Realised and unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Stock
Stock represents goods for resale and is valued at the lower of cost and net realisable value.

Financial instruments
Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, trade and fee debtors, other debtors, accrued income and amounts owed by group undertakings. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise deposits, fees in advance, trade creditors, other creditors and amounts owed to group undertakings.

Debtors
Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Cash at bank and in hand
Cash at bank and in hand includes cash and deposits with a short term maturity of six months or less from the date of opening the deposit account.

Creditors
Creditors are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Endowment Funds
The Society of Friends Fund:

This represents permanent endowment funds held under a Charity Commission Scheme where the income is to be applied to further the charitable purposes of Bromsgrove School.

David Walters Fund:

This represents permanent endowment funds held under a Charity Commission Scheme where the income is to be applied for providing scholarships for pupils at Bromsgrove School or at an approved further education establishment.

Restricted Funds
Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor (see Note 11).

Unrestricted Funds
Unrestricted funds comprise the School's general fund, which is available for application in accordance with the School's objects.

Pension costs
Retirement benefits to employees of the School are provided through two pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School also contributes to a defined contribution scheme for non-teaching staff. Contributions are charged to expenditure when they become payable.

Operating leases
Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

1. EXPENDITURE

2022	Staff Costs £	Other £	Total £
Charitable activity:			
Teaching costs	17,689,076	2,220,856	19,909,932
Welfare costs	2,108,665	2,084,207	4,192,872
Premises costs	2,320,859	5,540,685	7,861,544
Support and governance costs	2,274,811	1,115,875	3,390,686
	24,393,411	10,961,623	35,355,034
Raising funds:			
Lettings	182,358	205,315	387,673
School shop	83,979	290,360	374,339
Marketing	-	1,319,029	1,319,029
Finance costs	-	111,484	111,484
Other	173,892	71,728	245,620
	440,229	1,997,916	2,438,145
	£24,833,640	£12,959,539	£37,793,179

2021	£	£	£
Charitable activity:			
Teaching costs	16,771,851	1,848,587	18,620,438
Welfare costs	1,870,099	1,864,009	3,734,108
Premises costs	2,064,663	4,962,359	7,027,022
Support and governance costs	2,138,496	683,396	2,821,892
	22,845,109	9,358,351	32,203,460
Raising funds:			
Lettings	91,221	24,799	116,020
School shop	71,323	300,754	372,077
Marketing	-	1,101,094	1,101,094
Finance costs	-	105,067	105,067
Other	90,778	81,825	172,603
	253,322	1,613,539	1,866,861
	£23,098,431	£10,971,890	£34,070,321

Finance costs relates to interest on bank loans for 2022 and 2021.

Governance costs included in support costs:	2022 £	2021 £
Auditor's remuneration	34,500	33,686
Governors' costs	723	75
Legal and professional	53,451	23,422
Other	8,316	8,111
	£96,990	£65,244

1. EXPENDITURE (continued)

Total expenditure includes:		2022 £	2021 £
Depreciation		1,762,686	1,725,724
Auditors remuneration:	- Audit fees (School)	23,250	21,700
	- Audit fees (Subsidiaries)	11,250	10,525
	- Other services relating to taxation	9,822	1,710

2. BURSARIES, SCHOLARSHIPS AND GRANTS

	2022 £	2021 £
Bursaries	2,123,685	2,040,025
Forces discounts	1,300,514	885,470
Scholarships, exhibitions and other discounts	456,187	381,642
	£3,880,386	£3,307,137

3. STAFF COSTS

	2022 £	2021 £
Wages and salaries	20,078,573	18,657,389
Social security costs	1,893,830	1,708,352
Other pension costs	2,861,237	2,732,690
	£24,833,640	£23,098,431

	No	No
The average number of employees in the year was:		
Teachers	229	229
Administration (including academic support)	427	418
	656	647

The number of employees whose remuneration exceeded £60,000 is disclosed below:

	2022 No.	2021 No.
£60,000-£70,000	18	17
£70,001-£80,000	4	2
£80,001-£90,000	2	1
£90,001-£100,000	2	2
£100,001-£110,000	-	1
£110,001-£120,000	2	2
£120,001-£130,000	1	1
£220,001-£230,000	-	-
£240,001-£250,001	-	1
£250,001-£260,000	1	-

Of the above employees, fourteen (2021: five) received contributions to a defined contribution pension scheme, fifteen (2021: twenty-one) were members of the Teachers' Pension Scheme and one (2021: one) had opted out of both schemes.

	2022 £	2021 £
Aggregate employee benefits of key management personnel	£830,108	£841,356

Neither the Governors, nor persons connected with them received any remuneration from the School. Reimbursed expenses totalling £243 were received by one Governor for travelling expenses (2021: £75 by one Governor for a training course).

During the year there were redundancy or termination payments amounting to £41,127 (2021: £13,909).

4. FIXED ASSETS – GROUP AND CHARITY	Freehold Property £	Equipment £	Total Charity £	Trading Company £	Total Group £
COST					
At 31 August 2021	84,747,456	1,721,270	86,468,726	54,818	86,523,544
Additions	4,677,189	98,616	4,775,805	-	4,775,805
At 31 August 2022	89,424,645	1,819,886	91,244,531	54,818	91,299,349
DEPRECIATION					
At 31 August 2021	16,195,849	1,418,669	17,614,518	44,679	17,659,197
Charge for the year	1,665,442	92,762	1,758,204	4,482	1,762,686
At 31 August 2022	17,861,291	1,511,431	19,372,722	49,161	19,421,883
NET BOOK VALUE					
At 31 August 2022	£71,563,354	£308,455	£71,871,809	£5,657	£71,877,466
At 31 August 2021	£68,551,607	£301,596	£68,853,203	£10,139	£68,863,342

5. FIXED ASSETS INVESTMENTS

	Listed investments £	Managed Funds £	Cash £	Total £
Group:				
Balance at 31 August 2021	5,958,803	1,167,622	118,312	7,244,737
Additions	-	6,129,883	-	6,129,883
Disposals	(6,026,962)	-	(118,312)	(6,145,274)
Transfers in	-	75,000	-	75,000
Management fees paid		(11,793)	-	(11,793)
(Losses)/gains	68,159	(479,149)	-	(410,990)
Balance at 31 August 2022	£-	£6,881,563	£-	£6,881,563
School				
Balance at 31 August 2021	4,477,111	950,985	48,877	5,476,973
Additions	-	4,600,331	-	4,600,331
Disposals	(4,536,063)	-	(48,877)	(4,584,940)
Management fees paid	-	(9,633)	-	(9,633)
(Losses)/gains	58,952	(389,294)	-	(330,342)
Balance at 31 August 2022	£-	£5,152,389	£-	£5,152,389

The School holds 100% of the share capital of Bromsgrove School Enterprises Limited, whose principal activities are commercial lettings, operating a school shop and administering the School's international activities. This investment is held at nil value in the financial statements. A summary of the balance sheet and profit and loss account from the audited financial statements is set out below:

	31 August 2022 £	31 August 2021 £
Turnover	1,144,123	776,840
Expenditure	(760,399)	(611,366)
Net profit before donation under Gift Aid	383,724	165,474
Donation under Gift Aid to Governors of Bromsgrove School	(165,474)	(28,879)
Retained profit/(loss)	£218,250	£136,595
Net assets represented by		
Share capital	2	2
Profit and loss account	383,724	165,474
	£383,726	£165,476

6. DEBTORS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fees	727,372	227,165	727,373	227,165
Amounts due from Bromsgrove School Enterprises Limited	-	-	752,520	788,909
Other debtors and prepayments	731,274	667,223	313,029	294,498
Amounts due from Bromsgrove School Foundation	-	-	40,336	29,199
	£1,458,646	£894,388	£1,833,258	£1,339,771

7. CREDITORS: amounts falling due within one year	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	1,215,043	2,205,392	1,215,043	2,205,392
Finance lease	5,979	29,454	5,979	29,454
Trade creditors	888,461	762,247	855,160	714,709
Fees in advance and pupil deposits	7,024,057	6,277,099	7,024,057	6,277,099
Taxation and social security	525,859	455,919	500,775	452,438
Other creditors	834,480	782,080	834,480	772,555
Accruals	1,975,540	1,045,747	1,940,892	1,045,747
	£12,469,419	£11,557,938	£12,376,386	£11,497,394

8. CREDITORS: amounts falling due after more than one year	Group and Charity 2022 £	2021 £
Bank loans	2,484,181	3,716,949
Pupil deposits	3,679,887	3,616,461
	6,164,068	£7,333,410

Details of above loans are as follows:

10 Year Term: Outstanding balance of £413,592. Repayments which commenced in December 2016 are made quarterly and complete in December 2026. Interest is payable at a rate of £1.7% over the bank's base rate.

10 Year Term: Outstanding balance of £1,079,756 which is unsecured. Repayments which commenced in November 2018 are made quarterly and will complete in August 2027. Interest was payable at a fixed rate of 3.2% but has now been converted to a variable rate of 1.7% over the bank's base rate.

10 Year Term: Outstanding balance of £1,289,209, which is unsecured. Repayments which commenced in November 2018 are made quarterly and will complete in August 2027. Interest is payable at a rate of 1.7% over the bank's base rate.

5 Year Term: Coronavirus Business Interruption Loan (CBIL) which is secured. Outstanding balance of £916,666. Repayments commenced in June 2022 and have been made monthly. The loan was interest free for 12 months and is now payable at a rate of 1.06% over the bank's base rate.

9. ENDOWMENT FUNDS

	Balance 1 September 2021 £	Net income and gains £	Transfers £	Balance 31 August 2022 £
David Walters Fund	34,671	-	-	34,671
The Society of Friends	474,140	(12,813)	-	461,327
	£508,811	(12,813)	-	495,998

	Balance 1 September 2020 £	Net income and gains £	Transfers £	Balance 31 August 2021 £
David Walters Fund	34,671	-	-	34,671
The Society of Friends	385,334	88,806	-	474,140
	£420,005	£88,806	-	£508,811

10. UNRESTRICTED FUNDS

	Balance 1 September 2021 £	Income £	Expenditure £	Gains and Transfers £	Balance 31 August 2022 £
General fund	£65,731,954	£41,173,735	£(37,790,624)	£(398,177)	£68,716,888

	Balance 1 September 2020 £	Income £	Expenditure £	Gains and Transfers £	Balance 31 August 2021 £
General fund	£61,406,359	£37,524,972	£(34,070,321)	£870,944	£65,731,954

11. RESTRICTED FUNDS

	Balance 1 September 2021 £	Net income and gains £	Transfers £	Balance 31 August 2022 £
John Nicholls Fund	5,251	-	-	5,251
Roger Brazier Fund	5,000	(2,554)	-	2,446
Tim Taylor Fund	-	10,000	-	10,000
	£10,251	£7,446	-	£17,697

	Balance 1 September 2020 £	Net income and gains £	Transfers £	Balance 31 August 2021 £
John Nicholls Fund	5,251	-	-	5,251
Roger Brazier Fund	5,000	-	-	5,000
	£10,251	-	-	£10,251

The John Nicholls Fund represents a legacy received to support children undertaking expeditions or outdoor activities.

The Roger Brazier Fund represents a donation received to support the learning and development of pupils with dyslexia.

The Tim Taylor Fund represents a donation received to support the redevelopment of the Learning & Resources Centre.

12. ALLOCATION OF THE GROUP NET ASSETS

2022	Investments £	Fixed Assets £	Net Current Liabilities £	Long Term Liabilities £	Total £
Restricted	-	-	17,697	-	17,697
Endowment	495,998	-	-	-	495,998
Unrestricted:					
- General	6,385,565	71,877,466	(3,382,075)	(6,164,068)	68,716,888
	£6,881,563	£71,877,466	£(3,364,378)	£(6,164,068)	£69,230,583

2021	Investments £	Fixed Assets £	Net Current Liabilities £	Long Term Liabilities £	Total £
Restricted	-	-	10,251	-	10,251
Endowment	508,811	-	-	-	508,811
Unrestricted:					
- General	6,735,926	68,863,342	(2,533,904)	(7,333,410)	65,731,954
	£7,244,737	£68,863,342	£(2,523,653)	£(7,333,410)	£66,251,016

13. CAPITAL COMMITMENTS

	2022 £	2021 £
Authorised but not contracted	£nil	£nil
Contracted but not provided for	£307,050	£89,955

14. FINANCIAL COMMITMENTS

	2022 £	2021 £
Operating leases for equipment that are subject to future minimum lease commitments are as follows:		
Within one year	10,713	10,713
In the second to fifth years	16,256	26,969
Total	£26,969	£37,682
Commitments under finance leases are as follows:		
Payable within one year	5,979	23,475
Payable in the second to fifth years	-	5,979
Total	£5,979	£29,454

15. SUBSIDIARY CHARITY

Bromsgrove School is the sole member of the Bromsgrove Foundation. The Bromsgrove Foundation has been consolidated into these accounts.

The Bromsgrove Foundation is a company limited by guarantee and a registered charity. It was incorporated on 6 February 2007 and has a year end of 31 August. A summary of the Statement of Financial Activities and Balance Sheet are given below:

Statement of Financial Activities for the year ended 31 August:	2022 £	2021 £
Income		
Investment income	37,933	29,723
Donations and legacies	149,873	511,101
	187,806	540,824
Expenditure	(128,851)	(55,191)
Realised and unrealised investment gains/(losses)	(111,430)	187,420
	(52,475)	673,053
Total funds brought forward	1,862,955	1,189,902
Total funds carried forward	£1,810,480	£1,862,955
Balance Sheet as at 31 August:		
Investments	1,729,174	1,767,764
Debtors	5,683	1,831
Cash	115,962	122,559
Creditors	(40,339)	(29,199)
Accumulated Funds	£1,810,480	£1,862,955

BROMSGROVE SCHOOL

England & Wales - Charity number 1098740

Accounts

BROMSGROVE SCHOOL

(a company limited by guarantee)
(incorporating Bromsgrove School Scholarship and Prize Fund, David Walters Memorial Fund and The Society of Friends of Bromsgrove School Endowment Trust)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2021

Company Number 4808121
Charity Number 1098740

Haysmacintyre LLP
Chartered Accountants
Registered Auditors
London

BROMSGROVE SCHOOL

REPORT OF THE GOVERNORS

THE GOVERNORS AND GOVERNING BODY

Mr P West (SC; GC; FPC; RC)	Chairman & Chairman of Safeguarding & Welfare Committee
Lt Col M S Ballard (HC; SC)	Chairman of Health & Safety Committee
Dr C Barnett (EC, GC)	Chairman of Education Committee
Mr C D E Cameron (FPC; IC; SC)	
Mrs A E Cleary (EC)	
Dr D Cunningham (EC)	Appointed 5 March 2021
Dr C Lidbury (EC; SC)	
Mrs J Loynton (BC)	
Mr M Luckman (EC; RC)	Chairman of Risk & Strategy Committee & Governance Committee
Mr W Roden (IC; FPC)	Chairman of Investments Committee
Mr I Stringer (BC)	Chairman of Building Committee
Mr G Strong (GC; HC; BC)	Resigned 13 August 2021
Mr D R Walters (FPC; RC; GC)	Chairman of Finance & Property Committee
Mrs D Waltier (HC)	

FPC = Member of Finance & Property Committee
EC = Member of Education Committee
BC = Member of Building Committee
IC = Member of Investment Committee
GC = Member of Governance Committee
HC = Member of Health & Safety Committee
RC = Member of Risk and Strategy Committee
SC = Member of Safeguarding and Welfare Committee

CLERK TO THE GOVERNORS AND COMPANY SECRETARY

Mr J Sommerville (Thomas Horton & Sons)

HEADMASTER

Mr P Clague.

Mr P Clague resigned at the end of the academic year. The Governos have appointed Mr Michael Punt as the new Headmaster from September 2022.

Website: www.bromsgrove-school.co.uk

PRESIDENT

Mr S Towe CBE DL

ADVISERS

Bankers:	Lloyds TSB Bank Plc 112 High Street Bromsgrove Worcs B61 8EZ
Solicitors:	Veale Wasbrough Orchard Court Orchard Lane Bristol BS1 5WS
	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham GL50 1YD
Auditors:	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Investment Advisers:	Rathbones Temple Point 1 Temple Row Birmingham B2 5LG
Insurance Brokers:	Marsh Ltd 4 Milton Road Haywards Heath, West Sussex RH16 1AH

STATUS AND ADMINISTRATION

Bromsgrove School is a company limited by guarantee, not having a share capital and is governed by its memorandum and articles of association.

Company Registration number:	4808121
Registered Charity number:	1098740
Registered office:	Worcester Road Bromsgrove Worcestershire B61 7DU

CHAIRIMAN'S STATEMENT

The pandemic has continued to have a significant impact on the school during this academic year. I am pleased to say the school has successfully navigated through these difficult times due to the excellent support we have received from the School's wider community. At the core of the community are our pupils who have continued to be exceptional in adapting to the challenges they faced during the year. The Governors are particularly grateful to our teachers and non-academic staff who have all delivered excellent education in a safe environment in difficult circumstances, expertly led by the Headmaster, the Executive and the Senior Management Teams. None of this would have been possible without the continued support and understanding of parents. Thanks to the wider community the school is flourishing.

When we went in to the second lockdown, we had a smooth transition back to our digital learning platforms. Whilst we all recognise the huge benefits of pupils being taught face to face in classrooms, we know the education that we provided to our pupils throughout this lockdown period was of the highest standard.

Academic results were excellent and were in line with previous years. Despite the difficulties with the Teacher Assessed Grades, our teachers and pupils worked tirelessly to ensure that our leavers were able to secure the university places they deserved.

International Boarders faced particularly difficult challenges with borders at times closed and international travel and quarantine restrictions. At times during the academic year a significant number of pupils were unable to go home. We were able to look after all these pupils through our Guardian Angel Team, opening up boarding houses during holidays. The feedback we have had from pupils and parents is that, whilst not the same as returning home, it was nevertheless a great success. We are very proud of the strong pastoral care and support we continue to provide our families.

Once again, the School took early decisive action to control costs. This resulted in cost savings of £1.7m and was achieved through careful cost management. Whilst the Government furlough scheme was used again in the second lockdown, no teaching staff were furloughed. The full costs savings were passed on to parents through a reduction in fees. The school ended the year in a strong financial position.

The Headmaster after eight successful years at the school has decided to seek a fresh challenge closer to New Zealand. We will of course at the end of the academic year properly thank him for his excellent leadership of the school. In the meantime we have completed a successful recruitment process and I am delighted to announce that [**********] has been appointed to succeed Mr Clague. [a sentence about the new head]

We have all returned to School in September 2021 and it was wonderful to see the excitement amongst pupils. A busy active campus has lifted everybody and bodes well for the new academic year.

The Directors, who are the Governors of the School, present their annual report for the year ended 31 August 2021 under the Companies Act 2006, together with the audited financial statements for the year and confirm that the financial statements comply with the requirements of the Act, the charity's governing document, applicable law and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second edition, effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE INFORMATION

The School was founded in 1553 and re-founded on the current site in 1693 by Thomas Cookes. Bromsgrove School was one of the original fourteen members of the Headmasters' Conference (HMC) when it was founded in 1869. The Pre-preparatory and Preparatory Schools are twentieth century foundations.

The School was incorporated as a company limited by guarantee on 1 September 2003 under charity number 1098740 and registered company number 4808121.

OBJECTS, AIMS AND ETHOS

Charitable Objects

The objects for which the Charity is established are to advance education and training by the provision and conduct in or near Worcestershire of any day and boarding school or schools for boys and girls.

The Charity provides education on three sites in Worcestershire to boys and girls from the ages of 2-18.The Charity also provides nursery care at the Winterfold site for babies aged 6 weeks to 2 years. It is the policy of the School to provide a first class education, which identifies and develops the potential of individual pupils in a variety of areas, provides them with the best achievable qualifications and prepares them for their future life.

Aims

The Charity constantly aims to provide a first class education to boys and girls from the ages of 2-18.

Within the objects, the School aims to produce happy, creative, moral citizens who live motivated, fulfilled lives while enriching the lives of others. The School seeks to achieve this through an enlightened, disciplined and broad education that responds to global change while retaining core values. The core values that the School seeks to foster in its pupils are:

Humility and Confidence	Compassion and Ambition
Respect and Curiosity	Tolerance and Vision

Ethos

Bromsgrove School is committed to safeguarding and promoting the welfare and wellbeing of all pupils. The School is proud of the strong pastoral care provided by the House structure in the Senior School and by the form tutors within the Preparatory and Pre-preparatory Schools. The School has a caring ethos, which is reflected in all of the School's policies and procedures. The School maintains regular contact with parents through newsletters, social media, informal meetings and regular reports.

The Governors are committed to the long standing principle that charities must exist for the benefit of the public and have a long tradition of providing public benefit, both through educating pupils at the School and through associated activities for the benefit of the wider community. The Governors are committed to widening access to the School to ensure that children who could not otherwise attend the School can benefit from the education it provides.

The School's ethos is to welcome pupils from all backgrounds. Entrance assessments are undertaken to satisfy both the School and the parents that prospective pupils can cope with the pace of learning and benefit from the breadth of the education that the School provides. An individual's economic status, gender, ethnicity, sexual orientation, race, religion or disability do not form part of the assessment process.

OBJECTS, AIMS AND ETHOS (Continued)

The School is part of a wider community and has a long history of offering a range of educational activities for the benefit of local children. The School offers activities and access to the School's facilities to provide opportunities for children other than pupils at the School to benefit from the charity. Specifically, after the lockdown this year, the Bromsgrove School Swim Academy returned to providing swimming lessons to 1,000 children from the local community. The Summer School that usually runs for eight weeks in the summer holidays and the Tennis academy are also open to local children. Local primary schools use the swimming pool for weekly lessons at no charge. The School will continue to provide access to its facilities to children from other schools.

Bursaries and Scholarships

The School is committed to ensuring that there is sufficient opportunity for children whose parents cannot afford the fees, including those in poverty, to benefit from its educational services and facilities. The Governors and the School management regularly review the School's Public Benefit Policy as part of the ongoing development of the School's strategy to widen access.

The Governors are committed to running a means-tested bursary scheme to allow direct access to the educational services provided. The scheme is designed to assist prospective parents and existing parents on low incomes who for financial reasons might otherwise be unable to send or continue to send their child to the School. The bursary scheme includes Admissions bursaries for the parents of new pupils and Hardship bursaries for parents whose financial position worsens unexpectedly. Admissions bursaries include both life changing bursaries (75% - 100%) and lower awards for families needing fee assistance.

Bursaries are entirely means tested and are awarded on an annual basis to parents who satisfy the financial criteria set by the School in relation to their income and the value of their capital assets.

The School has a Bursary Policy, which is available to both prospective and existing parents. The policy contains an overview of the bursary scheme and details the procedure for applications and awards of bursaries.

The value of bursaries will be up to 100% of full fees and additional assistance is available to parents to assist with the associated costs of their child's education. The School allocates a proportion of its total income in each financial year to fund the bursary scheme. The School's current aim is to allocate not less than 5% of its total income in each financial year to fund means tested bursaries.

The School's scholarship awards recognise high academic potential or the ability to excel in co-curricular activities. Scholarships are awarded with a fixed remission of between 2.5% and 5%. Where further assistance is required, a means tested bursary may supplement scholarship awards.

STRATEGIC REPORT

CURRENT YEAR PERFORMANCE REVIEW

Covid-19

The COVID-19 pandemic has continued to have a significant impact on the School this academic year. The Headmaster and the Critical Incident Management Team managed the School's response to the second lockdown extremely effectively and whilst there were significant operational and financial implications for the whole School community, all key stakeholders remained engaged and positive about the actions taken by the School.

At an operational level, the School moved very quickly to ensure that all pupils could gain access to the School's online teaching platform. All pupils were able to access their lessons online throughout the second lockdown using the Zoom platform for older pupils and Seesaw system for younger pupils. The online offerings were extremely well received by pupils and their parents and our thanks go to all teachers and staff involved.

Many of our international boarders could not return to their families this academic year due to travel restrictions. A small team of caring, supportive members of staff, our "Guardian Angels" remained within our boarding houses throughout the lockdown period and the School holiday periods to look after these boarders. Our parents and educational agents have all expressed their gratitude to the School for the care and pastoral support that we have provided in such exceptional times. The School supported keyworker families throughout the lockdown period by looking after their children in School providing both access to the online education and wraparound care. Keyworker families have also expressed their gratitude for the support that the School has provided.

Due to the exceptional circumstances including the physical closure of the School, the Governors agreed to support all School families by reducing the fees in the Lent term pro rata for the seven weeks of lockdown. Day fees were reduced by 15%, boarding fees for students at home by 25% and boarding pupils residing in School by 10%. In addition, fee remissions were also awarded to nursery and younger pupils using Seesaw. The School took prompt action to reduce costs over this period including cancelling discretionary expenditure and furloughing some non-teaching staff.

The Governors were very aware of the economic uncertainty at the start of the second lockdown and recognised that some of our families could incur financial hardship. An additional COVID-19 Bursary Fund was put in place to support these families and the finance team offered more flexibility around payment timings. All bursary awards have been confidentially awarded by the Bursar's office on a means tested basis.

Despite the COVID-19 restrictions, the pupil roll has remained strong throughout the year and it was pleasing that only a very small number of families left the School. In the summer term, the roll stood at 1,956 pupils (2020: 1,945). The Senior School educated 985 pupils (2020: 960) of whom 476 (2020: 475) were boarding pupils; the Preparatory School educated 521 pupils (2020: 535) of whom 80 (2020: 85) were boarding pupils; Winterfold House educated 271 pupils (2020: 267) and the Pre-Preparatory School educated 179 day pupils (2020: 183).

Principal Activities of the Year

In the earlier part of the academic year and throughout the lockdown period, the School's key objective was to keep our children safe and to ensure that the School provided them with the best possible education. Our teachers delivered the full curriculum and ensured that teaching continued at all times throughout the year. Hybrid lessons were taught to ensure that pupils present in School and those pupils absent due to isolation or travel restrictions all achieved the same education. Our Senior School teachers worked diligently and professionally in preparing our pupils through continual assessment to achieve the best possible outcomes in the public examinations using Centre Assessed Grades (CAGs). Despite restrictions due to year group bubbles, the School also delivered a wide and fulfilling extra-curricular and sports programme.

At the end of the year, we said farewell to Mrs Deval-Reed, the Headmistress of our Preparatory and Pre-Preparatory Schools. Mrs Deval-Reed has provided 25 years of service to Bromsgrove School and 12 years of outstanding leadership as Headmistress. As a much loved and respected Headmistress, the School community arranged some very special end of year events for her to express our gratitude and to wish her well in her retirement.

CURRENT YEAR PERFORMANCE REVIEW (Continued)

This year, there has been a continued focus on widening access. The value of means tested bursaries including the pandemic hardship bursaries amounted to 5.4% of income (2020: 4.8%). The charity has also provided fee assistance in the form of scholarships and armed forces discounts. The value of such additional assistance when added to means tested bursaries represented 8.7% of the charity's total fee income. Of the 1,956 pupils educated at the school, 530 pupils (27%) received some degree of financial assistance in the form of bursaries, scholarships, armed forces discounts and staff discounts.

Despite COVID-19 pressures on the budget for the forthcoming year, the Governors have continued to support bursaries and have agreed an annual bursary budget for 2021/2022 amounting to 5.0% of total fee income.

Despite the uncertainty regarding the national public exams, the School was proud to publish this year's academic results for over 400 of our pupils. At GCSE there were 193 candidates and 27% of all entries were awarded the top grade of a 9. Half of all GCSE grades were an 8 or above and 70% of all entries were awarded at least a 7. In the Upper Sixth, there were 225 candidates taking a mixture of IB, A levels and BTEC qualifications. At A level, 89% of all entries were graded A* to B, with 62% at A*/A and 26% of all entries at A*. In BTEC, 42% of all entries were awarded a Distinction star which is equivalent to an A* at A level.

In the IB diploma, 69 students secured an average of 40.2. A total of 43 pupils scored 40 or more points with 4 students achieving the coveted 45 point maximum and 3 achieving 44.

Our Sixth Form leavers now head off to a wide range of top universities in the United Kingdom and around the world. Seventeen students are going overseas to universities such as Toronto, Bocconi, New York and Leiden.

In a year that has been disrupted by factors beyond their control with a national lockdown, local quarantines and the need to work online, all subject teachers and pupils deserve great credit.

At the start of the pandemic, the Governors and Executive decided that the School would not initiate any major capital expenditure projects until there was more certainty regarding the impact of the pandemic on the School's finances. Early in the summer term, a review was undertaken and it was agreed that the refurbishment of the Wendron Gordon boarding house should commence in the summer holidays. This decision recognised the importance of recommencing the boarding refurbishment programme and ensuring that all of our boarding houses are maintained at the highest standard. Phase one of the project was completed over the summer break which involved a major refurbishment of 25 bedrooms including new heating systems and the installation of ensuite bathrooms.

Despite concerns about the impact of the pandemic on the boarding market, boarding numbers at Bromsgrove remain very strong. Due to an increased demand for our Prep Boarding house, the Governors and Executive also decided to convert a residential property in to an additional boarding house to be operated alongside Page House. These conversion works were completed successfully over the summer break providing excellent boarding accommodation for 20 of our senior Prep boarders. Further works will be completed in Spring 2021 to extend the house to provide further improvements to the communal spaces.

CURRENT YEAR PERFORMANCE REVIEW (Continued)

The Governors and the Executive are committed to improving the School's carbon footprint. The tables below show the key metrics that are being reported for Streamlined Energy and Carbon Reporting in the financial year ending 31st August 2021.

Summary Data for FY 1st September 20 to 31st August 21	**Value**
Total Energy Use	12,196,147 kWh
Total Greenhouse Gas Emissions (mandatory & voluntary)	1,757.2 tCO_2
Total Students	1,956
Intensity Ratio	0.90 tCO_2 per student

Area of Measurement	**FY 1st Sept 19 to 31st Aug 20**	**FY 1st Sept 20 to 31st Aug 21**	**Variance**
Energy Use	10,927.3 MWh	12,196.1 MWh	**11.6% increase**
Greenhouse Gas Emissions	2,157.73 tCO_2	1,757.2 tCO_2	**18.6% reduction**
Intensity Ratio	1.11 tCO_2 per student	0.90 tCO_2 per student	**19.0% reduction**

It is clear that there has been a significant reduction in emissions in the year, mainly due to the renewable energy contracts in place across electricity supplies for the full year. Total energy use has increased but this is largely due to the impact of the first pandemic lockdown which resulted in significant energy savings in the prior year.

Over the last year the School has invested in numerous projects, aimed at improving efficiency and reducing energy consumption. These have included LED lighting upgrades to two Sports Halls and to Oakley. In addition, a new air source heat pump was installed within the Elmshurst Boarding House to allow independent heating of a specific zone in holiday periods. The School is also introducing the IQ Trend Business Management System (BMS) to allow remote control of room temperatures. The aforementioned projects are projected to save circa 240,000 kWh per annum, representing some 2% of total energy consumption. A number of further initiatives are planned for the next year including further roll out of LED lighting, air ground heat pumps and the installation of PV panels.

The Governors are committed to widening access through the School's extensive bursary programme and also by developing links with the local community by both ensuring that our facilities are available for use and also by engaging in outreach programmes to support local Schools, local children and local charities.

The Governors and Executive were really pleased to be able to reopen the School's facilities to the local community in the summer term. The Bromsgrove School Swim and Tennis Academies have recommenced and are successfully providing swimming and tennis lessons to 1,000 young children in the local community. In the next year, we also hope to develop our academy provision and introduce a Dance Academy for the local community to attend.

In addition, the sports facilities at both the Senior School and Winterfold sites have been used by local football, hockey, tennis, netball and badminton teams. Unfortunately, we were unable to host either the Worcestershire School Games or the Cricket Festivals due to the pandemic but we will hopefully continue to host them in the future. Over the summer, we were however very pleased to host the Birmingham Rockets basketball residential group building new links and sharing our facilities with children from across Birmingham.

CURRENT YEAR PERFORMANCE REVIEW (Continued)

The Governors are also very pleased that the local community are benefitting from the use of the Arts facilities. An increased number of local choirs, orchestras and dance groups had started to use the facilities prior to the lockdown but unfortunately, many of their planned concerts and performances had to be cancelled. The School was however able to host the prestigious Bromsgrove International Music Competition in May which was enjoyed by many members of the local community, both in person and through live streaming. The School is also delighted to have developed a very strong relationship with the English Symphonic Orchestra who will be using the School for many junior and intermediate residential orchestra courses in the future. A link has also been developed this year with a local theatre group, All and Sundry Productions who will be performing plays and a Christmas pantomime for the local community in the School theatre.

With regard to community outreach, our pupils as part of Bromsgrove Service usually engage in a large number of community projects. In the last year, sadly such events as arranging tea parties for the local community could not happen. We were also prevented from inviting local children from the Bromsgrove North and South Senior Schools to participate in activities including the CCF. However, we were able to host a number of internal fundraising events to support charities such as BasementB61, Cancer Research and MacMillan. Our pupils also focused in this time on a number of worldwide issues such as sustainability and supported local conservation projects including renovating the gardens at Hartlebury Castle.

In the year, the School has also provided support to various projects outside of the School in the local community. These include contributing to the new Bromsgrove town heat network project and the maintenance of the external facilities at the Ryland Centre.

The School takes pride in ensuring that supportive relationships are maintained with all of the School's suppliers and contractors. All supplier payments are made promptly and the School has a good reputation locally. Throughout the pandemic, the School endeavoured to ensure that all payments continued to be made on time despite the restrictions.

Unfortunately the extra-curricular life of the School was impacted by both the constraints of keeping pupils in year group bubbles and the national lockdown. In the Christmas term, the School organised various inter house sports, music and drama events and competitions. Throughout the second lockdown, many activities moved online again including CCF and D of E and music was ever present with online concerts taking place weekly for pupils across all four Schools.

For those boarders who remained on campus throughout the lockdown they enjoyed full use of the School's facilities. The sports and recreational staff ensured that they enjoyed a full activities programme.

Sports fixtures against other Schools were very limited in the year. However, after the U17 cricket team were crowned National Champions at the end of 2019, both the Prep School and Senior School were ranked in the Top 100 for cricket. Tennis also enjoyed success and we were delighted to be granted the LTA 10U Performance Programme status as part of the LTA's Player Pathway.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Performance

The School achieved net income before investment gains of £3,468k which is £2,248k higher than the prior year. This performance is in line with the School's budget for the year.

In the year, net fees increased from £32,007k to £34,772k, an increase of £2,765k. Whilst pupil numbers have remained broadly consistent across all four Schools, fee income has increased due to the fee remissions awarded in response to the second lockdown being lower than in the first lockdown. The fee income earned was however £1,637k lower than the School's budget due to the fee remissions awarded in the lockdown period.

The School's trading and other income increased by £301k in the year. Although the International Summer School, our revision courses and the Cricket Festival were all cancelled due to the pandemic, all of our letting facilities and academies were able to open in the Summer term.

The School responded very quickly to the announcement of the second lockdown, controlling all aspects of School expenditure and immediately seeking cost efficiencies. All discretionary and non-essential expenditure was either cancelled or deferred. The School also furloughed members of the Support Staff who were unable to work due to the School closure through the Government's Job Retention Scheme. This provided the School with grant income of £239k. The School was able to secure cost savings and grant income to offset the fee remissions awarded to parents and the loss of trading income to achieve a net income position which is in line with the original budget.

Our trading subsidiary receives the franchise fee from Bromsgrove International School Thailand and Mission Hills, Shenzhen. These fees were received in the year and the company was able to contribute £267k to School funds. (2020: £29k).

Bromsgrove School Foundation generated net income before investment gains of £486k, during the year ended 31 August 2021 (2020: £165k). This improved performance was due to a donation of £402k from the Bromsgrovian Club in the form of a transfer of investments following the closure of the Club. The Foundation also received two legacy donations in the year. The funds raised will contribute to bursary awards to pupils of Bromsgrove School in the future.

The School's investments increased in value over the year as stock markets around the world rallied once the vaccine was rolled out. The School's investments rose in the period by £1,044k, an 18% improvement (excluding the Bromsgrovian Club donation).

In order that the Governors could protect the School's working capital position following the decision to reduce fees in the prior year, the Governors secured funding from Lloyds Bank via the CBIL scheme. Due to the projected reduction in the net cash inflow in the prior year, a secured loan of £5.0m was arranged. Whilst at the time under their base-case forecast, the Governors anticipated £3.0m being adequate cover for the projected reduction in net income in the prior academic year, a further £2.0m was borrowed as additional contingency for the medium term and to cover additional pressures on working capital that might arise from the more severe downside modelling that the Governors had considered. As the School's financial performance had improved in the year and the School's modelling indicated that the additional £2.0m was no longer required, this was repaid to the bank in August 2021.

The net cash inflow from operations during the year amounted to £5,907k compared to £1,354k in the prior year. This increase in the year is due mainly to the impact of the increase in net income in the year (£2,248k) and an increase in parents paying fees in advance for the 2021 Michaelmas term (£1,677k). As this second impact is a timing difference between the months of August and September, such that this increase in fees in advance for the year ended 31 August 2021 was matched by a corresponding reduction in receipts in September 2021, the School's cashflow has performed in line with the School's projection.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (Continued)

In the year, the Governors decided to withdraw from the Teachers Pension Scheme (TPS) on a phased basis. An alternative Defined Contribution Workplace Pension Scheme has been introduced for all teachers joining the School from 1 September 2021. Teachers employed at 31st August 2021 have been offered the choice of remaining in the TPS or transferring to the School's new scheme. With the risk of future increased employer contributions to the TPS, the Governors have taken this action to protect the long term financial viability of the School.

Investment Policy and Performance

The Governors are permitted to hold a portfolio of investments. The guidance given to the Investment Advisers with regard to equity investment is to balance growth and income with a medium level of risk. These objectives are to be achieved by investing prudently in a broad range of fixed interest securities and equities which are quoted on a recognised Investment Exchange and unit trusts and OEIC's (open ended investment companies) which are authorised under the Financial Services and Markets Act 2000.

The Charity's investment portfolio is managed by Rathbones on a discretional mandate with the aim of outperforming the MSCI PIMFA Balanced Index benchmark over a rolling three-year period. The Total Return (capital change, plus income generated) generated by the Bromsgrove School investment portfolio during the year to 31.8.2021 was +18.29% (net of fees). This return was ahead of the benchmark return of 17.99%. The portfolio produced greater equity and fixed interest returns than the benchmark, although the alternatives investment performance was below that of the benchmark. The FTSE All Share Index produced a total return of 26.95% during the same period.

Reserves Policy

The Governors recognise that free reserves are those unrestricted reserves which are not specifically designated for any purpose. The School's unrestricted reserves are invested primarily in fixed assets, which are recorded in the financial statements at book value. The Governors have invested significantly over the last few years in capital projects enhancing the School buildings and facilities for the benefit of the children being educated. Due to this significant investment by the School, the free reserves are negative at the current time.

	£
Total Funds	66,251,016
Less: Restricted Funds	(10,251)
Less: Endowment Funds	(508,811)
Unrestricted Funds	65,731,954
Less: Property Funding	(68,863,342)
Free reserves	(3,131,388)
Prior Year	(7,423,933)

The Governors keep the level of free reserves under review. Despite this negative position, they are confident that the School's cashflow forecasts and external finance facilities are sufficient to meet the operational needs of the School. As predicted, the free reserves have improved in the year and are predicted to continue to improve in the next year.The Governors' policy is to focus on the level of liquid assets that support the unrestricted reserves. To mitigate against future risks, the Governors believe that the School should hold sufficient liquid assets to cover three to six months' worth of expenditure. The aim is to be able to support the working capital needs of the School without needing to dispose of the School's land or buildings in the medium term.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (Continued)

The School's investments are held to provide income and capital growth and as they are not designated for a specific purpose, they are viewed to be liquid assets. Based on the current market price of the investments and current cash balances at 31st August 2021, the School's liquid assets amounted to £15m compared with £11.2m at 31 August 2020.

The Governors monitor the School's liquid assets, the cashflow forecasts and levels of external financing on a termly basis at the Finance Committee. The current strategy is to repay the existing external financing and to further increase the liquid assets over the medium term due to the uncertainty detailed in the Risk Management section of this report.

Asset cover for funds

Note 12 of the financial statements sets out an analysis of the School's assets attributable to the various funds. These assets are sufficient to meet the School's obligations on a fund by fund basis.

Fundraising Policy

The School does not undertake fundraising for the financing of capital investment. All projects within the School are funded from School resources with external bank financing as and when necessary.

The Foundation's objective is to raise funds ultimately to enable the School to provide places to all deserving pupils on a needs blind basis. This is a long term ambition which has a focus on friend raising rather than targeted fundraising. It is intended that gentle appeals are made to all those with a connection to Bromsgrove School ie: alumni and parents through a fundraising programme of encouraging major gifts, regular giving and legacies. This is supported by a programme of non-fundraising events designed to encourage interest and involvement with the School. External fundraising companies are not used and the Foundation does not actively fundraise through targeted appeals or telephone campaigns.

The School has received no complaints related to fundraising in the year.

RISK MANAGEMENT

The Governing Body conducts a formal review each term of the School's Risk Register. The School's Executive identifies the major risks to which the School and its related organisations are exposed. The School Executive and the Sub Committee Chairmen review these risks on a rolling basis. Mitigation and control procedures are put in place as necessary. This procedure and the Risk Register is reviewed by the Risk and Strategy Committee each term and recommendations are made to the Board regarding confirmation that systems are in place to provide reasonable assurance that major risks are being adequately managed.

The most significant risks for the School are detailed below:-

The impact of the pandemic on the health of the School community.

The School is strictly adhering to all Government guidance and has policies, procedures and risk assessments in place to keep the School community safe. These have all been reviewed by the Governors and the School keeps the Governing body informed of all developments. The School is well prepared for the Government's testing regime, for local outbreaks and for caring for children and staff needing to be absent from School due to illness or self-isolation. The nursing and pastoral support of the School has been strengthened and the academic staff are fully prepared to be able to provide high quality online teaching if it becomes necessary.

RISK MANAGEMENT (continued)

A decline in international boarding.

A key risk to the School is a reduction in the number of boarders resulting in a reduction in the School's fee income and consequential pressures on cash flows. Whilst the pupil roll at the start of the 2021/2022 academic year is excellent, the School is concerned about the longer term impact of the pandemic on the international boarding community as travel restrictions and health concerns could have a negative impact. We have a number of mitigation strategies in place including continually assessing new market opportunities and supporting existing agent relationships through online educational international events. We are also keeping our boarding houses open in the holiday periods and continuing to provide first class pastoral care to our boarding community.

Political Risk.

The Governors continue to closely monitor the political landscape with regards to challenges to the charitable status of Independent Schools. The ongoing risks related to the possible loss of business rate relief, the introduction of VAT and the tax status of trading companies are continually being assessed and modelled.

FUTURE PLANS

The Governors together with the School Executive are committed to ensuring that the School continues to provide a first class education to all of its pupils. All strategic developments are committed to maintaining the School's position in the competitive market that it operates. The achievement of high standards of academic results and the development of the School's facilities are imperative to the School's continued success in the long term.

The Governors and the Executive have recently reviewed the School's Strategic Plan and confirmed new objectives for the next year:-

Digital Strategy

Advances made in the use of digital technology when responding to the pandemic lockdowns have informed a revised digital strategy. Within the Senior School, all pupils will be required to bring their own devices in to School and all teachers will be provided with new digital devices. Pupil learning will be enhanced as teaching resources can be shared more efficiently and feedback will be more effective as it will be pupil specific and prompt. A further objective is to assist the pupils in developing good IT skills and improving their organisational skills.

Linked to this strategy, proposals will be developed in the year to convert the existing Library and Resource Centre in to a modernised Enterprise Centre embracing a digital approach to research alongside traditional books. The Centre will be developed to allow pupils to work collaboratively as well as in private study. Additional new classrooms will also be accommodated within the building.

Boarding

The Governors have a strategic aim to rebalance the size of the boarding houses within the Senior School. Whilst not wishing to increase the overall number of boarders within the School, the aim is to have broadly equally sized houses to enhance inter house competitions and to ensure the highest level of pastoral care. Planning applications will be progressed in the year to increase the size of the Mary Windsor and Webber boarding houses.

In accordance with the commitment to the continued refurbishment of the boarding houses, the second phase of the Wendron Gordon refurbishment will be completed.

Inclusion and Wellbeing

An inclusion review will be undertaken in the year which will include gaining an understanding of whether pupils of different gender, race and sexuality feel included within all aspects of the School. A number of safeguarding, mental health and physical health services within the School will be bought together to enhance the care and wellbeing of our

FUTURE PLANS (continued)

pupils. A new Director of Wellbeing will be appointed to co-ordinate these services and to integrate them with the Relationships and Sex Education (RSE) provision.

Sustainability

A number of new initiatives are already planned for the 2021/22 academic year. As part of the Wendron Gordon refurbishment project, we will be installing solar thermal panels on the rear of the building to service hot water for the bedroom showers, installing new high performance thermal windows and fully insulating the roof area. As part of our rolling LED replacement lighting programme, we will be installing new lighting units in to the Humanities building.

We will also be installing air source heat pumps to the buildings on the Police Station site. The feasibility of further plans will also be considered in the year including converting the laundry in to a carbon neutral building and converting the heat loss from the swimming pool to electricity for the surrounding areas. The Bursar will also continue to sit on the Board of the Town Heat Network project to consider a longer term sustainable solution for the town.

The Preparatory School Year 7&8 offer

A review of alternative academic programmes will be completed. A number of alternative existing programmes will be reviewed including the Prep Baccalaureate but consideration will also be given to developing a bespoke Bromsgrove offer. The extra curriculum activities programme will also be reviewed to consider integration with the academic programme.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by its Memorandum and Articles of Association arising from incorporation in 2003, as amended on 4 October 2015.

Governors and professional advisers

A list of Governors and professional advisers appears on pages 1 and 2 of this report.

Recruitment and Training of Governors

The Charity's Governors are appointed at a meeting of the Board of Governors, following a selection process and recommendation from the Governance Committee. The Governing body requires breadth and depth of experience to carry out its duties effectively. When recruiting new Governors, the Governance Committee takes into consideration eligibility, personal competence, specialist skills and availability.

New Governors are inducted into the workings of the School, including the provision of key information covering Board policy, School ethos, strategy and financial information. All Governors are encouraged to attend training courses and workshops organised by specialist school organisations.

All Governors give of their time freely and no remuneration was paid in the year. No Governor or person connected with a Governor received any benefit from either means tested bursaries or scholarships awarded to our pupils.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational Management

The Board of Governors, as the trustees of the Charity, is responsible for the overall management and control of the School and meets at least three times a year.

The principal responsibilities of the Board are to:

- Ensure the School is run in accordance with its charitable objectives and that all the functions of the School are authorised by the powers provided by its statutes, regulations and by company and charity law
- To appoint the Headmaster
- To set, in consultation with the Headmaster and the Executive of the School, the strategy and policies by which the School will be run
- Approve the Development Plan
- Ensure that the School meets the objectives that the Board sets from time to time
- Control finance by approving budgets and longer-term plans and by approving systems that optimise the chances that they will be achieved
- Ensure that competent professional advice is taken when necessary.

The work in checking the strategy and policies are being correctly carried out is performed by the various committees of Governors as set out below:

- Finance and Property Committee – which deals with financial policy and review of budgets and financial statements prior to approval by the Board
- Education Committee – which deals with educational and related operational issues and brings recommendations and concerns with regard to such matters to the Board
- Buildings Committee – which considers and monitors major build and refurbishment projects within the School
- Investment Committee – which receives termly updates on investment and performance from the Investment Advisers and reports these matters to the Board together with any proposals regarding changes in the investment policy set by the Board
- Governance Committee – which considers possible capability gaps with regard to the composition of the Board and makes recommendations regarding potential new Board members
- Health & Safety Committee – this ensures that there are adequate policies and procedures in place to ensure the health and safety of all pupils and staff and to ensure that the School complies with all legislative changes.
- Risk and Strategy Committee – which assesses the management of all risks encountered by the School and maintains an oversight of the implementation of the agreed strategic aims on the behalf of the full Board.
- Safeguarding and Welfare Committee – which assesses the management of all safeguarding and pastoral controls within the School.

Each committee normally meets before the main Board meetings. The membership of the committees is supplemented by senior staff at the School and by co-opted external appointments.

The day-to-day running of the School is delegated to the School Executive. The School Executive (key management) comprises of the Headmaster (P Clague), Bursar (L Brookes), Assistant Head (R Scannell), the Headmaster of the Preparatory and Pre-Preparatory Schools (M Marie) and the Headmistress of Winterfold House School (D Toms). The members of the Governance Committee have responsibility for reviewing the remuneration for the members of the Executive on an annual basis. The Governors aim to ensure that pay levels are consistent with the market within the independent school sector and use benchmarking data from professional associations such as AGBIS to guide them.

The School Executive consults with all employees on a regular basis so that their views are taken in to account in making decisions, which are likely to affect their interests. Information is shared with the teaching staff and the support staff on all key School developments and changes including the financial and economic factors affecting the performance of the School. The Governors regularly meet with senior staff through the Sub Committees and monitor communications within the School.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Group Structure and Relationships

The Charity has a wholly-owned non-charitable subsidiary, Bromsgrove School Enterprises Limited, whose activities and trading performance are discussed below.

The Charity also holds under trust certain endowed funds under Charity Commission schemes: the Society of Friends Fund and the David Walters Fund. The terms of the schemes are such that the income is applied for the benefit of pupils and former pupils of the School.

The School is the sole member of Bromsgrove School Foundation, a charitable company limited by guarantee. The objects of the company are to promote and advance any charitable purpose connected with Bromsgrove School and to promote other educational purposes for the benefit of the local community.

The School has established international links under licence agreements with Bromsgrove International School Thailand and with Bromsgrove School Mission Hills, Shenzhen.

The Headmaster is a member of the Head Masters' and Mistresses' Conference which provides an opportunity to share expertise and knowledge across the independent school sector. The Conference also permits appropriate representation to Government and regulators of the views of the sector.
The School also benefits from close links with the Alumni. An Alumni Committee, with representation from Old Bromsgrovians, the Foundation and the School has responsibility for engaging with Alumni.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the trustees and directors of the charitable company) are responsible for preparing the Report of the Governors, including the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Governors is aware at the time the report is approved:

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

AUDITORS

Haysmacintyre LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

In approving the Report of the Governors, the Board are also approving the Strategic Report contained herein in their capacity as company directors. Approved by the Board of Governors of Bromsgrove School on .....27.November...2021 and signed on its behalf by:

P West
Chairman

Opinion
We have audited the financial statements of Bromsgrove School for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2021 and of the group's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

Our responsibilities and the responsibilities of the 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 Report of the Governors. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Governors (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Governors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors (which incorporates the strategic report and the directors' 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
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors for the financial statements
As explained more fully in the Statement of Governors' Responsibilities set out on page 15, the Governors (who are also the directors of the charitable company for the purposes of company law and trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

Use of our report

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

Tracey Young (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 4AG

Date: 2 December 2021

BROMSGROVE SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2021

Income and Expenditure Account	Note	General Fund £	Restricted Funds £	Endowment Funds £	Total 2021 £	Total 2020 £
Income and Endowments from:						
Charitable activity:						
Fees		39,014,002	-	-	39,014,002	35,506,857
Prompt payment allowance		(934,609)	-	-	(934,609)	(942,511)
Bursaries, scholarships and grants	2	(3,307,137)	-	-	(3,307,137)	(2,557,002)
Net fees receivable		34,772,256	-	-	34,772,256	32,007,344
Other income		832,629	-	-	832,629	526,626
Grants and donations						
Donations		492,251	-	-	492,251	170,826
CJRS Grant income		239,186	-	-	239,186	1,045,838
Other trading income:						
Lettings		200,463	-	-	200,463	321,424
School shop		389,387	-	-	389,387	353,748
Other		438,270	-	-	438,270	358,241
Investments		155,377	-	12,911	168,288	208,444
Other income						
Gain on disposal of fixed assets		5,153	-	-	5,153	750
Total Income and Endowments		37,524,972	-	12,911	37,537,883	34,993,241
Expenditure on:						
Charitable activity:						
Teaching costs		18,620,438	-	-	18,620,438	18,280,838
Welfare costs		3,734,108	-	-	3,734,108	3,391,365
Premises costs		7,027,022	-	-	7,027,022	6,928,605
Support and governance costs		2,821,892	-	-	2,821,892	2,840,640
Raising funds		1,866,861	-	-	1,866,861	2,331,924
Total Expenditure	1	34,070,321	-	-	34,070,321	33,773,372
Net income before investment gains		3,454,601	-	-	3,467,562	1,219,869
Gains/(losses) on investments	5	870,944	-	75,895	946,839	(504,508)
Net movement in funds		4,325,595	-	88,806	4,414,401	715,361
Fund balances brought forward		61,406,359	10,251	420,005	61,836,615	61,121,254
Fund balances carried forward		£65,731,954	£10,251	£508,811	£66,251,016	£61,836,615

All of the charitable company's activities are continuing. All recognised gains and losses are included in the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL **Registered Company No: 4808121**

GROUP BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Tangible	4		68,863,342		68,830,292
Investments	5		7,244,737		5,698,365
			76,108,079		74,528,657
CURRENT ASSETS					
Stocks		407,119		489,964	
Debtors	6	894,388		1,479,017	
Cash at bank and in hand		7,732,778		6,380,909	
		9,034,285		8,349,890	
CREDITORS: Amounts falling due within one year	7	(11,557,938)		(9,711,324)	
NET CURRENT (LIABILITIES)			(2,523,653)		(1,361,434)
TOTAL ASSETS LESS CURRENT LIABILITIES			73,584,426		73,167,223
CREDITORS: Amounts falling due after more than one year	8		(7,333,410)		(11,330,608)
NET ASSETS			£66,251,016		£61,836,615
FUNDS					
Endowment	9		508,811		420,005
Unrestricted	10		65,731,954		61,406,359
Restricted	11		10,251		10,251
			£66,251,016		£61,836,615

The financial statements were approved and authorised for issue by the Board of Governors on 27/11/2021 and were signed below on its behalf by:

Paul West
.....
P West

) Governors

.....
D Walters

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL **Registered Company No: 4808121**

CHARITY BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Tangible	4		68,853,203		68,815,671
Investments	5		5,476,973		4,703,906
			74,330,176		73,519,577
CURRENT ASSETS					
Stocks		33,894		25,065	
Debtors	6	1,339,771		2,146,023	
Cash at bank and in hand		7,349,448		5,906,825	
		8,723,113		8,077,913	
CREDITORS: Amounts falling due within one year	7	(11,497,394)		(9,649,150)	
NET CURRENT (LIABILITIES)			(2,774,281)		(1,571,232)
TOTAL ASSETS LESS CURRENT LIABILITIES			71,555,895		71,948,340
CREDITORS: Amounts falling due after more than one year	8		(7,333,410)		(11,330,608)
NET ASSETS			£64,222,485		£60,617,732
FUNDS					
Endowment			508,811		420,005
Unrestricted			63,713,674		60,197,727
			£64,222,485		£60,617,732

The School income for the year was £36.4m (2020: £34.4m) with a surplus of £3.5m (2020: £0.9m).

The financial statements were approved and authorised for issue by the Board of Governors on 27/11/2021 and were signed below on its behalf by:

Paul West .....)
P West)
) Governors
.....)
D Walters)

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2021 £	2020 £	2020 £
Net cash provided by operating activities	A		5,907,365		1,354,339
Investing activities					
Investment income received		168,288		208,444	
Purchase of fixed assets		(1,192,605)		(3,152,260)	
Proceeds on disposal of fixed assets		9,908		-	
Purchase of investments		(1,023,774)		(252,642)	
Sale of investments		1,042,333		345,761	
Net cash outflow from investing activities			(995,850)		(2,850,697)
Financing activities					
Loan repayments		(3,446,065)		(938,098)	
Loan monies received		-		5,000,000	
Capital element of finance lease rentals		(22,693)		(22,112)	
Interest cost		(105,067)		(138,686)	
Net cash inflow/(outflow) from financing activities			(3,573,825)		3,901,104
Increase in cash and cash equivalents			1,337,690		2,404,746
Cash and cash equivalents at 1 September			6,513,400		4,108,654
Cash and cash equivalents at 31 August			£7,851,090		£6,513,400
Cash and cash equivalents comprise:					
Cash at bank			7,732,778		6,380,909
Cash held as part of investments			118,312		132,491
			£7,851,090		£6,513,400

A.	RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2021 £	2020 £
	Net income before investment gains	3,467,562	1,219,869
	Depreciation	1,725,724	1,663,418
	Gain on disposal of fixed assets	5,153	-
	Decrease in stock	82,845	76,350
	Decrease in debtors	613,508	(39,944)
	Increase/(decrease) in fee deposits and fees in advance	610,650	(1,066,374)
	(Decrease) in creditors	(534,856)	(429,222)
	Investment income receivable	(168,288)	(208,444)
	Interest cost	105,067	138,686
	Net cash inflow from operations	£5,907,365	£1,354,339

B. ANALYSIS OF CHANGES IN NET (DEBT) / ASSET	At 1 September 2020	Cash flows	Other movements	At 31 August 2021
	£	£	£	£
Cash and cash equivalents	6,513,400	1,337,690	-	7,851,090
Short term borrowings	(1,354,168)	1,354,168	(2,205,392)	(2,205,392)
Long term borrowings	(8,014,238)	2,091,897	2,205,392	(3,716,949)
Finance lease	(52,238)	22,693	-	(29,545)
Net (debt) / assets	£(2,907,244)	£4,806,459	-	£1,899,215

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) (Second Edition, effective 1 January 2019).

The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities throughout the Covid-19 period and for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

The financial statements of the Group include the results and balances of the School consolidated on a line by line basis with Bromsgrove School Enterprises Limited and Bromsgrove School Foundation. In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Bromsgrove School.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 1 September 2003 (company number: 4808121) and registered as a charity (charity number: 1098740).

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

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

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

Fees and similar earned income
Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income
Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary income
Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Grant income from the Coronavirus Job Retention Scheme is recognised in the same period as the related employment costs are incurred.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

Expenditure
Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements. Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

Tangible fixed assets
Depreciation is provided at rates calculated to write off each asset over its estimated useful life. Equipment is depreciated at annual rates varying between 10% and 33.3% on cost.

No depreciation is provided on freehold land. Depreciation is provided on freehold buildings at 2% per annum, straight line, when the buildings are brought into use. The anticipated average life of buildings is estimated by reference to 1 September 1990 (date of commencement of depreciation policy), or date of expenditure since that date.

Investments
Listed investments are recognised at market value as at the balance sheet date. Realised and unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Stock
Stock represents goods for resale and is valued at the lower of cost and net realisable value.

Financial instruments
Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, trade and fee debtors, other debtors, accrued income and amounts owed by group undertakings. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise deposits, fees in advance, trade creditors, other creditors and amounts owed to group undertakings.

Debtors
Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Cash at bank and in hand
Cash at bank and in hand includes cash and deposits with a short term maturity of six months or less from the date of opening the deposit account.

Creditors
Creditors are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Endowment Funds
The Society of Friends Fund:

This represents permanent endowment funds held under a Charity Commission Scheme where the income is to be applied to further the charitable purposes of Bromsgrove School.

David Walters Fund:

This represents permanent endowment funds held under a Charity Commission Scheme where the income is to be applied for providing scholarships for pupils at Bromsgrove School or at an approved further education establishment.

Restricted Funds
Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor (see Note 11).

Unrestricted Funds
Unrestricted funds comprise the School's general fund, which is available for application in accordance with the School's objects.

Pension costs
Retirement benefits to employees of the School are provided through two pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School also contributes to a defined contribution scheme for non-teaching staff. Contributions are charged to expenditure when they become payable.

Operating leases
Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

1. EXPENDITURE

2021	Staff Costs £	Other £	Total £
Charitable activity:			
Teaching costs	16,771,851	1,848,587	18,620,438
Welfare costs	1,870,099	1,864,009	3,734,108
Premises costs	2,064,663	4,962,359	7,027,022
Support and governance costs	2,138,496	683,396	2,821,892
	22,845,109	9,358,351	32,203,460
Raising funds:			
Lettings	91,221	24,799	116,020
School shop	71,323	300,754	372,077
Marketing	-	1,101,094	1,101,094
Finance costs	-	105,067	105,067
Other	90,778	81,825	172,603
	253,322	1,613,539	1,866,861
	£23,098,431	£10,986,908	£34,070,321

2020	£	£	£
Charitable activity:			
Teaching costs	16,413,603	1,867,235	18,280,838
Welfare costs	1,657,235	1,734,131	3,391,365
Premises costs	2,023,361	4,905,244	6,928,605
Support and governance costs	2,085,690	754,950	2,840,640
	22,179,888	9,261,560	31,441,448
Raising funds:			
Lettings	240,619	104,898	345,516
School shop	83,515	256,405	339,920
Marketing	-	1,164,878	1,164,878
Finance costs	-	138,686	138,686
Other	105,321	237,602	342,923
	429,455	1,902,469	2,331,924
	£22,609,343	£11,164,029	£33,773,372

Finance costs relates to interest on bank loans for 2021 and 2020.

Governance costs included in support costs:	2021 £	2020 £
Auditor's remuneration	33,686	32,350
Governors' costs	75	1,119
Legal and professional	23,422	24,011
Other	8,111	8,005
	£65,244	£67,935

1. EXPENDITURE (continued)

Total expenditure includes:		2021 £	2020 £
Depreciation		1,725,724	1,663,418
Auditors remuneration:	- Audit fees (School)	21,700	20,825
	- Audit fees (Subsidiaries)	10,525	10,100
	- Other services relating to taxation	1,710	1,425

2. BURSARIES, SCHOLARSHIPS AND GRANTS

	2021 £	2020 £
Bursaries	2,040,025	1,669,002
Forces discounts	885,470	612,914
Scholarships, exhibitions and other discounts	381,642	275,086
	£3,307,137	£2,557,002

3. STAFF COSTS

	2021 £	2020 £
Wages and salaries	18,657,389	18,402,911
Social security costs	1,708,352	1,537,958
Other pension costs	2,732,690	2,668,474
	£23,098,431	£22,609,343

	No	No
The average number of employees in the year was:		
Teachers	229	226
Administration (including academic support)	418	440
	647	666

The number of employees whose remuneration exceeded £60,000 is disclosed below:

	2021 No.	2020 No.
£60,000-£70,000	17	11
£70,001-£80,000	2	1
£80,001-£90,000	1	2
£90,001-£100,000	2	3
£100,001-£110,000	1	2
£110,001-£120,000	2	1
£120,001-£130,000	1	-
£220,001-£230,000	-	1
£240,001-£250,001	1	-

Of the above employees, five (2020: four) received contributions to a defined contribution pension scheme, twenty one (2020: fifteen) were members of the Teachers' Pension Scheme and one (2020: one) had opted out of the Teachers' Pension Scheme.

	2021 £	2020 £
Aggregate employee benefits of key management personnel	£841,356	£814,639

Neither the Governors, nor persons connected with them received any remuneration from the School. Reimbursed expenses totalling £75 were received by one Governor for a training course (2020: £744 to three Governors for travel expenses).

During the year there were redundancy or termination payments amounting to £13,909 (2020: £nil).

4. FIXED ASSETS – GROUP AND CHARITY	Freehold Property £	Equipment £	Total Charity £	Trading Company £	Total Group £
COST					
At 31 August 2020	83,075,873	1,690,471	84,766,344	54,818	84,821,162
Additions	1,671,583	92,946	1,764,529	-	1,764,529
Disposals	-	(62,147)	(62,147)	-	(62,147)
At 31 August 2021	84,747,456	1,721,270	86,468,726	54,818	86,523,544
DEPRECIATION					
At 31 August 2020	14,592,963	1,357,710	15,950,673	40,197	15,990,870
Charge for the year	1,602,886	118,356	1,721,242	4,482	1,725,724
Disposals	-	(57,392)	(57,392)	-	(57,392)
At 31 August 2021	16,195,849	1,418,669	17,614,523	44,679	17,659,202
NET BOOK VALUE					
At 31 August 2021	£68,551,607	£301,596	£68,853,203	£10,139	£68,863,342
At 31 August 2020	£68,482,910	£332,767	£68,815,671	£14,621	£68,830,292

5. FIXED ASSETS INVESTMENTS

	Listed investments £	Cash £	Total £
Group:			
Balance at 31 August 2020	5,565,874	132,491	5,698,365
Additions	1,023,774	(1,023,774)	-
Disposals	(1,042,333)	1,042,333	-
Transfers in	632,271	-	632,271
Management fees paid	-	(32,738)	(32,738)
Gains / (losses) on revaluation	946,839	-	946,839
Balance at 31 August 2021	£7,126,425	£118,312	£7,244,737
School			
Balance at 31 August 2020	4,624,131	79,775	4,703,906
Additions	984,977	(984,977)	-
Disposals	(980,430)	980,430	-
Transfers in	40,002	-	40,002
Management fees paid	-	(26,351)	(26,351)
Gains on revaluation	759,416	-	759,416
Balance at 31 August 2021	£5,428,096	£48,877	£5,476,973

The School holds 100% of the share capital of Bromsgrove School Enterprises Limited, whose principal activities are commercial lettings, operating a school shop and administering the School's international activities. This investment is held at nil value in the financial statements. A summary of the balance sheet and profit and loss account from the audited financial statements is set out below:

	31 August 2021 £	31 August 2020 £
Turnover	776,840	842,203
Expenditure	(611,366)	(813,324)
Net profit before donation under Gift Aid	266,600	28,879
Donation under Gift Aid to Governors of Bromsgrove School	(28,879)	(288,791)
Retained profit/(loss)	£136,595	£(259,912)
Net assets represented by		
Share capital	2	2
Profit and loss account	165,474	28,879
	£165,476	£28,881

6. DEBTORS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fees	227,165	289,235	227,165	289,235
Amounts due from Bromsgrove School Enterprises Limited	-	-	788,909	914,078
Other debtors and prepayments	667,223	1,181,782	294,498	913,506
Amounts due from Bromsgrove School Foundation	-	-	29,199	29,204
	£894,388	£1,479,017	£1,339,771	£2,146,023

7. CREDITORS: amounts falling due within one year	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans	2,205,392	1,354,168	2,205,392	1,354,168
Finance lease	29,454	17,024	29,454	17,024
Trade creditors	762,247	398,939	714,709	372,665
Fees in advance and pupil deposits	6,277,099	5,972,876	6,277,099	5,972,876
Taxation and social security	455,919	422,222	452,438	419,603
Other creditors	782,080	654,689	772,555	654,689
Accruals	1,045,747	891,406	1,045,747	858,127
	£11,557,938	£9,711,324	£11,497,394	£9,649,150

8. CREDITORS: amounts falling due after more than one year	Group and Charity 2021 £	2020 £
Bank loans	3,716,949	8,014,238
Finance lease	-	35,214
Pupil deposits	3,616,461	3,281,156
	£7,333,410	£11,330,608

Details of above loans are as follows:

15 Year Term:	Has been fully repaid in the year. Repayments which commenced on 30 June 2005. Interest was payable at a fixed rate of 5.705%.
9 Year Term:	Outstanding balance of £22,292, which is unsecured. Repayments which commenced on 28 September 2012 are made quarterly and complete on 30 September 2021. Interest is payable at a fixed rate of 2.51%.
Floating loan:	Outstanding balance of £3,334, which is unsecured. Capital repayments are made quarterly over 15 years. These payments commenced in December 2006. Interest is payable at a rate of 0.70% over the bank's base rate.
5 Year Term:	Has been fully repaid in the year. Repayments which commenced in November 2016. Interest was payable at a rate of 1.7% over the bank's base rate.
10 Year Term:	Outstanding balance of £503,660. Repayments which commenced in December 2016 are made quarterly and complete in December 2026. Interest is payable at a rate of £1.7% over the bank's base rate.
10 Year Term:	Outstanding balance of £1,275,776, which is unsecured. Repayments which commenced in November 2018 are made quarterly and will complete in August 2027. Interest is payable at a fixed rate of 3.2%.
10 Year Term:	Outstanding balance of £1,533,946, which is unsecured. Repayments which commenced in November 2018 are made quarterly and will complete in August 2027. Interest is payable at a rate of 1.7% over the bank's base rate.
5 Year Term:	Coronavirus Business Interruption Loan (CBIL) which is secured. Outstanding balance of £2,583,333. Repayments commenced in June 2021 and have been made monthly. The loan is interest free for 12 months and then payable at a rate of 1.06% over the bank's base rate.

9. ENDOWMENT FUNDS

	Balance 1 September 2020 £	Net income and gains £	Transfers £	Balance 31 August 2021 £
David Walters Fund	34,671	-	-	34,671
The Society of Friends	386,334	88,806	-	474,140
	£420,005	£88,806	£-	£508,811

	Balance 1 September 2019 £	Net income and gains £	Transfers £	Balance 31 August 2020 £
David Walters Fund	34,671	-	-	34,671
The Society of Friends	425,614	(40,280)	-	386,334
	£460,285	£(40,280)	£-	£420,005

10. UNRESTRICTED FUNDS

	Balance 1 September 2020 £	Income £	Expenditure £	Gains and Transfers £	Balance 31 August 2021 £
General fund	£61,406,359	£37,524,972	£(34,070,321)	£870,944	£65,731,954

	Balance 1 September 2019 £	Income £	Expenditure £	Gains and Transfers £	Balance 31 August 2020 £
General fund	£60,650,718	£34,993,241	£(33,773,372)	£(464,228)	£61,406,359

11. RESTRICTED FUNDS

	Balance 1 September 2020 £	Net income and gains £	Transfers £	Balance 31 August 2021 £
John Nicholls Fund	5,251	-	-	5,251
Roger Brazier Fund	5,000	-	-	5,000
	£10,251	£-	£-	£10,251

	Balance 1 September 2019 £	Net income and gains £	Transfers £	Balance 31 August 2020 £
John Nicholls Fund	5,251	-	-	5,251
Roger Brazier Fund	5,000	-	-	5,000
	£10,251	£-	£-	£10,251

The John Nicholls Fund represents a legacy received to support children undertaking expeditions or outdoor activities.

The Roger Brazier Fund represents a donation received to support the learning and development of pupils with dyslexia.

12. ALLOCATION OF THE GROUP NET ASSETS

2021	Investments £	Fixed Assets £	Net Current Liabilities £	Long Term Liabilities £	Total £
Restricted	-	-	10,251	-	10,251
Endowment	508,811	-	-	-	508,811
Unrestricted:					
- General	6,735,926	68,863,342	(2,533,904)	(7,333,410)	65,731,954
	£7,244,737	£68,863,342	£(2,523,653)	£(7,333,410)	£66,251.016

2020	Investments £	Fixed Assets £	Net Current Liabilities £	Long Term Liabilities £	Total £
Restricted	-	-	10,251	-	10,251
Endowment	420,005	-	-	-	420,005
Unrestricted:					
- General	5,278,360	68,830,292	(1,371,685)	(11,330,608)	61,406,359
	£5,698,365	£68,830,292	£(1,361,434)	£(11,330,608)	£61,836,615

13. CAPITAL COMMITMENTS

	2021 £	2020 £
Authorised but not contracted	£nil	£nil
Contracted but not provided for	£89,955	£nil

14. FINANCIAL COMMITMENTS

	2021 £	2020 £
Operating leases for equipment that are subject to future minimum lease commitments are as follows:		
Within one year	10,713	10,713
In the second to fifth years	26,969	37,682
Total	£37,682	£48,395
Commitments under finance leases are as follows:		
Payable within one year	23,475	17,024
Payable in the second to fifth years	-5,979	35,214
Total	£29,454	£52,238

15. SUBSIDIARY CHARITY

Bromsgrove School is the sole member of the Bromsgrove Foundation. The Bromsgrove Foundation has been consolidated into these accounts.

The Bromsgrove Foundation is a company limited by guarantee and a registered charity. It was incorporated on 6 February 2007 and has a year end of 31 August. A summary of the Statement of Financial Activities and Balance Sheet are given below:

Statement of Financial Activities for the year ended 31 August:	2021 £	2020 £
Income		
Investment income	29,783	33,827
Donations and legacies	511,101	183,964
	540,824	217,791
Expenditure	(55,191)	(53,058)
Realised and unrealised investment gains/(losses)	187,420	(83,471)
	673,053	81,262
Total funds brought forward	1,189,902	1,108,640
Total funds carried forward	£1,852,704	£1,189,902
Balance Sheet as at 31 August:		
Investments	1,767,764	994,458
Debtors	1,831	107,948
Cash	122,559	116,700
Creditors	(29,199)	(29,204)
Accumulated Funds	£1,862,955	£1,189,902

BROMSGROVE SCHOOL

England & Wales - Charity number 1098740

Accounts

BROMSGROVE SCHOOL

(a company limited by guarantee)
(incorporating Bromsgrove School Scholarship and Prize Fund, David Walters Memorial Fund and The Society of Friends of Bromsgrove School Endowment Trust)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2020

Company Number 4808121
Charity Number 1098740

Haysmacintyre LLP
Chartered Accountants
Registered Auditors
London

BROMSGROVE SCHOOL

REPORT OF THE GOVERNORS

THE GOVERNORS AND GOVERNING BODY

Mr P West (SC; GC; FPC; RC)	Chairman & Chairman of Safeguarding & Welfare Committee
Lt Col M S Ballard (HC; SC)	
Dr C Barnett (EC, GC)	Chairman of Education Committee
Mr C D E Cameron (FPC; IC; SC)	
Mrs A E Cleary (EC)	
Dr C Lidbury (EC; SC)	
Mrs J Loynton (BC)	
Mr M Luckman (EC; RC)	Chairman of Risk & Strategy Committee
Mr W Roden (IC; FPC)	Chairman of Investments Committee
Mr I Stringer (BC)	Chairman of Building Committee
Mr G Strong (GC; HC; BC)	Chairman of Health and Safety Committee & Chairman of Governance Committee
Mr N J Venning (IC; SC)	Resigned 17 January 2020
Mr D R Walters (FPC; RC; GC)	Chairman of Finance & Property Committee
Mrs D Waltier (HC)	

FPC = Member of Finance & Property Committee
EC = Member of Education Committee
BC = Member of Building Committee
IC = Member of Investment Committee
NC = Member of Governance Committee
HC = Member of Health & Safety Committee
RC = Member of Risk and Strategy Committee
SC = Member of Safeguarding and Welfare Committee

CLERK TO THE GOVERNORS AND COMPANY SECRETARY

Mr J Sommerville (Thomas Horton & Sons)

HEADMASTER

Mr P Clague

Website: www.bromsgrove-school.co.uk

PRESIDENT

Mr S Towe CBE DL

ADVISERS

Bankers:	Lloyds TSB Bank Plc 112 High Street Bromsgrove Worcs B61 8EZ
Solicitors:	Veale Wasbrough Orchard Court Orchard Lane Bristol BS1 5WS
	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham GL50 1YD
Auditors:	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Investment Advisers:	Rathbones Temple Point 1 Temple Row Birmingham B2 5LG
Insurance Brokers:	Marsh Ltd 4 Milton Road Haywards Heath, West Sussex RH16 1AH

STATUS AND ADMINISTRATION

Bromsgrove School is a company limited by guarantee, not having a share capital and is governed by its memorandum and articles of association.

Company Registration number:	4808121
Registered Charity number:	1098740
Registered office:	Worcester Road Bromsgrove Worcestershire B61 7DU

CHAIRMAN'S STATEMENT

2020 will go down as one of the most challenging and extraordinary years in the history of the School. In such times strong leadership, flexibility and commitment are essential attributes for a successful navigation. It comes as no surprise that teachers, staff and pupils alike have been magnificent in rising to the challenges and parental support has been exemplary. I would like to personally thank everyone involved including my fellow Governors.

The year started so well and optimism was high. All this changed when the UK Government announced in March, with little advance notice, Schools would be closed on the 20th some 8 days before the end of term. Travel restrictions imposed resulted in some overseas pupils being unable to return home. The Headmaster had already established a COVID response team and plans were well advanced. In order that we could look after our remaining boarders, we kept one of our boarding houses open throughout the Easter break and the summer term.

As soon as lockdown became a possibility the School invested significant resources into using digital learning platforms. Teachers gave up a considerable amount of their own time during the Easter break to develop online lessons in time for the start of the Summer term. With the cancellation of public exams, a very successful sixth form Bridge programme was developed to help with the transition to university and the A level courses were started early. Teachers were focussed on ensuring all pupils continued to receive the best education they could hope for given government restrictions. This was a mammoth task and was only possible due to the professionalism and commitment of all involved.

The Governors were very conscious that our boarding provision and our full breadth of education could not be provided in the summer term and therefore fees were reduced accordingly, which cost the School £3.9m.

The School took early decisive action to reduce costs wherever possible. In addition, advantage was taken of the Government's Furlough scheme for support staff. The Governors were also mindful as a charity of our obligations to act with fiscal prudence. Therefore given the continuing uncertainty regarding the COVID virus we decided to drawdown £5m on the Government sponsored CBIL loan scheme and delay any new capital projects. The latter are normally funded out of the School's surplus. These actions have ensured that the School is in a strong financial position.

Academic results were excellent and were in line with the previous three years. Despite the confusion over the release of the examination results and thanks to the dedication of teaching staff our leavers were able to secure the university places they desired. Our mantra at the start of the lockdown period was to be compassionate and supportive towards all of our community and we are proud of the School's strong pupil pastoral care and the financial support that we have provided to our families throughout this difficult period.

The Executive and the senior leadership teams across our four Schools worked tirelessly over the summer to develop comprehensive plans and policies to ensure pupils returned in September to a safe environment. The excellent School roll of 1,945 is testament to how well the School has navigated through the COVID pandemic. This would not have been possible without the professionalism, dedication and commitment of all involved

The Directors, who are the Governors of the School, present their annual report for the year ended 31 August 2020 under the Companies Act 2006, together with the audited financial statements for the year and confirm that the financial statements comply with the requirements of the Act, the charity's governing document, applicable law and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second edition, effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE INFORMATION

The School was founded in 1553 and re-founded on the current site in 1693 by Thomas Cookes. Bromsgrove School was one of the original fourteen members of the Headmasters' Conference (HMC) when it was founded in 1869. The Pre-preparatory and Preparatory Schools are twentieth century foundations.

The School was incorporated as a company limited by guarantee on 1 September 2003 under charity number 1098740 and registered company number 4808121.

OBJECTS, AIMS AND ETHOS

Charitable Objects

The objects for which the Charity is established are to advance education and training by the provision and conduct in or near Worcestershire of any day and boarding school or schools for boys and girls.

The Charity provides education on three sites in Worcestershire to boys and girls from the ages of 2-18.The Charity also provides nursery care at the Winterfold site for babies aged 6 weeks to 2 years. It is the policy of the School to provide a first class education, which identifies and develops the potential of individual pupils in a variety of areas, provides them with the best achievable qualifications and prepares them for their future life.

Aims

The Charity constantly aims to provide a first class education to boys and girls from the ages of 2-18.

Within the objects, the School aims to produce happy, creative, moral citizens who live motivated, fulfilled lives while enriching the lives of others. The School seeks to achieve this through an enlightened, disciplined and broad education that responds to global change while retaining core values. The core values that the School seeks to foster in its pupils are:

Humility and Confidence
Compassion and Ambition
Respect and Curiosity
Tolerance and Vision

Ethos

Bromsgrove School is committed to safeguarding and promoting the welfare of all pupils. The School is proud of the strong pastoral care provided by the House structure in the Senior School and by the form tutors within the Preparatory and Pre-preparatory Schools. The School has a very caring ethos, which is reflected in all of the School's policies and procedures. The School maintains regular contact with parents through newsletters, social media, informal meetings and regular reports.

The Governors are committed to the long standing principle that charities must exist for the benefit of the public and have a long tradition of providing public benefit, both through educating pupils at the School and through associated activities for the benefit of the wider community. The Governors are committed to widening access to the School to ensure that children who could not otherwise attend the School can benefit from the education it provides.

The School's ethos is to welcome pupils from all backgrounds. Entrance assessments are undertaken to satisfy both the School and the parents that prospective pupils can cope with the pace of learning and benefit from the breadth of the education that the School provides. An individual's economic status, gender, ethnicity, sexual orientation, race,

OBJECTS, AIMS AND ETHOS (Continued)

religion or disability do not form part of the assessment process.

The School is part of a wider community and has a long history of offering a range of educational activities for the benefit of local children. The School offers activities and access to the School's facilities to provide opportunities for children other than pupils at the School to benefit from the charity. Specifically, this year and prior to the COVID-19 lockdown, the Bromsgrove School Swim Academy provided swimming lessons to 930 children from the local community. The Summer School that usually runs for eight weeks in the summer holidays and the Tennis academy are also open to local children. Local primary schools use the swimming pool for weekly lessons at no charge. The School, when it is safe, will continue to provide access to its facilities to children from other schools.

Bursaries and Scholarships

The School is committed to ensuring that there is sufficient opportunity for children whose parents cannot afford the fees, including those in poverty, to benefit from its educational services and facilities. The Governors and the School management regularly review the School's Public Benefit Policy as part of the ongoing development of the School's strategy to widen access.

The Governors are committed to running a means-tested bursary scheme to allow direct access to the educational services provided. The scheme is designed to assist prospective parents and existing parents on low incomes who for financial reasons might otherwise be unable to send or continue to send their child to the School. The bursary scheme includes Admissions bursaries for the parents of new pupils and Hardship bursaries for parents whose financial position worsens unexpectedly. Admissions bursaries include both life changing bursaries (75% - 100%) and lower awards for families needing fee assistance.

Bursaries are entirely means tested and are awarded on an annual basis to parents who satisfy the financial criteria set by the School in relation to their income and the value of their capital assets.

The School has a Bursary Policy, which is available to both prospective and existing parents. The policy contains an overview of the bursary scheme and details the procedure for applications and awards of bursaries.

The value of bursaries will be up to 100% of full fees and additional assistance is available to parents to assist with the associated costs of their child's education. The School allocates a proportion of its total income in each financial year to fund the bursary scheme. The School's current aim is to allocate not less than 5% of its total income in each financial year to fund means tested bursaries.

The School's scholarship awards recognise high academic potential or the ability to excel in co-curricular activities. Scholarships are awarded with a fixed remission of between 2.5% and 5%. Where further assistance is required, a means tested bursary may supplement scholarship awards.

STRATEGIC REPORT

CURRENT YEAR PERFORMANCE REVIEW

Covid-19

The COVID-19 pandemic had a significant impact on the School this academic year. The Headmaster and the Critical Incident Management Team managed the School's response to the pandemic extremely effectively and whilst there were significant operational and financial implications for the whole School community, all key stakeholders remained engaged and positive about the actions taken by the School.

At an operational level, the School moved very quickly to ensure that all pupils could gain access to the School's on line teaching platform. Due to excellent planning and training in March before lockdown, all pupils were able to access their lessons on line from the start of the summer term using the Zoom platform for older pupils and See Saw system for younger pupils. The on line offerings were extremely well received by pupils and their parents and our thanks go to all teachers and staff involved.

As the threat of a national lockdown became real, many of our international boarders returned to their home countries. However, thirty of our boarders could not return to their families due to travel restrictions. A small team of caring, supportive members of staff remained within our boarding houses throughout the lockdown period to look after these boarders.

The School supported keyworker families throughout the lockdown period by looking after their children in School providing both access to the on line education and wrap around care. Keyworker families expressed their gratitude for the support that the School provided at this very difficult time.

Due to the exceptional circumstances including the physical closure of the School, the Governors agreed to support all School families by reducing the fees in the summer term. Day fees were reduced by 20% and recognisng that boarding pupils were not residing at the School, boarding fees were reduced by 40%. In addition, fee remissions were also awarded to nursery, younger pupils using See Saw and the Upper sixth. The School also took prompt action to reduce its cost base by 17% and advantage was taken of the government's furlough scheme for non-teaching staff.

The Governors were very aware of the economic uncertainty at the start of the lockdown and recognised that some of our families could incur financial hardship. An additional COVID-19 Bursary Fund was put in place to support these families and the finance team offered more flexibility around payment timings. All bursary awards have been confidentially awarded by the Bursar's office on a means tested basis.

Despite the COVID-19 restrictions, the pupil roll has remained strong throughout the year and it was pleasing that only a very small number of families left the School. In the summer term, the roll stood at 1,945 pupils (2019: 1,976). The Senior School educated 960 pupils (2019: 962) of whom 475 (2019: 451) were boarding pupils; the Preparatory School educated 535 pupils (2019: 531) of whom 85 (2019: 82) were boarding pupils; Winterfold House educated 267 pupils (2019: 287) and the Pre-Preparatory School educated 183 day pupils (2019: 196).

Principal Activities of the Year

This year, there has been a continued focus on widening access. The value of means tested bursaries including the pandemic hardship bursaries amounted to 4.8% of income (2019: 4.8%). The charity has also provided fee assistance in the form of scholarships and armed forces discounts. The value of such additional assistance when added to means tested bursaries represented 7.4% of the charity's total fee income. Of the 1,945 pupils educated at the school, 497 pupils (26%) received some degree of financial assistance in the form of bursaries, scholarships, armed forces discounts and staff discounts. Despite COVID-19 pressures on the budget for the forthcoming year, the Governors have continued to support bursaries and have agreed an annual bursary budget for 2020/2021 amounting to 5.0% of total fee income.

Despite the uncertainty regarding the national public exams, the School produced a strong set of results spanning GCSE, A level, IB and BTEC. The IB average was 39.3 with over half of the pupils achieving 40 or more points (equivalent to four A* at A Level). At A level, 59% of our pupils achieved A*/A and 88% achieved A* to B. In addition, 68% of the 109 EPQ entries achieved an A* with 95% achieving at least an A. At GCSE, 65% of candidates attained a grade 9/8/7 (equivalent to the old A*/A).

CURRENT YEAR PERFORMANCE REVIEW (Continued)

In total, there were 206 Upper Sixth leavers this academic year. Of these, 20 students have taken up Higher Education places abroad at leading Universities in America, Canada, Australia and Hong Kong. Of those moving on to UK universities, 72% of our pupils took up places at Russell Group Universities and 23% went on to a World Top 50 University.

In the earlier part of the academic year and prior to the pandemic, the School was able to achieve several of the objectives set out in the School's Development Plan for the year. In setting objectives, the Governors and School management give careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary guidance on advancing education.

The Executive and Governors recognise the huge importance of Boarding to the School, both culturally and financially. In the light of increased competition from other leading Independent Schools and reflections following the last ISI Inspection, the School undertook a full review of all aspects of Boarding in the Michaelmas term. An external advisor with significant experience of best practice within UK boarding was appointed to complete this review. In recognition of the high number of boarders at Bromsgrove, it was recommended that the School should allocate more senior management time specifically to the management and oversight of boarding. Further to this review, the Senior School SMT was restructured and the Deputy Head, Pastoral has the responsibility for managing all aspects of boarding. The report also included several other recommendations such as the concept of a flying squad to deal with staff absences and increased nursing provision in the evenings, which the School is implementing.

A review of the Head of Year and Personal, Social, Health and Economic (PHSE) provision within the Senior School was also completed in the Michaelmas term. In order that the School's provision can be more age specific, a new PSHE programme has been developed for the younger pupils which includes increased curriculum teaching time.

During the summer term a new Enrichment Programme was successfully introduced for sixth formers which focuses on preparing the pupils for life beyond Bromsgrove. As well as focusing on career development and UCAS preparation, it covers such topics as cookery, car maintenance, house maintenance and emergency life-saving skills.

Our major building project (Ottilie) commenced in the summer of 2019. Over the summer, Big School was refurbished to create a new welcoming, spacious and well-furnished Common Room for the Senior School staff providing both study and relaxation areas. This opened at the start of the academic year and was very well received by all of the staff. At October, we were delighted to open the new Heritage Centre within the Big School building. This includes a modern display area which allows our Archivist to arrange exhibitions for both alumni and the School community. It also includes a work and storage area for the Archivist allowing her to involve our pupils in her restoration work.

The new day girls house, Ottilie Hild House was due to be completed at Easter in order that the day girls who were previously in the Oakley boarding house could move to the new day house. This involved a major refurbishment of the previous Staff Centre located by Routh Green. Unfortunately, the pandemic had a significant impact on these plans and due to the lockdown, it was agreed that the girls should move in to the new house at the start of the next academic year. Whilst the construction company did need to leave site for four weeks over the pandemic, they did complete the house in May and the School is delighted with this new addition to the day house community.

This building project also included the refurbishment of the School Shop, the conversion of the day rooms in Oakley to boarding bedrooms and the building of a link to connect the Wendron Gordon annexe to the main house. Despite the impact of the pandemic, the School had an excellent relationship with the building contractor E J Carter and the project was completed with no contractual issues. An extended programme was agreed and all aspects of the building works were completed within the lockdown period at no additional cost to the School. The final project cost was agreed on budget.

In response to the COVID-19 pandemic the Governors and the Executive prudently decided to defer any new major capital expenditure projects. This included an exciting new master plan for the Winterfold site. In the year, the plans were developed and we were successful in securing full planning and listed building permissions. In the year, two small projects were completed. The Winterfold Kindergarten was refurbished providing a modern, spacious environment with access to an outdoor learning area. In addition, the concourse at the Prep School was re paved.

CURRENT YEAR PERFORMANCE REVIEW (Continued)

The Governors and the Executive are committed to improving the School's carbon footprint. In the year, a Sustainability Review was initiated and a number of new projects commenced. Following consultation with the pupil Sustainability Committee, new waste management processes were introduced to ensure that all waste within the School is recycled and responsibly managed.

In the year, the School consumed 10,927,293kWh of energy and the total annual quantity of emissions amounted to 2,157,730kgC02e. The School is closely monitoring all gas, electricity and transport fuel consumption with the aim of reducing usage across all four Schools. A number of new initiatives are being progressed including research into alternative sustainable heating solutions and the roll out of LED replacement lighting to all buildings. The electricity contracts were also renegotiated in the year and all supplies are 100% REGO (Renewable Energy Guarantees of Origin).

The Governors are committed to widening access through the Schools extensive bursary programme and developing links with the local community by both ensuring that our facilities are available for use and also by engaging in outreach programmes to support local Schools, local children and the elderly.

Prior to the COVID-19 lockdown the Schools facilities were widely used by the local community. Examples included the Bromsgrove School Swim and Tennis Academies, which continued to flourish providing swimming and tennis lessons for 940 young children in the local community. In addition, the sports facilities at both the Senior School and Winterfold sites were being used by local football, hockey, tennis, netball and badminton teams. The School was very pleased to host the National Indoor Hockey Finals again this year. Unfortunately, we were unable to host either the Worcestershire School Games or the Cricket Festivals due to the pandemic but we will hopefully continue to host them in the future. The swimming pool was also used by a number of local Schools for swimming lessons each week at no charge.

The Governors are also very pleased that the local community are benefitting from the use of the Arts facilities. An increased number of local choirs, orchestras and dance groups had started to use the facilities prior to the lockdown but unfortunately, many of their planned concerts and performances had to be cancelled. In addition, the School was unable to host the prestigious Bromsgrove International Music Competition this year.

With regard to community outreach, our pupils as part of Bromsgrove Service engage in a large number of community projects. In the last year, these have included arranging tea parties for the local community, arranging carol services in local care homes and collecting toys for the Birmingham Mission. Local children from the Bromsgrove North and South Senior Schools also participate in activities at the Senior School including the CCF.

In the year, the School has also provided financial support to various projects outside of the School in the local community. These include a contribution to a town feasibility study for a new ground source heat exchange power plant, improvements to an adjacent public footpath and the maintenance of the external facilities at the Ryland Centre.

The School takes pride in ensuring that supportive relationships are maintained with all of the School's suppliers and contractors. All supplier payments are made promptly and the School has a good reputation locally. Throughout the pandemic, the School endeavoured to ensure that all payments continued to be made on time despite the restrictions.

Turning to the extra-curricular life of the School, there were many achievements in the period prior to the lockdown. For the last six years, the School has been ranked in the top six of all schools nationally for the strength of its Senior School Sport over 26 sports. This year was another strong year for sport, with our U17 cricket team crowned National Champions and our 1st netball team also finishing as National Champions in the Independent Schools Netball Cup. At the Prep School, the U11A girls' hockey team were crowned county champions. There are more than 280 sports teams at the Prep and Senior Schools, and despite the pandemic, 826 fixtures were played across the academic year.

The DT Kitcar raced in the World Finals and finished 2nd kit car and 24th overall out of fifty-five kit cars and 100 overall cars from around the world.

The CCF continues to flourish, having one of the largest contingents in the country with over 320 cadets and D of E produced 50 Bronze awards, 47 Silver and 32 Gold awards.

CURRENT YEAR PERFORMANCE REVIEW (Continued)

The range of activities on offer to pupils at Bromsgrove Senior, Prep and Winterfold Schools is extensive. In the Senior School, in addition to all Music and Sport Activities there are 110 other activities on offer. In March, the new Forest School area at Winterfold was officially opened. For many students, these activities continued at home during the School closure, with pupils and staff helping out in their local communities and keeping active. From making scrubs and kit bags for medical professionals to volunteering to help distribute essentials to those most in need. The School also manufactured and assembled 1079 face shields for local hospitals and medical facilities.

Our music and drama is a particular strength and we enjoyed the Prep School's production of A Midsummer Night's Dream and the Senior School's production of Great Expectations. During the 2019/20 academic year, the Senior and Prep choirs toured Salzburg. Particular highlights were the Prep Chamber Choir performing at the Royal Albert Hall at a fundraising event for the Barnardo's charity and the world-renowned pianist, Isata Kanneh-Mason visiting the School with the English Symphony Orchestra, giving a piano masterclass to some of our students. A final highlight was the Big Band achieving Gold and a place in the National Finals at the National Concert Band Festival. During the Summer Term, despite moving to online learning, music was ever present with online concerts taking place weekly for pupils across all four Schools.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Performance

The pandemic has inevitably had a significant adverse impact on the financial performance of the School in this academic year. The School achieved net income before investment losses of £1,220k which is £2,805k lower than the prior year. This performance is also £2,379k lower than the School's latest financial forecast prepared prior to the pandemic.
In the year, net fees reduced from £34,724k to £32,007k, a reduction of £2,717k. Whilst pupil numbers have remained high across all four Schools, fee income has reduced due to the fee remissions awarded in the summer term in response to the pandemic. This is a reduction in net fees of £3,902k when compared to the School's pre COVID-19 financial forecast for the year.

The School responded very quickly at the start of the pandemic, controlling all aspects of School expenditure and immediately seeking cost efficiencies. All discretionary and non-essential expenditure in the period April to August was either cancelled or deferred. This resulted in expenditure savings of £1,403k compared to the School's pre COVID-19-financial forecast. The School also furloughed 350 members of the Support Staff who were unable to work due to the School closure through the Government's Job Retention Scheme. This provided the School with grant income of £1,046k. However, the School's trading and other income reduced by £1,843k in the year. The International Summer School, our revision courses and the Cricket Festival were all cancelled due to the pandemic and all of our letting facilities and academies were closed at the start of the lockdown.

Our trading subsidiary also receives the franchise fee from Bromsgrove International School Thailand and Mission Hills, Shenzhen. Whilst these fees were still received in the year, the company was only able to contribute £29k to School funds during the year ended 31 August 2020 due to the impact of the significant reduction in lettings income (prior year £289k).

Bromsgrove School Foundation generated net income before investment losses of £165k, during the year ended 31 August 2020 (2019: £44k). This improved performance was due to the Foundation receiving two legacy donations in the year. The funds raised will contribute to bursary awards to pupils of Bromsgrove School in the future.

The school's investments were adversely impacted by the pandemic as stock markets throughout the world fell. The schools investments fell in the period by £464k, a 7.4% reduction.

In order that the Governors could protect the School's working capital position following the decision to reduce fees in the summer term, the Governors secured funding from Lloyds Bank via the CBIL scheme. Due to the projected reduction in the net cash inflow in the year, a secured loan of £5.0m was arranged. Whilst at the time under their base-case forecast, the Governors anticipated £3.0m being adequate cover for the projected reduction in net income in this academic year, a further £2.0m was borrowed as additional contingency for the medium term and to cover additional pressures on working capital that might arise from the more severe downside modelling that the Governors had considered.

The net cash inflow from operations during the year amounted to £1,354k compared to £5,558k in the prior year. This reduction in the year is due mainly to the impact of the reduction in net income in the year (£2,805k) and a reduction in parents paying fees in advance for the 2020 Michaelmas term (£1,715k). As this second impact is a timing difference between the months of August and September, such that this reduction in fees in advance for the year ended 31 August 2020 was matched by a corresponding increase in receipts in September 2020 compared with the prior year , the School's cashflow has performed in line with the School's projection.

Investment Policy and Performance

The Governors are permitted to hold a portfolio of investments. The guidance given to the Investment Advisers with regard to equity investment is to balance growth and income with a medium level of risk. These objectives are to be achieved by investing prudently in a broad range of fixed interest securities and equities which are quoted on a recognised Investment Exchange and unit trusts and OEIC's (open ended investment companies) which are authorised under the Financial Services and Markets Act 2000.

The Charity's investment performance is benchmarked against the MSCI PIMFA Performance index and managed by Rathbones on a discretional mandate with the aim of outperforming the benchmark over a rolling three-year period. The pandemic has had a significant impact on global markets in the year as global economic growth has been disrupted. The actual performance for the School portfolio in the year was a negative return of 5.5% and due to the portfolio having a lower allocation of outright growth investments, this is a lower return than the benchmark of -2.1%. It has however outperformed the FTSE All Share Index which produced a negative return of 12.7% in the same period.

Reserves Policy

The Governors recognise that free reserves are those unrestricted reserves which are not specifically designated for any purpose. The School's unrestricted reserves are invested primarily in fixed assets, which are recorded in the financial statements at book value. The Governors have invested significantly over the last few years in capital projects enhancing the School buildings and facilities for the benefit of the children being educated. Due to this significant investment by the School, the free reserves are negative at the current time.

	£
Total Funds	61,836,615
Less:	
Restricted Funds	(10,251)
Endowment Funds	(420,005)
Unrestricted Funds	61,406,359
Less: Property Funding	(68,830,292)
Free reserves	(7,423,933)
Prior Year	(6,690,732)

The Governors keep the level of free reserves under review. Despite this negative position, they are confident that the School's cashflow forecasts and external finance facilities are sufficient to meet the operational needs of the School. The Governors are forecasting that the free reserves position will improve in the current year.

The Governors' policy is to focus on the level of liquid assets that support the unrestricted reserves. To mitigate against future risks, the Governors believe that the School should hold sufficient liquid assets to cover three to six months' worth of expenditure. The aim is to be able to support the working capital needs of the School without needing to dispose of the School's land or buildings in the medium term.

The Governors' policy is to hold liquid assets representing three to six months of expenditure (£7.9m - £15.8m). The School's investments are held to provide income and capital growth and as they are not designated for a specific purpose, they are viewed to be liquid assets. Based on the current market price of the investments and current cash balances at 31st August 2020, the School's liquid assets amounted to £11.1m compared with £9.2m at 31 August 2019.

The Governors monitor the School's liquid assets, the cashflow forecasts and levels of external financing on a termly basis at the Finance Committee. The current strategy is to further increase the liquid assets over the medium term due to the uncertainty detailed in the Risk Management section of this report.

Asset cover for funds

Note 12 of the financial statements sets out an analysis of the School's assets attributable to the various funds. These assets are sufficient to meet the School's obligations on a fund by fund basis.

Fundraising Policy

The School does not undertake fundraising for the financing of capital investment. All projects within the School are funded from School resources with external bank financing as and when necessary.

The Foundation's objective is to raise funds ultimately to enable the School to provide places to all deserving pupils on a needs blind basis. This is a long term ambition which has a focus on friend raising rather than targeted fundraising. It is intended that gentle appeals are made to all those with a connection to Bromsgrove School ie: alumni and parents through a fundraising programme of encouraging major gifts, regular giving and legacies. This is supported by a programme of non-fundraising events designed to encourage interest and involvement with the School. External fundraising companies are not used and the Foundation does not actively fundraise through targeted appeals or telephone campaigns.

The School has received no complaints related to fundraising in the year.

RISK MANAGEMENT

The Governing Body conducts a formal review each term of the School's Risk Register. The School's Executive identifies the major risks to which the School and its related organisations are exposed. The School Executive and the Sub Committee Chairmen review these risks on a rolling basis. Mitigation and control procedures are put in place as necessary. This procedure and the Risk Register is reviewed by the Risk and Strategy Committee each term and recommendations are made to the Board regarding confirmation that systems are in place to provide reasonable assurance that major risks are being adequately managed.

The most significant risk for the School in 2020/2021 is the impact of the pandemic. Specifically, there are two categories of risk:-

- **The health of the School community.** The School is strictly adhering to all Government guidance and has new policies, procedures and risk assessments in place to keep the School community safe. These have all been reviewed by the Governors and the School keeps the Governing body informed of all developments. The School is well prepared for the risks of national lockdowns, local lockdowns and children and staff needing to be absent from School due to illness or self-isolation. The nursing and pastoral support of the School has been strengthened and the academic staff are fully prepared to be able to provide high quality on line teaching. However, the Governors and Executive are very aware of the health and educational risks of this pandemic upon our pupils and will continue to monitor the situation very closely.

- **The financial health of the School.** The key risk to the School is a reduction in the pupil roll resulting in a reduction in the School's fee income and consequential pressures on cash flows. The largest concern is with regard to the international boarding community as any lockdowns or travel restrictions could have a severe impact on the boarding community's ability to travel to the UK. We have a number of mitigation strategies in place including keeping our boarding houses open in the holiday periods and offering a continued first class education through our on line platform. As detailed in the Financial Review, additional working capital funding has been arranged with the Bank to cover an adequate time period to allow the School to take the necessary steps to restructure and achieve expenditure savings if it becomes likely that the School's fee income will reduce.

FUTURE PLANS

The Governors together with the School Executive are committed to ensuring that the School continues to provide a first class education to all of its pupils. All strategic developments are committed to maintaining the School's position in the competitive market that it operates. The achievement of high standards of academic results and the development of the School's facilities are imperative to the School's continued success in the long term.

However, the Governors and Executive have decided that it would be inappropriate to initiate new projects or reviews this academic year. The COVID-19 restrictions are putting additional pressures on to all of the School community and the focus this year will be on maintaining high standards of academic achievement and excellent pastoral support.
In addition, the School will continue to closely monitor the School's financial health, modelling cashflow and undertaking scenario planning. The School will not initiate any significant new capital expenditure projects until there is more certainty.

Once there is more clarity about the long term impact of the pandemic on the School, the Governors and the Executive will review the School's Strategic Plan and confirm new strategic objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by its Memorandum and Articles of Association arising from incorporation in 2003, as amended on 4 October 2015.

Governors and professional advisers

A list of Governors and professional advisers appears on pages 1 and 2 of this report.

Recruitment and Training of Governors

The Charity's Governors are appointed at a meeting of the Board of Governors, following a selection process and recommendation from the Nominations Committee. The Governing body requires breadth and depth of experience to carry out its duties effectively. When recruiting new Governors, the Nominations Committee takes into consideration eligibility, personal competence, specialist skills and local availability.

New Governors are inducted into the workings of the School, including the provision of key information covering Board policy, School ethos, strategy and financial information. All Governors are encouraged to attend training courses and workshops organised by specialist school organisations. All Governors give of their time freely and no remuneration was paid in the year. No Governor or person connected with a Governor received any benefit from either means tested bursaries or scholarships awarded to our pupils.

Organisational Management

The Board of Governors, as the trustees of the Charity, is responsible for the overall management and control of the School and meets at least three times a year.

The principal responsibilities of the Board are to:

- Ensure the School is run in accordance with its charitable objectives and that all the functions of the School are authorised by the powers provided by its statutes, regulations and by company and charity law
- To appoint the Headmaster
- To set, in consultation with the Headmaster and the Executive of the School, the strategy and policies by which the School will be run
- Approve the Development Plan
- Ensure that the School meets the objectives that the Board sets from time to time
- Control finance by approving budgets and longer-term plans and by approving systems that optimise the chances that they will be achieved
- Understand the extent of duties in relation to risk management and to legal compliance and be satisfied that there is a rolling programme for meeting them
- Ensure that competent professional advice is taken when necessary.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The work in checking the strategy and policies are being correctly carried out is performed by the various committees of Governors as set out below:

- Finance and Property Committee – which deals with financial policy and review of budgets and financial statements prior to approval by the Board
- Education Committee – which deals with educational and related operational issues and brings recommendations and concerns with regard to such matters to the Board
- Buildings Committee – which considers and monitors major build and refurbishment projects within the School
- Investment Committee – which receives termly updates on investment and performance from the Investment Advisers and reports these matters to the Board together with any proposals regarding changes in the investment policy set by the Board
- Governance Committee – which considers possible capability gaps with regard to the composition of the Board and makes recommendations regarding potential new Board members
- Health & Safety Committee – this ensures that there are adequate policies and procedures in place to ensure the health and safety of all pupils and staff and to ensure that the School complies with all legislative changes.
- Risk and Strategy Committee – which assesses the management of all risks encountered by the School and maintains an oversight of the implementation of the agreed strategic aims on the behalf of the full Board.
- Safeguarding and Welfare Committee – which assesses the management of all safeguarding and pastoral controls within the School.

Each committee normally meets before the main Board meetings. The membership of the committees is supplemented by senior staff at the School and by co-opted external appointments.

The day-to-day running of the School is delegated to the School Executive. The School Executive (key management) comprises of the Headmaster (P Clague), Bursar (L Brookes), Assistant Head (R Scannell), the Headmistress of the Preparatory and Pre-Preparatory Schools (J Deval-Reed) and the Headmistress of Winterfold House School (D Toms). The members of the Governance Committee have responsibility for reviewing the remuneration for the members of the Executive on an annual basis. The Governors aim to ensure that pay levels are consistent with the market within the independent school sector and use benchmarking data from professional associations such as AGBIS to guide them.

The School Executive consults with all employees on a regular basis so that their views are taken in to account in making decisions, which are likely to affect their interests. Information is shared with the teaching staff and the support staff on all key School developments and changes including the financial and economic factors affecting the performance of the School. The Governors regularly meet with senior staff through the Sub Committees and monitor communications within the School.

Group Structure and Relationships

The Charity has a wholly-owned non-charitable subsidiary, Bromsgrove School Enterprises Limited, whose activities and trading performance are discussed below.

The Charity also holds under trust certain endowed funds under Charity Commission schemes: the Society of Friends Fund and the David Walters Fund. The terms of the schemes are such that the income is applied for the benefit of pupils and former pupils of the School.

The School is the sole member of Bromsgrove School Foundation, a charitable company limited by guarantee. The objects of the company are to promote and advance any charitable purpose connected with Bromsgrove School and to promote other educational purposes for the benefit of the local community.

The School has established international links under licence agreements with Bromsgrove International School Thailand and with Bromsgrove School Mission Hills, Shenzhen.

The Headmaster is a member of the Head Masters' and Mistresses' Conference which provides an opportunity to share expertise and knowledge across the independent school sector. The Conference also permits appropriate representation to Government and regulators of the views of the sector. The School also benefits from close links with the Alumni. An Alumni Committee, with representation from Old Bromsgrovians, the Foundation and the School has responsibility for engaging with Alumni.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the trustees and directors of the charitable company) are responsible for preparing the Report of the Governors, including the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Governors is aware at the time the report is approved:

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

AUDITORS

Haysmacintyre LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

In approving the Report of the Governors, the Board are also approving the Strategic Report contained herein in their capacity as company directors. Approved by the Board of Governors of Bromsgrove School on 21st November 2020 and signed on its behalf by:

P West
Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BROMSGROVE SCHOOL

Opinion

We have audited the financial statements of Bromsgrove School for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2020 and of the group's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Responsibilities of Governors for the financial statements

As explained more fully in the Governors' responsibilities statement set out on page 13, the Governors (who are the trustees of the charitable company for the purposes of charity law and the directors of the 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Conclusions relating to going concern

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Governors (which incorporates the strategic report and directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report included in the Report of the Governors) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors (which incorporates the strategic report and the directors' 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
- the parent charitable company 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.

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

Tracey Young.

Tracey Young (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 4AG

24 November **2020**

BROMSGROVE SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2020

Income and Expenditure Account	Note	General Fund £	Restricted Funds £	Endowment Funds £	Total 2020 £	Total 2019 £
Income and Endowments from:						
Charitable activity:						
Fees		35,506,857	-	-	35,506,857	38,555,663
Prompt payment allowance		(942,511)	-	-	(942,511)	(951,390)
Bursaries, scholarships and grants	2	(2,557,002)	-	-	(2,557,002)	(2,880,683)
Net fees receivable		32,007,344	-	-	32,007,344	34,723,590
Other income		526,626	-	-	526,626	548,307
Grants and donations						
Donations		170,826	-	-	170,826	48,002
CJRS Grant income		1,045,838	-	-	1,045,838	-
Other trading income:						
Lettings		321,424	-	-	321,424	1,603,106
School shop		353,748	-	-	353,748	591,650
Other		358,241	-	-	358,241	648,992
Investments		208,444	-	-	208,444	206,599
Other income						
Gain on disposal of fixed assets		750	-	-	750	1,719
Total Income and Endowments		34,993,241	-	-	34,993,241	38,371,965
Expenditure on:						
Charitable activity:						
Teaching costs		18,280,838	-	-	18,280,838	17,126,275
Welfare costs		3,391,365	-	-	3,391,365	4,045,870
Premises costs		6,928,605	-	-	6,928,605	7,343,825
Support and governance costs		2,840,640	-	-	2,840,640	2,679,121
Raising funds		2,331,924	-	-	2,331,924	3,151,544
Total Expenditure	1	33,773,372	-	-	33,773,372	34,346,635
Net income before investment gains		1,219,869	-	-	1,219,869	4,025,330
(Losses)/gains on investments	5	(464,228)	-	(40,280)	(504,508)	63,496
Net movement in funds		755,641	-	(40,280)	715,361	4,088,826
Fund balances brought forward		60,650,718	10,251	460,285	61,121,254	57,032,428
Fund balances carried forward		£61,406,359	£10,251	£420,005	£61,836,615	£61,121,254

All of the charitable company's activities are continuing. All recognised gains and losses are included in the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

GROUP BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Tangible	4		68,830,292		67,341,450
Investments	5		5,698,365		6,238,042
			74,528,657		73,579,492
CURRENT ASSETS					
Stocks		489,964		566,314	
Debtors	6	1,479,017		1,439,073	
Cash at bank and in hand		6,380,909		4,034,738	
		8,349,890		6,040,125	
CREDITORS: Amounts falling due within one year	7	(9,711,324)		(10,952,147)	
NET CURRENT LIABILITIES			(1,361,434)		(4,912,022)
TOTAL ASSETS LESS CURRENT LIABILITIES			73,167,223		68,667,470
CREDITORS: Amounts falling due after more than one year	8		(11,330,608)		(7,546,216)
NET ASSETS			£61,836,615		£61,121,254
FUNDS					
Endowment	9		420,005		460,285
Unrestricted	10		61,406,359		60,650,718
Restricted	11		10,251		10,251
			£61,836,615		£61,121,254

The financial statements were approved and authorised for issue by the Board of Governors on 21 November 2020 and were signed below on its behalf by:

Paul West)
P West)
) Governors
)
D Walters)

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL **Registered Company No: 4808121**

CHARITY BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Tangible	4		68,815,671		67,322,347
Investments	5		4,703,906		5,153,991
			73,519,577		72,476,338
CURRENT ASSETS					
Stocks		25,065		20,855	
Debtors	6	2,146,023		1,958,622	
Cash at bank and in hand		5,906,825		3,682,909	
		8,077,913		5,662,386	
CREDITORS: Amounts falling due within one year	7	(9,649,150)		(10,868,786)	
NET CURRENT LIABILITIES			(1,571,237)		(5,206,400)
TOTAL ASSETS LESS CURRENT LIABILITIES			71,948,340		67,269,938
CREDITORS: Amounts falling due after more than one year	8		(11,330,608)		(7,546,216)
NET ASSETS			£60,617,732		£59,723,722
FUNDS					
Endowment			420,005		460,285
Unrestricted			60,197,727		59,263,437
			£60,617,732		£59,723,722

The School income for the year was £34.4m (2019: £37.2m) with a surplus of £0.9m (2019: £4.0m).

The financial statements were approved and authorised for issue by the Board of Governors on 21 November 2020 and were signed below on its behalf by:

Paul West
.....
P West)
) Governors
DWalters)
.....
D Walters

The accompanying notes form part of these financial statements.

BROMSGROVE SCHOOL

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2020 £	2019 £	2019 £
Net cash provided by operating activities	A		1,354,339		5,557,879
Investing activities					
Investment income received		208,444		206,599	
Purchase of fixed assets		(3,152,260)		(3,975,089)	
Disposal of fixed assets		-		20,053	
Purchase of investments		(252,642)		(756,591)	
Sale of investments		345,761		721,274	
Net cash outflow from investing activities			(2,850,697)		(3,783,754)
Financing activities					
Loan repayments		(938,098)		(894,577)	
Loan monies received		5,000,000		-	
Capital element of finance lease rentals		(22,112)		(28,058)	
Interest cost		(138,686)		(166,500)	
Net cash inflow/(outflow) from financing activities			3,901,104		(1,089,135)
Increase in cash and cash equivalents			2,404,746		684,990
Cash and cash equivalents at 1 September			4,108,654		3,423,664
Cash and cash equivalents at 31 August			£6,513,400		£4,108,654
Cash and cash equivalents comprise:					
Cash at bank			6,380,909		4,034,738
Cash held as part of investments			132,491		73,916
			£6,513,400		£4,108,654

A. **RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES**	2020 £	2019 £
Net income before investment gains	1,219,869	4,025,330
Depreciation	1,663,418	1,628,414
Gain on disposal of fixed assets	-	(1,719)
Decrease/(increase) in stock	76,350	(47,310)
Increase in debtors	(39,944)	(12,374)
(Decrease)/increase in fee deposits and fees in advance	(1,066,374)	648,932
Decrease in creditors	(429,222)	(643,295)
Investment income receivable	(208,444)	(206,599)
Interest cost	138,686	166,500
Net cash inflow from operations	£1,354,339	£5,557,879

B. ANALYSIS OF CHANGES IN NET DEBT	At 1 September 2019	Cash flows	Other movements	At 31 August 2020
	£	£	£	£
Cash and cash equivalents	4,108,654	2,404,746	-	6,513,400
Short term borrowings	(900,315)	900,315	(1,354,168)	(1,354,168)
Long term borrowings	(4,406,815)	(4,961,591)	1,354,168	(8,014,238)
Finance lease	(74,350)	22,112	-	(52,238)
Net debt	£(1,272,826)	£(1,634,418)	-	£(2,907,244)

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) (Second Edition, effective 1 January 2019).

The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

Having reviewed the funding facilities available to the School together with the actual and expected ongoing demand for places and the School's future projected cash flows, and having considered downside scenarios including the impact of a further terms closure of the school, the Governors have a reasonable expectation that the School has adequate resources to continue its activities throughout the Covid-19 period and for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

The financial statements of the Group include the results and balances of the School consolidated on a line by line basis with Bromsgrove School Enterprises Limited and Bromsgrove School Foundation. In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Bromsgrove School.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 1 September 2003 (company number: 4808121) and registered as a charity (charity number: 1098740).

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

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

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

Fees and similar earned income
Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income
Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary income
Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Grant income from the Coronavirus Job Retention Scheme is recognised in the same period as the related employment costs are incurred.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

Expenditure
Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements. Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

Tangible fixed assets
Depreciation is provided at rates calculated to write off each asset over its estimated useful life. Equipment is depreciated at annual rates varying between 10% and 33.3% on cost.

No depreciation is provided on freehold land. Depreciation is provided on freehold buildings at 2% per annum, straight line, when the buildings are brought into use. The anticipated average life of buildings is estimated by reference to 1 September 1990 (date of commencement of depreciation policy), or date of expenditure since that date.

Investments
Listed investments are recognised at market value as at the balance sheet date. Realised and unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Stock
Stock represents goods for resale and is valued at the lower of cost and net realisable value.

Financial instruments
Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, trade and fee debtors, other debtors, accrued income and amounts owed by group undertakings. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise deposits, fees in advance, trade creditors, other creditors and amounts owed to group undertakings.

Debtors
Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Cash at bank and in hand
Cash at bank and in hand includes cash and deposits with a short term maturity of six months or less from the date of opening the deposit account.

Creditors
Creditors are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Endowment Funds
The Society of Friends Fund:

This represents permanent endowment funds held under a Charity Commission Scheme where the income is to be applied to further the charitable purposes of Bromsgrove School.

David Walters Fund:

This represents permanent endowment funds held under a Charity Commission Scheme where the income is to be applied for providing scholarships for pupils at Bromsgrove School or at an approved further education establishment.

Restricted Funds
Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor (see Note 11).

Unrestricted Funds
Unrestricted funds comprise the School's general fund, which is available for application in accordance with the School's objects.

Pension costs
Retirement benefits to employees of the School are provided through two pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School also contributes to a defined contribution scheme for non-teaching staff. Contributions are charged to expenditure when they become payable.

Operating leases
Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

1. EXPENDITURE

2020	Staff Costs £	Other £	Total £
Charitable activity:			
Teaching costs	16,413,603	1,867,235	18,280,838
Welfare costs	1,657,235	1,734,131	3,391,365
Premises costs	2,023,361	4,905,244	6,928,605
Support and governance costs	2,085,690	754,950	2,840,640
	22,179,888	9,261,560	31,441,448
Raising funds:			
Lettings	240,619	104,898	345,516
School shop	83,515	256,405	339,920
Marketing	-	1,164,878	1,164,878
Finance costs	-	138,686	138,686
Other	105,321	237,602	342,923
	429,455	1,902,469	2,331,924
	£22,609,343	£11,164,029	£33,773,372

2019	£	£	£
Charitable activity:			
Teaching costs	15,255,253	1,871,022	17,126,275
Welfare costs	2,109,774	1,936,097	4,045,870
Premises costs	1,820,533	5,523,292	7,343,825
Support and governance costs	1,861,489	817,632	2,679,121
	21,047,048	10,148,044	31,195,092
Raising funds:			
Lettings	630,286	485,852	1,116,137
School shop	-	527,110	527,110
Marketing	-	1,136,552	1,136,552
Finance costs	-	166,500	166,500
Other	124,292	80,952	205,244
	754,578	2,396,966	3,151,544
	£21,801,626	£12,545,099	£34,346,635

Finance costs relates to interest on bank loans for 2019 and 2020.

Governance costs included in support costs:	2020 £	2019 £
Auditor's remuneration	32,350	31,920
Governors' costs	1,119	1,446
Legal and professional	24,011	41,038
Other	8,005	7,809
	£67,935	£74,407

1. EXPENDITURE (continued)

Total expenditure includes:		2020 £	2019 £
Depreciation		1,663,418	1,628,414
Auditors remuneration:	- Audit fees (School)	20,825	20,000
	- Audit fees (Subsidiaries)	10,100	10,505
	- Other services relating to taxation	1,425	1,415

2. BURSARIES, SCHOLARSHIPS AND GRANTS

	2020 £	2019 £
Bursaries	1,669,002	1,801,495
Forces discounts	612,914	784,354
Scholarships, exhibitions and other discounts	275,086	294,834
	£2,557,002	£2,880,683

3. STAFF COSTS

	2020 £	2019 £
Wages and salaries	18,402,911	18,414,056
Social security costs	1,537,958	1,538,614
Other pension costs	2,668,474	1,848,956
	£22,609,343	£21,801,626

	No	No
The average number of employees in the year was:		
Teachers	226	225
Administration (including academic support)	440	453
	666	678

The number of employees whose remuneration exceeded £60,000 is disclosed below:

	2020 No.	2019 No.
£60,000-£70,000	11	10
£70,001-£80,000	1	1
£80,001-£90,000	2	2
£90,001-£100,000	3	3
£100,001-£110,000	2	2
£110,001-£120,000	1	-
£220,001-£230,000	1	1

Of the above employees, four (2019: three) received contributions to a defined contribution pension scheme, fifteen (2019: fifteen) were members of the Teachers' Pension Scheme and one (2019: one) had opted out of the Teachers' Pension Scheme.

	2020 £	2019 £
Aggregate employee benefits of key management personnel	£814,639	£766,753

Neither the Governors, nor persons connected with them received any remuneration from the School. Reimbursed expenses totalling £744 were received by three Governors for travel and training expenses (2019: £1,446 to six Governors).

During the year there were redundancy or termination payments amounting to £Nil (2019: £12,404).

4. FIXED ASSETS – GROUP AND CHARITY	Freehold Property £	Equipment £	Total Charity £	Trading Company £	Total Group £
COST					
At 31 August 2019	79,977,625	1,651,147	81,628,772	54,818	81,683,590
Additions	3,098,248	54,012	3,152,260	-	3,152,260
Disposals	-	(14,688)	(14,688)	-	(14,688)
At 31 August 2020	83,075,873	1,690,471	84,766,344	54,818	84,821,162
DEPRECIATION					
At 31 August 2019	13,043,915	1,262,510	14,306,425	35,715	14,342,140
Charge for the year	1,549,048	109,888	1,658,936	4,482	1,663,418
Disposals	-	(14,688)	(14,688)	-	(14,688)
At 31 August 2020	14,592,963	1,357,710	15,950,673	40,197	15,990,870
NET BOOK VALUE					
At 31 August 2020	£68,482,910	£332,761	£68,815,671	£14,621	£68,830,292
At 31 August 2019	£66,933,710	£388,637	£67,322,347	£19,103	£67,341,450

5. FIXED ASSETS INVESTMENTS

	Listed investments £	Cash £	Total £
Group:			
Balance at 31 August 2019	6,164,126	73,916	6,238,042
Additions	252,642	(252,642)	-
Disposals	(345,761)	345,761	(28,422)
Management fees paid	-	(35,170)	(6,122)
Losses on revaluation	(505,133)	626	(504,507)
Balance at 31 August 2020	£5,565,874	£132,491	£5,698,365
School			
Balance at 31 August 2019	5,162,921	(8,930)	5,153,991
Additions	189,746	(189,746)	-
Disposals	(306,894)	306,894	(28,443)
Management fees paid	-	(29,048)	(29,048)
Losses on revaluation	(421,642)	605	(421,037)
Balance at 31 August 2020	£4,624,131	£79,775	£4,703,906

The School holds 100% of the share capital of Bromsgrove School Enterprises Limited, whose principal activities are commercial lettings, operating a school shop and administering the School's international activities. This investment is held at nil value in the financial statements. A summary of the balance sheet and profit and loss account from the audited financial statements is set out below:

	31 August 2020 £	31 August 2019 £
Turnover	842,203	1,499,805
Expenditure	(813,324)	(1,211,014)
Net profit before donation under Gift Aid	28,879	288,791
Donation under Gift Aid to Governors of Bromsgrove School	(288,791)	(254,291)
Retained (loss)/profit	£(259,912)	£34,500
Net assets represented by		
Share capital	2	2
Profit and loss account	28,879	288,791
	£28,881	£288,793

6. DEBTORS

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Fees	289,235	518,746	289,235	518,746
Amounts due from Bromsgrove School Enterprises Limited	-	-	914,078	762,083
Other debtors and prepayments	1,181,782	920,327	913,506	644,601
Amounts due from Bromsgrove School Foundation	-	-	29,204	33,192
	£1,479,017	£1,439,073	£2,146,023	£1,958,622

7. CREDITORS: amounts falling due within one year	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Bank loans	1,354,168	900,315	1,354,168	900,315
Finance lease	17,024	22,112	17,024	22,112
Trade creditors	398,939	760,545	372,665	715,472
Fees in advance and pupil deposits	5,972,876	7,233,242	5,972,876	7,233,242
Taxation and social security	422,222	468,779	419,603	450,359
Other creditors	654,689	716,498	654,689	716,498
Accruals	891,406	850,656	858,127	830,788
	£9,711,324	£10,952,147	£9,649,150	£10,868,786

8. CREDITORS: amounts falling due after more than one year	Group and Charity 2020 £	2019 £
Bank loans	8,014,238	4,406,815
Finance lease	35,214	52,238
Pupil deposits	3,281,156	3,087,163
	£11,330,608	£7,546,216

Details of above loans are as follows:

15 Year Term: Outstanding balance of £327,759 which is unsecured. Repayments which commenced on 30 June 2005 are made quarterly and complete on 30 June 2026. Interest is payable at a fixed rate of 5.705%.

9 Year Term: Outstanding balance of £89,169, which is unsecured. Repayments which commenced on 28 September 2012 are made quarterly and complete on 30 September 2021. Interest is payable at a fixed rate of 2.51%.

Floating loan: Outstanding balance of £16,667, which is unsecured. Capital repayments are made quarterly over 15 years. These payments commenced in December 2006. Interest is payable at a rate of 0.70% over the bank's base rate.

5 Year Term: Outstanding balance of £78,995, which is unsecured. Repayments which commenced in November 2016 are made quarterly and complete in November 2021. Interest is payable at a rate of 1.7% over the bank's base rate.

10 Year Term: Outstanding balance of £592,825. Repayments which commenced in December 2016 are made quarterly and complete in December 2026. Interest is payable at a rate of £1.7% over the bank's base rate.

10 Year Term: Outstanding balance of £1,465,254, which is unsecured. Repayments which commenced in November 2018 are made quarterly and will complete in August 2027. Interest is payable at a fixed rate of 3.2%.

10 Year Term: Outstanding balance of £1,797,737, which is unsecured. Repayments which commenced in November 2018 are made quarterly and will complete in August 2027. Interest is payable at a rate of 1.7% over the bank's base rate.

5 Year Term: New Coronavirus Business Interruption Loan (CBIL) of £5,000,000, which is secured. Repayments which commence in June 2021 are made quarterly and will complete in June 2026. The loan is interest free fir twelve months and then payable at a rate of 1.06% over the bank's base rate.

9. ENDOWMENT FUNDS

	Balance 1 September 2019 £	Net income and gains £	Transfers £	Balance 31 August 2020 £
David Walters Fund	34,671	-	-	34,671
The Society of Friends	425,614	(40,280)	-	386,334
	£460,285	£(40,280)	£-	420,005

	Balance 1 September 2018 £	Net income and gains £	Transfers £	Balance 31 August 2019 £
David Walters Fund	34,671	-	-	34,671
The Society of Friends	411,157	14,457	-	425,614
	£445,828	£14,457	£-	£460,285

10. UNRESTRICTED FUNDS

	Balance 1 September 2019 £	Income £	Expenditure £	Gains and Transfers £	Balance 31 August 2020 £
General fund	£60,650,718	£34,993,241	£(33,773,372)	£(464,228)	£61,406,359

	Balance 1 September 2018 £	Income £	Expenditure £	Gains and Transfers £	Balance 31 August 2019 £
General fund	£56,576,349	£38,371,965	£(34,346,635)	£49,039	£60,650,718

11. RESTRICTED FUNDS

	Balance 1 September 2019 £	Net income and gains £	Transfers £	Balance 31 August 2020 £
John Nicholls Fund	5,251	-	-	5,251
Roger Brazier Fund	5,000	-	-	5,000
	£10,251	£-	£-	£10,251

	Balance 1 September 2018 £	Net income and gains £	Transfers £	Balance 31 August 2019 £
John Nicholls Fund	5,251	-	-	5,251
Roger Brazier Fund	5,000	-	-	5,000
	£10,251	£-	£-	£10,251

The John Nicholls Fund represents a legacy received to support children undertaking expeditions or outdoor activities.

The Roger Brazier Fund represents a donation received to support the learning and development of pupils with dyslexia.

12. ALLOCATION OF THE GROUP NET ASSETS

2020	Investments £	Fixed Assets £	Net Current Liabilities £	Long Term Liabilities £	Total £
Restricted	-	-	10,251	-	10,251
Endowment	420,005	-	-	-	420,005
Unrestricted:					
- General	5,278,360	68,830,292	(1,371,685)	(11,330,608)	61,406,359
	£5,698,365	£68,830,292	£(1,361,434)	£(11,330,608)	£61,836,615

2019	Investments £	Fixed Assets £	Net Current Liabilities £	Long Term Liabilities £	Total £
Restricted	-	-	10,251	-	10,251
Endowment	460,285	-	-	-	460,285
Unrestricted:					
- General	5,777,757	67,341,450	(4,922,273)	(7,546,216)	60,650,718
	£6,238,042	£67,341,450	£(4,912,022)	£(7,546,216)	£61,121,254

13. CAPITAL COMMITMENTS

	2020 £	2019 £
Authorised but not contracted	£Nil	£Nil
Contracted but not provided for	£Nil	£2,190,240

14. FINANCIAL COMMITMENTS

	2020 £	2019 £
Operating leases for equipment that are subject to future minimum lease commitments are as follows:		
Within one year	10,713	79,315
In the second to fifth years	37,682	3,828
Total	£48,395	£83,143
Commitments under finance leases are as follows:		
Payable within one year	17,024	22,112
Payable in the second to fifth years	35,214	52,238
Total	£52,238	£74,350

15. SUBSIDIARY CHARITY

Bromsgrove School is the sole member of the Bromsgrove Foundation. The Bromsgrove Foundation has been consolidated into these accounts.

The Bromsgrove Foundation is a company limited by guarantee and a registered charity. It was incorporated on 6 February 2007 and has a year end of 31 August. A summary of the Statement of Financial Activities and Balance Sheet are given below:

Statement of Financial Activities for the year ended 31 August:	2020 £	2019 £
Income		
Investment income	33,827	33,237
Donations and legacies	183,964	71,578
	217,791	104,815
Expenditure	(53,058)	(61,148)
Realised and unrealised investment (losses)/gains	(83,471)	16,100
	81,262	59,767
Total funds brought forward	1,108,640	1,048,873
Total funds carried forward	£1,189,902	£1,108,640
Balance Sheet as at 31 August:		
Investments	994,458	1,084,051
Debtors	107,948	1,011
Cash	116,700	56,770
Creditors	(29,204)	(33,192)
Accumulated Funds	£1,189,902	£1,108,640