

Charity Registration No. 1138332

Company Registration No. 07923540 (England and Wales)

THE JOHN BADLEY FOUNDATION

(A company limited by guarantee)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

THE JOHN BADLEY FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	R D L Lushington V Bonham Carter C Campbell C E Jarmy A V Land J P M Johnson E A H Allman J M Hanson	(Appointed 10 June 2021) (Appointed 26 November 2020) (Appointed 10 June 2021) (Appointed 1 January 2021)
Secretary & Treasurer	R D L Lushington	
Charity number	1138332	
Company number	07923540	
Registered office	Bedales School Church Road Steep Petersfield Hampshire United Kingdom GU32 2DG	
Independent examiner	Azets Audit Services Limited Ashcombe Court Woolsack Way Godalming Surrey United Kingdom GU7 1LQ	
Bankers	National Westminster Bank 4 High Street Petersfield Hampshire GU32 3JF	
Solicitors	Veale Wasborough Vizards Orchard Court Orchard Lane Bristol BS1 4WS	
Investment managers	Rathbones 8 Finsbury Circus London EC2M 7AZ United Kingdom	

THE JOHN BADLEY FOUNDATION

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THE JOHN BADLEY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are directors for the purposes of company law), present their report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Structure, governance and management

Recruitment and appointment of trustees

Existing trustees identify new trustees and one to one induction takes place with the Chair. Selective reading material is provided to all trustees.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Objectives and activities

The objects of the charity as stated in its Articles of Association are, for the public benefit, to advance the education of the pupils at Bedales School ("the School") through all lawful means including (but not limited to):

- providing and assisting in the provision of facilities for the School and enabling access to, and use of, those facilities by the local community;
- providing a fund which will support existing pupils at the School who are in financial need;
- enabling children to attend the School who would not otherwise have been so able through the provision of scholarships, exhibitions, bursaries, maintenance allowances or other grants; and
- such other purposes as are incidental to, and other activities in connection with, the objects set out above.

In support of the School's educational priorities, the primary aim of The John Badley Foundation (JBF) is to raise and steward funds to support the award of full bursaries to pupils attending Bedales senior and prep schools. The trustees work with the Head of Admission of the School to attract talented young people to the School who would otherwise be unable to consider an independent education because of their financial circumstances. The JBF scheme augments the School's existing bursary schemes (School Bursary Fund and Bedales Grants Trust Fund) and aims to be ambitious and far-reaching.

The secondary aim is to provide funding for major capital projects, the first such project was the Sports Pavilion in memory of Old Bedalian, Sam Banks, the second was a new Art and Design building, which was completed at the end of March 2016.

Fundraising activity is very much in the early stages, but is concentrated on: major donors, legacies, regular giving, trusts, awareness raising and targeted campaigns.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

THE JOHN BADLEY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and performance

Since launching in 2010, the JBF has helped transform the lives of many individuals who have joined Bedales from difficult home or school situations in both the UK and from countries abroad, including those escaping from armed conflict. With thanks to the supporters of JBF, the funds raised have either been invested, as set out in this report, or used directly to support current bursary awards.

There are currently nine such pupils at Bedales senior and prep schools, and the Trustees are keen to grow JBF's initiative further so that 14 awards are in place throughout the School in each academic year.

The JBF is now sufficiently mature to have had students moving on to university and beyond: two beneficiaries are currently studying at the Universities of Oxford and Reading, and another one has recently graduated from Edinburgh and is working in the arts.

Financial Review

Incoming resources for the year were £498,704 (2020: £217,303). Resources expended were £147,122 (2020: £169,485) and included donations to Bedales school of £129,079 (2020: £142,739). Total gains on investment revaluations and foreign currency were £197,940 (2020: gain of £27,434).

Policy on reserves

At 31 August 2021 the total reserves of the Trust were £1,494,383 (2020: £944,861) of which £1,435,950 (2020: £889,378) was restricted, mainly being the JBF Bursary fund which the Trustees intend to continue to increase in order to fund more bursaries. Unrestricted funds are being accumulated to support the School's capital development.

Investment policy and objectives

The trustees are empowered to invest any monies as they, in their absolute discretion, think fit. The Trustees are satisfied with the performance of the investments in the year.

Plans for future periods

Aims and key objectives for future periods

The long term aim is to have in place two JBF scholars in every year of the school from Block 1 (i.e. 14 students). Although the objects allow the JBF to support a programme of significant capital developments, this work is on hold to allow the main focus to be on supporting bursary awards.

THE JOHN BADLEY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Statement of trustees' responsibilities

The trustees, who are also the directors of The John Badley Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.



R D L Lushington
Trustee

Dated: 25th November 2021

THE JOHN BADLEY FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE JOHN BADLEY FOUNDATION

I report to the trustees on my examination of the financial statements of The John Badley Foundation (the charity) for the year ended 31 August 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for 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).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



.....
Alex Temlett CAACA CTA - Partner

Azets Audit Services Limited

Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ
United Kingdom

Dated: **1 December 2021**
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THE JOHN BADLEY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income from:							
Donations and legacies		4,750	476,204	480,954	4,750	191,101	195,851
Investment income		-	17,750	17,750	-	21,452	21,452
Total income		4,750	493,954	498,704	4,750	212,553	217,303
Expenditure on:							
Raising funds	2	-	5,561	5,561	-	3,930	3,930
Charitable activities	3	1,800	139,761	141,561	1,500	164,055	165,555
Total resources expended		1,800	145,322	147,122	1,500	167,985	169,485
Net gains/(losses) on investments		-	162,816	162,816	-	27,434	27,434
Net incoming resources		2,950	511,448	514,398	3,250	72,002	75,252
Other recognised gains and losses							
Foreign currency gains		-	35,124	35,124	-	-	-
Net movement in funds		2,950	546,572	549,522	3,250	72,002	75,252
Fund balances at 1 September 2020		55,483	889,378	944,861	52,233	817,376	869,609
Fund balances at 31 August 2021		58,433	1,435,950	1,494,383	55,483	889,378	944,861

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE JOHN BADLEY FOUNDATION

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	7		1,093,563		707,554
Current assets					
Debtors	8	4,459		32,950	
Cash at bank and in hand		397,861		205,857	
		402,320		238,807	
Creditors: amounts falling due within one year	9	(1,500)		(1,500)	
Net current assets			400,820		237,307
Total assets less current liabilities			1,494,383		944,861
Income funds					
Restricted funds	12		1,435,950		889,378
<u>Unrestricted funds</u>					
General	11	58,433		55,483	
			58,433		55,483
			1,494,383		944,861

The charity is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006 for the year ended 31 August 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 25th November 2021



R D L Lushington
Trustee

Company Registration No. 07923540

THE JOHN BADLEY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

The charity is a company limited by guarantee and incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Bedales School
Church Road
Steep
Petersfield
Hampshire
GU32 2DG

1.1 Summary of significant accounting policies and key estimates

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

1.2 Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

1.3 Basis of preparation

The John Badley Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. Figures are presented in pounds sterling (GBP £) and rounded to the nearest pound.

1.4 Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

The trustees have paid particular attention to the likely and ongoing effects on the charity of the Covid-19 outbreak and remain confident that the charity has sufficient resources to continue as a going concern for the foreseeable future.

1.5 Exemption from preparing a cash flow statement

The charity qualifies as a small charity under the Charities SORP and has therefore not included a cash flow statement in these financial statements.

1.6 Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

THE JOHN BADLEY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Investment income

Dividend income on equity investments and interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon the dividend being declared and notification being received of the dividend due or upon notification of the interest paid or payable by the bank.

1.7 Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

1.8 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.9 Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their initial cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

THE JOHN BADLEY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.11 Fund structure

Unrestricted funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

1.12 Financial instruments

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

1.13 Significant judgements and estimates

No significant judgements or estimates have had any material impact on the amounts recognised in the preparation of these financial statements.

2 Raising funds

	Restricted funds	Restricted funds
	2021 £	2020 £
Investment management fees	5,561	3,930
	<u>5,561</u>	<u>3,930</u>

THE JOHN BADLEY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

3 Charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Bursary donations to Bedales School	-	129,079	129,079	-	142,739	142,739
Digital library donation	-	-	-	-	21,316	21,316
Independent examiner's fees	1,800	-	1,800	1,500	-	1,500
Contributions to Bedales School salary costs	-	10,000	10,000	-	-	-
Other	-	682	682	-	-	-
	<u>1,800</u>	<u>139,761</u>	<u>141,561</u>	<u>1,500</u>	<u>164,055</u>	<u>165,555</u>

4 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

5 Employees

There were no employees during the year (2020: Nil).

6 Taxation

The charity is a registered charity and is therefore exempt from taxation.

7 Fixed asset investments

	Listed investments £
Market value	
At 1 September 2020	707,554
Additions	300,749
Disposals	(77,556)
Revaluation	162,816
	<u>1,093,563</u>
At 31 August 2021	
Carrying amount	
At 31 August 2021	<u>1,093,563</u>
At 31 August 2020	<u>707,554</u>

All investments are quoted on a recognised UK or international Stock Exchange or are valued by reference to investments listed on a recognised Stock Exchange.

THE JOHN BADLEY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

8 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Amounts owed by associated undertakings	4,459	-
Other debtors	-	32,950
	<u>4,459</u>	<u>32,950</u>

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	1,500	1,500
	<u>1,500</u>	<u>1,500</u>

10 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 August 2021 are represented by:					
Fixed asset investments	-	1,093,563	1,093,563	-	707,554
Net current assets	58,433	342,387	400,820	55,483	181,824
	<u>58,433</u>	<u>1,435,950</u>	<u>1,494,383</u>	<u>889,378</u>	<u>944,861</u>

11 Unrestricted funds

	Balance at 1 September 2019 £	Movement in funds		Balance at 1 September 2020 £	Movement in funds		Balance at 31 August 2021 £
		Incoming resources £	Resources expended £		Incoming resources £	Resources expended £	
General	52,233	4,750	(1,500)	55,483	4,750	(1,800)	58,433
	<u>52,233</u>	<u>4,750</u>	<u>(1,500)</u>	<u>55,483</u>	<u>4,750</u>	<u>(1,800)</u>	<u>58,433</u>

THE JOHN BADLEY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds				
	Balance at 1 September 2019	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 1 September 2020	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 31 August 2021
	£	£	£	£	£	£	£	£	£
Music School	2,120	-	-	-	2,120	-	-	-	2,120
JBF Bursaries	815,256	212,553	(167,895)	27,434	887,258	493,954	(145,322)	197,940	1,433,830
	<u>817,376</u>	<u>212,553</u>	<u>(167,895)</u>	<u>27,434</u>	<u>889,378</u>	<u>493,954</u>	<u>(145,322)</u>	<u>197,940</u>	<u>1,435,950</u>

The specific purposes for which the funds are to be applied are as follows:

The Music School Project Fund represents donations received for improvements to the Music School building.

The JBF Bursaries Fund represents donations received for funding Bursaries for students at Bedales School from the John Badley Foundation.

THE JOHN BADLEY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 AUGUST 2021*

13 Related party transactions

The Trust was set up to support and promote the activities of Bedales School, charity number 307332.

During the year the Trust contributed £129,079 (2020: £142,739) towards bursaries and related activities at Bedales School.