

Charity Registration No. 1138332

Company Registration No. 07293540 (England and Wales)

**THE JOHN BADLEY FOUNDATION**

**(A company limited by guarantee)**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2022**

# THE JOHN BADLEY FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	R D L Lushington V Bonham Carter C Campbell C E Jarmy A V Land J P M Johnson (Retired 31 December 2021) E A H Allman J M Hanson W Goldsmith (Appointed 18 March 2022)
<b>Secretary &amp; Treasurer</b>	R D L Lushington
<b>Charity number</b>	1138332
<b>Company number</b>	07293540
<b>Registered office</b>	Bedales School Church Road Steep Petersfield Hampshire United Kingdom GU32 2DG
<b>Independent examiner</b>	Azets Audit Services Limited Ashcombe Court Woolsack Way Godalming Surrey United Kingdom GU7 1LQ
<b>Bankers</b>	National Westminster Bank 4 High Street Petersfield Hampshire GU32 3JF
<b>Solicitors</b>	Veale Wasborough Vizards Orchard Court Orchard Lane Bristol BS1 4WS
<b>Investment managers</b>	Rathbones 8 Finsbury Circus London EC2M 7AZ United Kingdom

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# THE JOHN BADLEY FOUNDATION

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# THE JOHN BADLEY FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 AUGUST 2022

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The trustees (who are directors for the purposes of company law), present their report and financial statements for the year ended 31 August 2022.

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 trustees have agreed that the current priority for 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. In liaison with the trustees, the Head of Admissions works 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 priority 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 2022**

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### **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.

In partnership with the School's bursary fund, there are currently nine such pupils at Bedales senior and prep schools, who have been given funded places 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: beneficiaries are currently studying at the Universities of Oxford, Reading, UCL and Durham and others have graduated and are working in the arts and software engineering. One of the former beneficiaries is now a JBF trustee and is involved in selecting and mentoring current students. For further information on the impact of the JBF with case studies, visit <https://www.bedales.org.uk/support-us/impact>.

### **Financial Review**

Incoming resources for the year were £428,870 (2021: £498,704). Resources expended were £160,309 (2021: £147,122) and included donations to Bedales school of £137,278 (2021: £129,078). Total losses on investment revaluations and foreign currency were £127,709 (2021: gain of £197,940).

#### *Policy on reserves*

At 31 August 2022 the total reserves of the Trust were £1,635,235 (2021: £1,494,383) of which £1,573,852 (2021: £1,435,950) 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) and for the JBF to fund an increasing proportion of the cost of each place. Although the objects allow the JBF to support a programme of significant capital developments, this work remains 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 2022**

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### **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: 24th November 2022

# THE JOHN BADLEY FOUNDATION

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE JOHN BADLEY FOUNDATION

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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 2022.

#### **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 CA ACA CTA - Partner

Azets Audit Services Limited

Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
GU7 1LQ  
United Kingdom

Dated: 24 November 2022

# THE JOHN BADLEY FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<b>Income from:</b>							
Donations and legacies		4,750	386,841	391,591	4,750	476,204	480,954
Investment income		-	37,279	37,279	-	17,750	17,750
<b>Total income</b>		<b>4,750</b>	<b>424,120</b>	<b>428,870</b>	<b>4,750</b>	<b>493,954</b>	<b>498,704</b>
<b>Expenditure on:</b>							
Raising funds	2	-	6,580	6,580	-	5,561	5,561
Charitable activities	3	1,800	151,929	153,729	1,800	139,761	141,561
<b>Total resources expended</b>		<b>1,800</b>	<b>158,509</b>	<b>160,309</b>	<b>1,800</b>	<b>145,322</b>	<b>147,122</b>
Net gains/(losses) on investments		-	(128,889)	(128,889)	-	162,816	162,816
<b>Net incoming resources</b>		<b>2,950</b>	<b>136,722</b>	<b>139,672</b>	<b>2,950</b>	<b>511,448</b>	<b>514,398</b>
<b>Other recognised gains and losses</b>							
Foreign currency gains		-	1,180	1,180	-	35,124	35,124
<b>Net movement in funds</b>		<b>2,950</b>	<b>137,902</b>	<b>140,852</b>	<b>2,950</b>	<b>546,572</b>	<b>549,522</b>
Fund balances at 1 September 2021		58,433	1,435,950	1,494,383	55,483	889,378	944,861
<b>Fund balances at 31 August 2022</b>		<b>61,383</b>	<b>1,573,852</b>	<b>1,635,235</b>	<b>58,433</b>	<b>1,435,950</b>	<b>1,494,383</b>

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 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Investments	7		1,008,419		1,093,563
<b>Current assets</b>					
Debtors	8	6,166		4,459	
Cash at bank and in hand		622,150		397,861	
		628,316		402,320	
<b>Creditors: amounts falling due within one year</b>	9	(1,500)		(1,500)	
Net current assets			626,816		400,820
<b>Total assets less current liabilities</b>			1,635,235		1,494,383
<b>Income funds</b>					
Restricted funds			1,573,852		1,435,950
<u>Unrestricted funds</u>					
General	11	61,383		58,433	
			61,383		58,433
			1,635,235		1,494,383


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 2022.

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 24th November 2022

  
 R D L Lushington  
 Trustee

Company Registration No. 07293540

# THE JOHN BADLEY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **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 2022

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#### 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.

#### 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.

# THE JOHN BADLEY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 1 Accounting policies

(Continued)

#### 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
	2022	2021
	£	£
Investment management fees	6,580	5,561
	<u>6,580</u>	<u>5,561</u>



# THE JOHN BADLEY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 3 Charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Bursary donations to Bedales School	-	137,278	137,278	-	129,078	129,078
Independent examiner's fees	1,800	-	1,800	1,800	-	1,800
Contributions to Bedales School salary costs	-	10,200	10,200	-	10,000	10,000
Other	-	4,451	4,451	-	683	683
	<u>1,800</u>	<u>151,929</u>	<u>153,729</u>	<u>1,800</u>	<u>139,761</u>	<u>141,561</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 (2021: Nil).

### 6 Taxation

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

### 7 Fixed asset investments

	Investments £
<b>Cost or valuation</b>	
At 1 September 2021	1,093,563
Additions	194,911
Revaluations	(128,889)
Disposals	(151,167)
	<u>1,008,418</u>
At 31 August 2022	
<b>Carrying amount</b>	
At 31 August 2022	<u>1,008,418</u>
At 31 August 2021	<u>1,093,563</u>



# THE JOHN BADLEY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 8 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Other debtors	278	4,459
Prepayments and accrued income	5,888	-
	<u>6,166</u>	<u>4,459</u>

### 9 Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	<u>1,500</u>	<u>1,500</u>

### 10 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 August 2022 are represented by:					
Investments	-	1,008,419	1,008,419	-	1,093,563
Net current assets	61,383	565,433	626,816	58,433	400,820
	<u>61,383</u>	<u>1,573,852</u>	<u>1,635,235</u>	<u>58,433</u>	<u>1,494,383</u>

### 11 Unrestricted funds

	Balance at 1 September 2020 £	Movement in funds		Balance at 1 September 2021 £	Movement in funds		Balance at 31 August 2022 £
		Incoming resources £	Resources expended £		Incoming resources £	Resources expended £	
General	55,483	4,750	(1,800)	58,433	4,750	(1,800)	61,383
	<u>55,483</u>	<u>4,750</u>	<u>(1,800)</u>	<u>58,433</u>	<u>4,750</u>	<u>(1,800)</u>	<u>61,383</u>

### 12 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 £137,278 (2021: £129,078) towards bursaries and related activities at Bedales School.