

THE ALDENHAM FOUNDATION

England & Wales · Charity number 298140

Details

Other names THE ALDENHAM SCHOOL COMPANY

Status Registered

Legal form Charitable company

Company number [01847134](#)

Registered 1987-11-24

Register [View on the Charity Commission register](#)

Contact

Address Aldenham School
Aldenham Road
Elstree
Borehamwood
WD6 3AJ

Phone 01923858122

Email enquiries@aldenham.com

Website www.aldenham.com

Activities

Objects: TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION OF CHILDREN AND STUDENTS IN THE UNITED KINGDOM AND ELSEWHERE SUCH EDUCATION TO BE DESIGNED IN ACCORDANCE WITH THE DOCTRINES OF THE CHURCH OF ENGLAND.

Activities: Trustee of the Aldenham School Charity and St Hilda's Educational Trust Ltd, charities engaged in secondary, primary and nursery education.

Classification

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

Geography

- **Area of benefit:** NOT DEFINED (IN PRACTICE ALDENHAM)
- Hertfordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£22,616,296	£23,281,165	£17,555,503	276
2024-08-31	£23,246,384	£23,074,096	£18,005,536	279
2023-08-31	£22,408,996	£21,294,838	£17,296,089	276
2022-08-31	£20,226,166	£19,295,889	£16,127,141	273
2021-08-31	£16,988,374	£17,392,102	£15,412,473	248

Trustees

Name	Role	Appointed
Alan Phillips		2019-12-10
Andrew Hunter		2021-06-29
Archdeacon Charles Hudson		2024-03-28
Caroline Clapper		2025-12-09
Cheryl Clifford		2021-12-14
David Stephen Lambert		2017-11-01
Dr Jane Hawdon		2020-06-23
Fiona Cuttell		2018-12-11
James James-Crook		2020-10-01
Nick Tindal		2021-12-14
Richard Bryer		2022-09-01
Sarah Altman		2018-12-11
Steven Allen		2025-12-09
TORQUIL CHARLES SLIGO-YOUNG		2015-01-12
Timothy McAllister		2025-12-09
Tom Wells		2015-01-12

Linked charities

- [THE ALDENHAM SCHOOL CHARITY \(298140-1\)](#)

THE ALDENHAM FOUNDATION

England & Wales - Charity number 298140

Accounts

Company Registration No. 01847134
Charity Registration No. 298140

THE ALDENHAM FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2025

THE ALDENHAM FOUNDATION

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THE ALDENHAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Governors/Directors The Directors of the Company, and their committee duties, are as below. All are members of the Governing Body and Trustees of the Charity.

Committees 24-25					
Full Governing Body: Names	Operations	Education	Audit	Governance	Remuneration
Altman, Mrs S (Chair)	○	○	●	●	●
Allen, Mr S (Appointed July 2025)		●			
Bryer, Mr R	☒				
Clifford, Mrs C	●				
Cuttell, Mrs F (Note 4)		●	●		
Hawdon, Dr J (Note 3)					
Hudson, Ven C J		●			
Hunter, Mr A		●			
James-Crook, Mr J		●			
Lambert, Cllr D (Note 1 / 2)	●				
Phillips, Mr A	●		☒		
Rees, Mr C (Resigned July 2025)					
Mr T C Sligo-Young	☒				●
McMullen, Mr F (Master Brewer)					
Tindal, Cdre N				●	
Mr D T Tidmarsh		☒		☒	☒
Mr T F Wells					

- ☒ = Chair of that Committee
 ● = Member of Committee
 ○ = In attendance at the Committee meetings, but not a member

Notes	
1	Governor Responsible for Aldenham Prep School
2	Local Authority Designated Governor
3	Safeguarding Designated Governor for the Foundation
4	Governor Responsible for Aldenham Senior School and Boarding
Master Brewer	Honorary Governor during 12 month appointment as Upper Warden of Brewers Company

THE ALDENHAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION AS AT 31 AUGUST 2025

Secretary	K Mahon
Charity number	298140
Company number	01847134
Registered office/ Principal address	Aldenham School Elstree Herts WD6 3AJ
Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	National Westminster Bank Plc 72/74 High Street Watford Hertfordshire WD17 2GZ
Solicitors	Farrer & Co LLP 65-66 Lincoln's Inn Fields London WC2A 3LH Taylor Walton 28-44 Alma Street Luton Bedfordshire LU1 2PL
Contact details	Website: www.aldenham.com E-mail: enquiries@aldenham.com
Key Management Personnel (Foundation Leadership Group/Executives):	
A Hems (Mrs)	Head of Foundation and Head of Senior School
S Galpin (Mrs)	Head of Aldenham Preparatory School
A Kaye (Mr) (To August 2025)	Head of St Hilda's School
K Mahon (Mr)	Bursar & Clerk to the Governors
S Toye (Mrs)	Director of Finance and HR
P Dunstan (Mr) (To August 2025)	Business Development Director

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

The Governors of The Aldenham Foundation present their Annual Report for the year ended 31 August 2025 under the Charities Act 2011 and the Companies Act 2006, including a Strategic Report, together with the audited financial statements for the year.

DIRECTORS' REPORT

CONSTITUTION

Aldenham School, the oldest part of The Aldenham Foundation ("the Foundation"), was founded in 1597. The Foundation is constituted as a company limited by guarantee, without a share capital, registered in England, No. 01847134, and is registered with the Charity Commission under Charity No. 298140. Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member. The liability of the members is limited to £100 each for the debts and liabilities contracted before they ceased to be a member.

The members are:

- The Worshipful Company of Brewers
- The Clerk to the Worshipful Company of Brewers

The Foundation operates three schools known as Aldenham Senior School, Aldenham Prep School and St Hilda's School Bushey. St Hilda's School was closed in July 2025 as detailed further below.

There is one Governing Body for the three Schools. Details of the members of the Governing Body, together with the Foundation's officers and principal advisers, are set out on pages 1 and 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The Foundation is governed by its Memorandum of Association and Articles of Association last amended on 21st July 2011.

Governing Body

The Foundation has a Board of up to 20 Governors of whom six are Representative Governors appointed by the Worshipful Company of Brewers, one is appointed by the Local Education Authority and the remaining thirteen are Co-opted appointed by the Board of Governors. Each Governor is appointed for an initial term of three years and may subsequently be reappointed by the Board for successive periods of three years.

New members of the Governing Body are appointed or elected on the basis of nominations based on the candidates' professional qualities, qualifications and experience. The Governors of the Foundation are the Directors of the Company and Trustees of the Charity. From this point forward they will be referred to as Governors.

Recruitment and training of Governors

New Governors are inducted into the workings of the Foundation and its schools, including Governing Body policy and procedures, at an induction specially organised for them by the Heads and Bursar. They are provided with a Governance Manual that provides detail on subjects such as recruitment and induction into their role, Terms of Reference and general policies and information.

The new Governors are also encouraged to attend specialist external courses on the role and responsibilities of charity trustees and other external and in-house trustee training and information courses designed to keep them informed and updated on current issues in the sector and on regulatory requirements.

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2025

Organisational management

The Governors are legally responsible for the overall management and control of the Foundation and its schools. Their role is to agree strategy, advise on and review the development of plans and monitor their execution by the Executive. The Governors decide ultimately how the Foundation's financial resources are deployed and hold the Executive to account while also acting as their critical friend.

Individual Governors hold a place on individual Committees as detailed below, to carry out the above, as well as ratifying policies where applicable, monitoring, safeguarding and discussing strategic and operational issues. At the beginning of the academic year 2024-25 it was agreed that the Estates Committee and Finance and General Purposes Committee would be amalgamated and a new Committee was formed, named the Operations Committee. The terms of reference for each Committee are summarised below:

- The Audit Committee keeps under review the Foundation's internal controls, is mainly responsible for the Foundation's relationship with the external auditor and oversees the production of the Annual Report and Accounts and performance of the external audit.
- The Education Committee has a monitoring and advisory role relating to the overall provision of education, pastoral care and safeguarding activities across the Foundation.
- The Operations Committee has a monitoring role relating to the overall financial and business activities of the Foundation, including budgeting, reviewing financial performance, investment, HR, Health and Safety and Estates matters and approval of any investment in capital projects in excess of £250k (Full Governors approve projects greater than £500k. They also monitor the pay and conditions of all staff within the Aldenham Foundation and make recommendations to the Full Governing Body about variations to these annually. The pay of the Foundation Leadership Group is decided by the Remuneration Committee.
- The Governance Committee keeps under review the Foundation's assessment and response to risk, monitors the governance offered to the Foundation schools by the various committees and advises the Board on any changes needed to the Board of Governors and how individual Governors are deployed.

The development and execution of strategic plans and operational management of the Aldenham Foundation is delegated to the Foundation Leadership Group (i.e., The Executive), consisting of the Heads of each school, and other key operational staff. They meet fortnightly to discuss and implement policy, strategy and development of the Foundation and significant operational issues. The day-to-day running of the three schools is delegated to the respective Heads, supported by their respective Senior Leadership Teams.

The Aldenham Foundation Board of Governors takes its governance responsibilities seriously and, as a large charity, aims to have a governance framework that is fit for purpose, compliant and efficient. The Board has established a solid foundation in governance in which all of its governors are clear about their roles and legal responsibilities, are committed to supporting the Foundation to deliver its objects most effectively for its beneficiaries' benefit.

The Aldenham Foundation Governance Committee keeps the Charity Code of Governance regularly under review and are confident that governance is executed well at the Foundation.

Group structure and relationships

During the year there were three subsidiaries within the Foundation, these being:

- The Aldenham School Charity, a registered charity number 1057611("ASC");
- Aldenham Enterprises Ltd, a limited company registered in England No 01635965 ("AEL").
- Aldenham Schools Holdings Ltd, a registered company in England, No. 11923888 ("ASH")

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2025

The Aldenham School Charity is now a dormant Company and owns the endowed land.

Aldenham Enterprises Ltd is a wholly owned non-charitable subsidiary of the Foundation whose annual profits are donated to the Foundation under the Gift Aid Scheme. The trading activities of AEL primarily comprise a franchised retail outlet and revenue from letting of the Aldenham Foundation schools' facilities when not in use by the schools.

Aldenham Schools Holdings Ltd is a wholly owned non-charitable subsidiary of the Foundation and was formed on the 3rd of April 2019 with a separate Board, consisting of members of the Foundation's Leadership Group, as well as two Governors. Its purpose is to monitor and manage the overseas activities of the Foundation.

The registered address of both of the above subsidiaries is the same as The Aldenham Foundation.

Employment and remuneration policy

The Foundation is an equal opportunities employer. Full and fair consideration is given to job applications from all applicants, and the Foundation does not discriminate against anyone. The Foundation has an Equal Opportunities and Dignity at Work policy which is compliant with the Equality Act 2010. Full and fair consideration will be given to applications of employment made by disabled persons having regard to their particular aptitudes and abilities, the Foundation has regard to its duties to implement reasonable adjustments to ensure that they are not disadvantaged in any application. Once employed, training and support will be given to disabled staff as with all staff.

Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the Foundation regularly.

Communication with employees continues through normal management channels in a variety of forms and also via an annual briefing to all staff of the Foundation by the Heads of the Schools in September covering the Foundation's performance over the previous year and targets and aspirations for the new academic and financial year. The staff portal has been launched and will be used to promote news items across the Foundation. There has been a move away from a formal annual appraisal to regular check-ins that are recorded on an online platform. The annual pay increase for all staff is agreed by the Full Governors, and the remuneration of Key Management Personnel (Foundation Leadership Group) is agreed by the members of the Remuneration Committee during each year.

The Foundation has a Staff Code of Conduct that sets out the expectations for standards and behaviours across all schools. This is reviewed annually.

Investment policy, objectives and performance

The Governors' investment powers are governed by the Charity Commission Scheme which requires that all sums belonging to the Foundation, other than sums needed for immediate working purposes, be invested in trust for the schools. The Governors' policy is to maintain income whilst preserving the real value of the endowed investments held in restricted funds. The Governors aim to maximise the total investment return they are able to achieve from the cash and investments the schools hold, bearing in mind their planned expenditure and financing needs. The investment strategy and policy is monitored by the Operations Committee. Currently, any surplus cash held by the Foundation, in excess of that required for working capital, is available for investment.

Principal Risks and Risk management

The Governors have considered the major risks to which the Foundation and its subsidiaries are exposed. The Governors have ultimate responsibility for managing any risks faced by the Foundation. The risk management process and the resulting Risk Report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high. The current areas that the Governors consider to be the principal risks are as follows:

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2025

Principal Risks and Risk management (continued)

Risk	External Influences: •The current economic effect of the global increase in the cost of living on parental ability to pay fees. The risk is being managed by carefully considered fee increases, credit control policies and bursarial support where necessary. Forecasts have been reviewed looking ahead and scenario planning has been undertaken. •Falling birth rate affecting pupil pipeline detrimentally. The Foundation uses scenario planning to review impact and then cost savings that need to be made in line with potential falling numbers.
Mitigation	The Foundation uses scenario planning to review the impact on surplus and adjustments are made to cost base as necessary. There is a focus on cash management and building of reserves.
Risk	Financial Risk: The impact of ongoing inflationary pressures upon parents and the general affordability of fees and non-payment of fees.
Mitigation	The Foundation cost base is reviewed in line with budget to ensure cost effectiveness. Again, scenario planning is used along with a focus on cash management and the building of cash reserves.
Risk	Reputational Risk: The impact upon parental confidence due to any adverse information in the public domain.
Mitigation	A close relationship with parents is essential in mitigation of this risk and this is being managed by regular communication and several opportunities in the year for parents to visit the schools for events and information evenings.
Risk	Safeguarding: This is always deemed to be a principal risk due to the seriousness of any breach and the potential impact on pupils, reputation and parental confidence.
Mitigation	Safeguarding is given the utmost consideration and a Governor, who is a professional Paediatrician, has been appointed to oversee compliance in the Foundation and to provide support and advice and oversight. There are Designated Safeguard Leads in each School who are responsible for keeping children safe in education. In addition, a "whole school" approach is taken to safeguarding and regular training is given to all staff and Governors.
Risk	Data Security and Cyber Security Threats: These could result in loss of data, confidentiality or ransom threats for financial gain.
Mitigation	The Foundation puts in place controls to mitigate that include insurance policies, staff training, Head of Technology in post and other software to provide protection.
Risk	Health and Safety of staff and pupils: The health and safety of the Foundation's pupils and staff is a key area for risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the schools' sites, on trips and expeditions). The level and breadth of activity across the schools is extensive and therefore risk exists that could result in loss or damage to both assets and people.
Mitigation	Health and Safety is the responsibility of the Compliance Officer who reports directly into the Bursar. However, the Health and Safety of the Foundation is the responsibility of all members of the school community but driven by the Bursar and his key teams and there is a designated Governor who takes an overview of this area. Risk assessments are carried out across the Schools, and all activities, and regular meetings are held with nominated staff across all areas to review best practice and concerns.

The Governors are satisfied that for all major risks identified for the Foundation, appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that whilst systems can provide only reasonable, but not absolute assurance, that major risks have been managed. Detailed consideration of risk is delegated to the Governance Committee, which reports formally to the Governors at each termly meeting. The production and maintenance of the Risk Register is delegated to the Bursar.

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2025

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Mission statement

The Foundation's mission is to provide the necessary education and appropriate training to enable pupils to develop their potential as individuals, and thereby to help ensure that when they leave they will be confident members of the larger society and effective contributors to it.

Charitable Objects

The Foundation's Objects, as set out in the Memorandum of Association, are to promote and provide for the advancement of education of children and students in the United Kingdom and elsewhere, such education to be consistent with the doctrines of the Church of England. In furtherance of these Objects for the public benefit the Foundation has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects. The Governors are mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection they have monitored closely the Public Benefit guidance available from the Charity Commission and also its supplementary website guidance on fee-charging.

Intended impact

Within its charitable Objects, the Foundation's intention is to provide a first-class education through strong academic tuition and by developing broader skills that help every pupil to realise his or her potential to the full. This involves emphasis on the co-curriculum through cerebral, sporting, artistic, team building and social skills. This policy builds self-confidence and life skills in the pupils and inculcates a desire to learn and a willingness to contribute to the wider community whilst at school and in later life.

Aims

The Foundation's aims remain:

- to offer all pupils a range of opportunities so that they can achieve to the best of their ability within a framework of shared values and standards.
- to value and nurture pupils as individuals, giving them a sense of their own self-worth and of the value of service to others, thus preparing them for life beyond school.
- to continue to operate the Aldenham Senior School as a day and boarding community with strong links both locally and further afield, and to seek to increase the numbers of pupils who can benefit from boarding.
- to continue to cultivate strong and active partnerships with parents and with the local community around the schools.
- to continue to make its facilities available for the wider use of the community.

Primary objectives

The primary objectives of the Foundation to fulfil these aims are:

- to provide a stimulating learning environment in which pupils can develop their academic potential to the full.
- to provide a happy and secure pastoral environment in which pupils can learn to live together and thus foster a sense of community, co-education, respect for one another and good citizenship.
- to provide pupils with the opportunity to take advantage of a breadth of extra-curricular activities in order to develop positively all aspects of their character.
- to provide pupils with the opportunity to take decisions based on their own judgment and to communicate those decisions appropriately and effectively.

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2025

Primary objectives (continued)

- to provide financial support to enable children whose parents are unable to afford the full fees to benefit from the education and opportunities offered.
- to provide a clear, simple and effective management structure capable of taking timely decisions and allocating necessary resources appropriately.
- to provide the necessary administrative and logistic framework to meet the needs of members of staff and pupils alike.
- to maintain and improve facilities which will enable these objectives to be achieved, and which can also be applied for the wider benefit of the outside community.

The aims and objectives set for the Foundation's subsidiaries are to facilitate the achievement of the Foundation's aims and objectives as above.

Principal activity

The Foundation's principal activity, as specified in the Memorandum of Association is the advancement of education of children and students in the United Kingdom and elsewhere, such education to be consistent with the doctrines of the Church of England and, in this, the Foundation has again had a successful year with approximately 1,000 pupils being educated in the Foundation's schools.

Public benefit

The Foundation is a Public Benefit Entity (PBE) as defined in FRS102 and applies the appropriate PBE paragraphs appropriately. The Governance Committee give due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011 to ensure that they are compliant and are offering as much as they can to the wider community.

The Foundation remains committed to the aim of providing public benefit, and details below the activities that took place during the year:

Bursaries

- The awarding of bursaries to parents is a measurable means of providing public benefit. The Governors consider bursaries, awarded to those whose parents would not otherwise be able to afford the fees, as being very important, but not to the exclusion of the much wider benefit that the Foundation provides within the community. Those pupils who attend our schools and who receive financial support contribute to the school community in a variety of ways, and so the benefit is not purely to these pupils but to the whole Foundation and, in some cases, to the wider community. In 2024/25 the Foundation awarded means-tested awards based on a sliding scale according to financial circumstances totalling £548k to 39 pupils, excluding the funding for the Homes for Ukraine pupils. The Foundation is now working with the Royal National Children's Springboard Foundation to assist in offering children transformational bursaries to join the school. By working with them, the pupils are targeted as to those in most need who would benefit from the education and pastoral care that Aldenham provides.
- In addition to allocations of support from its fee income, there are specific bursary funds established from legacies provided by former pupils, specific funds created from Foundation reserves and annual support from funds held by other organisations associated with the Foundation.

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2025

Public Benefit (continued)

Other activities

Other activities and partnerships are detailed below:

- The Foundation has partnered with local maintained schools and provided support for local community organisations through pupil and staff involvement, facilities and equipment.
- Letting of the grounds and facilities to local clubs and organisations.
- Use of Aldenham Chapel by other local schools.
- Use of Aldenham minibuses by local community groups and sports teams.
- Members of the local community use Aldenham land for walking groups.
- We cooperate with local charities and educational bodies in our ongoing endeavours to widen public access to the schooling we provide, to optimise the use of our cultural and sporting facilities and to awaken in our pupils an awareness of the social context of the all-round education they receive at the Foundation's schools.
- The Senior School partners a local maintained school to provide a Combined Cadet Force for the mutual benefit of both schools.
- Pupils and staff of the Foundation continue to provide support for a range of local and national charities through fundraising and Aldenham School has maintained its support of a community in Malawi through its Ripple Africa initiative which involves a group of 6th Form students travelling to Malawi each year to take part in community projects there.
- Across the Foundation £15,442 was raised for several different Charities.

Fundraising

- Fundraising for the School is carried out by Aldenham Foundation General Charitable Trust (AFGCT), who raise money from the Old Aldenhamians to benefit the pupils of the schools. AFGCT donated £86,639 to the Foundation in the year ending 31 August 25 which was used to fund several resources throughout the Senior School.
- There has also been continued progress made this year in the Foundation's work of raising voluntary funding for other Charities. This is undertaken by the Charity Committee whose members are pupils from the School. Across the Foundation, a total of £15,442 was raised for several different Charities. There are no professional fundraising organisations used and so no monitoring processes are required. AFGCT subscribes to the Fundraising Regulator and adheres to the Fundraising Promise when undertaking fundraising activity. This promise outlines the commitment made to donors to ensure any fundraising is legal, open, honest and respectful. The school takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the School's approach to fundraising activity.

STRATEGIC REPORT

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Senior School

Within the context of our broad intake, academic results were pleasing this year, with 45% of all GCSE grades at 7 or above and 27% of all GCSE grades at 8 or 9. At A Level over half of grades awarded were at A* to B, and 17% were A* to A grades.

Over a third of our most recent leavers will begin their studies at Russell Group universities this autumn, with 95% of students moving on to Higher Education from Aldenham. 90% of students who applied for university were successfully accepted on an undergraduate course at their first or second choice university. Our students choose universities such as Oxford, Edinburgh, Birmingham, Manchester, Bath, London and Queen's Belfast, but three of this year's leavers are now studying in the USA and others choose drama and performing arts colleges or take up degree apprenticeships. Course choices range from the more traditional such as Law, English, Biochemistry, Engineering and Classics to Business related degrees and creative choices such as Computer Game Design, Song Writing and Acting. We continue to review our curriculum to meet the needs and interests of our students, and as a result now run Dance as a GCSE and an A level course and have successfully added Sociology to our A level courses. In the summer term we worked with our parents to understand more from them, as employers, about ways in which we can 'future-proof' our students before they leave us. The Careers Fair, which was open to all students from Year 9 upwards, hosted over 70 organisations, while events such as the Year 12 Interview evening, allow our students to meet face to face with potential employers and learn from them first hand.

Performing and creative arts continue to thrive at Aldenham. The annual House Music Competition plays a key role in bringing students and staff together in pursuit of a common goal in the first half of the Autumn Term. All of our entries for LAMDA examinations this year were graded at either Distinction or Merit, with 95% of entries awarded a Distinction. Also, in the Autumn Term we enjoyed the Senior production of *Legally Blonde*. Later in the Year the Dance Show, the Beck Music Competition, Aldfest and the Junior House play *Wendy and Peter Pan* all continued to demonstrate the School's strengths in creativity and performance.

Outreach within our wider community continues to be important for us. For the first time last year we took Sixth Form students to take part in the Big Sleepout in St Alban's and will do so again this year. We welcomed local primary school pupils to join us for our Science Festival in the Summer Term which was extremely popular. Our students continue to visit a local home for elderly people every week and engage in a wide range of fund-raising activities throughout the year. We also support local foodbanks through our Harvest collections and Christmas gift appeals for children and families nearby.

Year 12 students visited Cambodia with World Challenge in the summer holiday, and had a very successful trip, supporting a charity and gaining a greater understanding of the culture and history of the region. Over the course of the academic year trips also took place to Paris for Art, New York for Drama, Amiens and Seville for language enrichment, to Athens for Classics, Berlin and the Battlefields of France and Belgium for History, to Geneva for Physics and to Montenegro for adventure. Our full boarders learned more about the UK by visiting Belfast and Dorset. Sports tours went to Paris and Sri Lanka, and our Senior Ski Trip went to Canada this year. The Duke of Edinburgh's Award programme continues to be very popular and involved expeditions in Wales, Shropshire and more locally in the Chilterns, while the CCF have enjoyed overnight exercises as well as their Summer Camp.

It has been a very strong year for sport at our school. Our senior netballers made history by securing the school's first-ever national title, while our U13s triumphed in the district league. On the football pitch, we won both ESFA and ISFA national cups, along with two Hertfordshire county titles. In the Summer term our basketball and tennis teams brought home county honours, and our Year 10 boys' relay team set the fastest-ever 4x100m time at the district championships. Cricket continues to thrive for both boys and girls, with strong performances throughout the year. And beyond school teams, our students are shining at the elite level in sports including hockey, fencing, tennis, gymnastics, diving, and motor-racing. Four Aldenham students were selected for the England Hockey Talent Academy pathway and trained with them throughout the year.

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2025

ACHIEVEMENTS AND PERFORMANCE – Continued

The School continues to invest in its facilities for learning and teaching both indoors and out. Work was undertaken in the Sports Hall to refurbish the décor with images of inspiring male and female role-models, in line with the School's strategic intent to maintain a high-quality learning environment throughout. The Theatre foyer benefited from some much-needed redecoration, and substantial work was undertaken in McGill's House to refurbish the entrance area, corridors and staircase, making it a much lighter and brighter home for so many of our overseas boarders. Facilities for learning and teaching in the Platt Building were refreshed, and work was undertaken both inside and outside the Pavilion, with a new brick surface laid at the front and re-painting internally.

St Hilda's

It was with great regret that we took the difficult decision to close St Hilda's School this summer. St Hilda's joined the Aldenham Foundation in 2012, which secured the School's immediate future in the face of existing financial difficulties which would otherwise have led to its closure at that time. Despite an initial increase in pupil numbers and the excellence of the education and wider experience that St Hilda's offered, numbers on their roll continued to decline steadily since the Covid pandemic. The School had capacity for 140 girls in the Prep School and up to 50 children within the Nursery. Despite herculean efforts over the past two years, numbers on the School roll were significantly below capacity in the Prep School and in the Nursery and were predicted to continue to decline for the 2025/2026 academic year.

Coupled with falling pupil numbers, St Hilda's also faced significant financial challenges, including the implementation of VAT on school fees from January 2025 and the increase in employer national insurance contributions and the removal of 80% business rates relief from April 2025. The financial difficulties facing St Hilda's were therefore substantial. We entered into consultation about the proposed closure with the staff in February 2025 and confirmed the decision to close the School in March 2025. We provided HR advice for staff as they sought alternative employment, including guidance on putting together a CV. The pupils were all successful in finding places in other local state and independent schools and all staff have since secured employment.

Aldenham Prep School

Miss Amy Bonn was appointed as Deputy Head from September 2024. She had previously served as the Key Stage 2 Lead at Aldenham Prep. Sixteen children transitioned to the Senior School at the end of the academic year. Scholarships awarded included one in Drama, one in Art, and two in Music to Aldenham; and one Academic scholarship to St Margaret's.

The Music Department has continued to thrive, offering children numerous opportunities to perform and showcase their talents. Weekly rehearsals for the Junior and Senior Choirs led to performances at the Harvest Festival, termly concerts, and various school events. A new Chamber Choir was formed and performed at the Summer Concert. Pupils in Years 5 and 6 participated in the Young Voices concert at the OVO Arena, performing alongside 5,000 children. Violin and Guitar Ensembles rehearsed weekly in preparation for the Summer Concert. Thirty-four pupils took part in three Informal Concerts, showcasing a wide range of instrumental and vocal talent. Productions such as Cinderella Rockerfella and Alice in Wonderland combined music, drama, and teamwork, highlighting cross-disciplinary collaboration. The Director of Drama played a key role in the Year 5 and 6 end-of-term production.

Sport at Aldenham Prep continues to evolve, with increased participation and competitive success. Our affiliation with the Independent Schools Association (London North Area) enabled participation in regional and national championships, including our debut at the ISA National Ski Championships. At the ISA Area Cross Country Championships, we placed first and third in the Under 9 boys' race, and seventh in the girls' race. All three children qualified for the National Championships. Three children also qualified for the ISA National Swimming Championships. We hosted a Local Prep Schools Gala and Netball Tournament, strengthening relationships with neighbouring schools. At the ISA Area Athletics Championships, one child qualified for Nationals. All pupils engaged in house competitions across major sports, fostering school spirit and inclusive competition.

Children participated in a range of competitions this year, including the Bebras Challenge, Hertsmere Christmas Card Competition, a poetry competition, and the Primary Maths Challenge for Years 5 and 6. School highlights included

GOVERNORS' REPORT (Continued)

ACHIEVEMENTS AND PERFORMANCE – Continued

'Celebrate Our Heritage Day'—an annual tradition—World Book Day, Children's Mental Health Week, whole-school elections, 'Headteacher for the Day', and the London Mini Marathon.

We developed our career-related learning throughout the year to raise awareness of the world of opportunities available to children, expose them to diverse experiences, and encourage them to believe they can be anything they aspire to be. Parents delivered several whole-school assemblies, sharing their career journeys and the skills required in their professions, all of which were linked to our school Core Values. Guest speakers included a minister, an army major, a GP, a radio presenter and podcaster, a surgeon, and a scientist.

Sarah Galpin began working closely with the Assistant Head Pastoral and the Director of Drama from the Senior School to enrich the experience for Prep children and to encourage pupils to continue into Year 7 at the Senior School.

Summary

2025 was a difficult year for the Foundation, as it was for all independent schools due to the introduction of VAT on school fees in January 2025 in addition to the removal of charitable rates relief and the increase in employer NIC. We had to make some very difficult decisions which affected pupils and staff, especially the closure of St Hilda's School, that were not taken lightly but were taken to ensure the longevity and future of the Foundation.

The Foundation Leadership Team continue to monitor the strategic plan that focuses on raising the profile of academic achievement and boosting the intellectual life of the school, while preserving the inclusive and holistic ethos that we value so highly at Aldenham. A "through" school approach is being adopted on the Aldenham site to ensure a smoother transition between years 6 and 7. Closer collaboration to share resources and best practice and develop a strong understanding of what it means to be an Aldenham pupil, have been at the forefront in our work throughout the year. It also gives our Prep School parents security in the pathway for their children and eases the pressure of moving schools.

The Governors are actively involved in many aspects of the Foundation's activities as well as their usual functions of overseeing the strategy of the Foundation and the implementation of the Foundation's aims. The relationship between the Governors and the Foundation's senior executive team continues to be very positive and constructive.

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2025

FINANCIAL REVIEW

Results for the year

The total net income for the year was £22.6m (2024: £23.2m) and expenditure of £23.3m (2024: £23.1m), resulting in an operating deficit, before investment gains, of £664,869 (2024: surplus £172,288), which translates into a decrease in operating cash outflow of £799,504 and a decrease in fund balances of £454,349 (2024: increase £704,370) at the year end. The Foundation's funding came from cash generated from fee income and the fees in advance scheme that the Foundation operates. Of the cash flow generated, £305,820 repaid bank loans and £258,432 funded capital items.

In the year to August 2025 there were exceptional costs incurred in relation to the discontinued operations of £617k. There were other redundancy costs in the Senior School in relation to reducing costs in light of VAT being introduced.

With VAT being introduced on school fees, the Foundations became VAT registered in November 2025 and as such, comparison to the previous years on costs and income may be slightly misleading in the first year.

Reserves Policy

It is the Governors' policy not to accumulate and retain funds but to spend, wisely, the available cash on maintenance, and on enhancement of the Foundation school's facilities. Such enhancements usually involve significant capital sums and are therefore normally only undertaken as and when funds on a sufficient scale, built up over a number of years, become available. This policy means the Foundation does not hold a large reserve for any length of time. Moreover, as the fees are paid in advance and the short-term flow of income and expenditure is relatively predictable, the Foundation does not, as a matter of policy, hold reserves to cover say a whole term's operating costs.

The Foundation's total reserves of £17,537,347 at the year-end included £2,001,722 restricted funds and £15,535,625 unrestricted funds. Included in the reserves is a permanent endowment fund of £1,695,739, which is subject to specific conditions by donors that the capital must be maintained by the Charity.

The Foundation has no free reserves at the balance sheet date due to the investment of funds in tangible fixed assets, largely buildings for use within the Foundation. However, the Governors regularly examine the Foundation's cash flows alongside the development plans for the future and are satisfied that they are adequate for the purpose of meeting its working capital requirements, by careful management of short-term liquid reserves, and that they will also cover strategic capital expenditure when complimented with an appropriate amount of loan finance. This has been reviewed in light of the pandemic and given the current climate the Governors are satisfied with the level of reserves held, however this will continue to be reviewed at F&GP meetings.

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2025

SECTION 172 STATEMENT

The Directors, who are the Trustees/Governors of the Foundation, confirm that in accordance with Section 172 of the Companies Act they act in a way that they would consider be most likely to achieve the purposes of the schools. In making this assessment the Directors have considered the following:

1) The likely consequences of any decision in the long term

The long-term position of the Foundation is considered by the Directors as set out in the Going Concern section. The Directors review annual budgets and termly management accounts at the F&GP Committee meeting and Full Governors meeting.

2) The Interests of the Foundation's employees

The Foundation values its staff highly and recognises that it can only be successful with the support and loyalty of its staff members. The educational outcomes and experience of the pupils is dependent upon the stability and quality of the staff body. The Heads of the Schools are responsible for communicating with and supporting their respective staff body, and in turn they are supported by the Head/CEO, Bursar and Director of Finance and HR, along with a centralised HR Department that monitors staff wellbeing and engagement.

The Governors receive regular reports on staff matters through the respective Heads' termly reports and all Governors conduct visits to school where opportunity is made for direct staff engagement.

All staff were involved in the early stages of the strategic plan development, and all are updated on the plan and priorities at the start of each academic year.

The Foundation has complied with the UK's Equality Act 2010 (Gender Pay Gap Information) Regulations that came into effect in April 2017, and the report is available on the website.

3) The need to foster the Foundation's relationships with suppliers, customers and others

Fostering a successful and positive relationship with the pupils and parents of the Foundation is key to the success of the Foundation. Parental engagement is maintained via weekly newsletters and during the year there are several parent events where they have the opportunity to meet staff both socially and to discuss pupil progress. This culminates in an annual Prizegiving/Visitation Day at the end of term where parents have the opportunity to reflect on the year's successes and academic achievements.

All suppliers are treated fairly and promptly with their business terms being adhered to.

4) The impact of the Foundation's operations on the community and environment

See page 8 and 9 for partnership links.

The Foundation is complying with the Streamlined Energy and Carbon Reporting (SECR) requirements, and the details are on page 15 below.

5) The desirability of the Foundation maintaining a reputation for high standards of business conduct

The Foundation's bribery and whistleblowing policies, as approved by the Governing Body, set out the responsibilities for staff to report any incidents or suspicion of fraud, bribery or corruption arising in the course of their work to cooperate fully with any such investigations.

6) The need to act fairly as between members of the company

All Governors and senior staff complete an annual Conflicts of Interest and Related Party form. There have been no incidents reported of inappropriate relationships.

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2025

Streamlined Energy and Carbon Report

With regards to the energy and carbon usage, during the year the total energy use by the Foundation for the year ended 31 August 2025 was for gas 3,490,349 kwh and for electricity 1,140,149 kwh. This equates to 82 tonnes less CO₂e which is equivalent of an 9.8% decrease on last year's figures. This reduction is again extremely pleasing and is testament to the Foundations ongoing drive to reduce our carbon footprint.

Over the past year, the Foundation has continued on the pathway to reduce our carbon footprint. This has included finalising the project to install new DACHS Gen2 CHP systems and boilers in the four boarding houses that has resulted in a significant reduction in gas usage. The aging and inefficient boiler system that feeds the Art and DT departments along with the Gilbert teaching block has also been replaced with more energy efficient units that are also hydrogen compatible. Lighting in all classrooms across the schools has now been updated to LEDs which, in addition to being more energy efficient, also provide a better quality of light for teaching and learning. The next phase of the programme is to replace the three aging boiler systems that provide heat and hot water in School House with a single and significantly more efficient system. We will also continue the window replacement and insulation programme based on the results of the thermal imaging survey results.

FUTURE PLANS

The Governors and the Senior Leadership Team held a strategy day in November 2025 to look at the longer-term strategy of the Foundation post VAT and looking at the changing landscape and risks to the sector. This work will help to determine the ongoing vision and strategy for the Schools and will be a focus for implementation over the coming terms.

We acknowledge the significant challenges and evolving landscape within the independent schools sector and remain committed to building a clear pathway for the Foundation to successfully navigate these changes with the support of the Executive Team.

As part of this work, and with capital available for investment from the realisation of the St Hilda's site, the School has plans to enhance facilities for creative arts and sport in the coming years, which will be supported by a fundraising campaign.

Going Concern

The current biggest risk to the Foundation is fee affordability impacting the pupil pipeline. The Governors have reviewed the forecasts for the Foundation and the going concern report in some detail, prepared by the Foundation Leadership Team, and are confident that the Foundation has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the Foundation's ability to continue as a going concern. In addition to normal school activities, it is anticipated that the St Hilda's site will be disposed during the year and there will be cash proceeds from this that further strengthens this position. The accounts have therefore been prepared on the basis that the Foundation is a going concern.

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2025

TRUSTEES RESPONSIBILITIES STATEMENT

The members of the Governing Body (who are also the Directors of the charitable company for the purpose of company law) are responsible for preparing the Annual Report and the financial statements for each financial year in accordance with applicable law and FRS102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

Under company law the Governing Body members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governing Body members are required to:

- select the most 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 the applicable Financial Reporting Standard has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The members of the Governing Body are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Governing Body of The Aldenham Foundation, including, in their capacity as company directors, the Strategic Report contained therein, and signed on its behalf by:



Sarah Altman

Chair of Governing Body

Dated: 9th December 2025

THE ALDENHAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM FOUNDATION

Opinion

We have audited the financial statements of the Aldenham Foundation ('the charitable company') and its subsidiaries ('the group') for the year ended 31 August 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and the charitable company's affairs as at 31 August 2025 and of the group's 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and Safety legislation, Taxation legislation and Employment legislation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM FOUNDATION

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

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

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

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

Use of our report

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



Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of

Crowe U.K. LLP
Statutory Auditor
London

Date: 16 December 2025

THE ALDENHAM FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2025 (Including Income and Expenditure account)

	Notes	Continuing Operations		Discontinued Operations		Total 2025 £	Total 2024 £
		Unrestricted funds £	Restricted funds £	Unrestricted funds £	Restricted funds £		
INCOME							
School Fees		18,337,339	-	1,699,102	-	20,036,441	20,447,435
Ancillary income		1,782,819	-	84,584	-	1,867,403	2,057,437
	3	20,120,158	-	1,783,686	-	21,903,844	22,504,872
Donations and Legacies	2	13,420	79,905	-	8,338	101,663	157,306
Investments		174,438	-	-	-	174,438	148,671
Rents and lettings		62,797	-	879	-	63,676	82,305
Other activities	4	23,654	-	11,960	-	35,614	17,992
Other trading activities	21	337,061	-	-	-	337,061	335,239
		611,370	79,905	12,839	8,338	712,452	741,512
TOTAL INCOME		20,731,528	79,905	1,796,525	8,338	22,616,296	23,246,384
EXPENDITURE							
Raising funds							
Costs of financing and generating funds	5	376,942	-	-	-	376,942	495,579
Trading Expenditure	21	202,822	-	-	-	202,822	209,202
		579,764	-	-	-	579,764	704,781
Charitable Activities							
Expenditure on education	5	20,085,386	64,203	2,543,474	8,338	22,701,401	22,369,315
TOTAL EXPENDITURE		20,665,150	64,203	2,543,474	8,338	23,281,165	23,074,096
Operating (deficit)/surplus		66,378	15,702	(746,949)	-	(664,869)	172,288
Net gains/(losses) on investments	10	200,967	9,553	-	-	210,520	532,082
NET (DEFICIT)/INCOME		267,345	25,255	(746,949)	-	(454,349)	704,370
Net Movement in funds		267,345	25,255	(746,949)	-	(454,349)	704,370
Fund Balances at 1 September 2024		16,015,228	1,976,467	-	-	17,991,695	17,287,325
FUND BALANCES AT 31 AUGUST 2025		16,282,573	2,001,722	-	-	17,537,346	17,991,695

Aldenham uses the exemption conferred by section 408 of the Companies Act 2006 in not preparing a separate Income and Expenditure account for the separate entities.

Included within the balance brought forward on restricted funds is a permanent endowment of £1,695,739 (Note 15)

The notes on pages 23 to 40 form part of these financial statements.

THE ALDENHAM FOUNDATION

CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2025

	Notes	GROUP 2025 £	GROUP 2024 £	FOUNDATION 2025 £	FOUNDATION 2024 £
Fixed assets					
Tangible assets	9	19,466,300	20,753,446	19,466,300	20,753,446
Investment Assets	10	4,754,902	4,544,382	4,405,102	4,194,582
		<u>24,221,202</u>	<u>25,297,828</u>	<u>23,871,402</u>	<u>24,948,028</u>
Current assets					
Debtors	11	7,606,723	1,247,925	8,062,642	1,551,545
Cash at bank and in hand		4,872,420	5,671,924	4,729,402	5,607,091
		<u>12,479,143</u>	<u>6,919,849</u>	<u>12,792,044</u>	<u>7,158,636</u>
Creditors: amounts falling due within one year	12	<u>(13,190,884)</u>	<u>(6,758,649)</u>	<u>(13,135,830)</u>	<u>(6,633,794)</u>
Net current liabilities		<u>(711,742)</u>	<u>161,200</u>	<u>(343,786)</u>	<u>524,841</u>
Total assets less current liabilities		<u>23,509,460</u>	<u>25,459,028</u>	<u>23,527,616</u>	<u>25,472,869</u>
Creditors: amounts falling due after more than one year	13	<u>(5,972,113)</u>	<u>(7,467,334)</u>	<u>(5,972,113)</u>	<u>(7,467,334)</u>
NET ASSETS		<u>17,537,346</u>	<u>17,991,695</u>	<u>17,555,503</u>	<u>18,005,535</u>
Endowment funds	15	1,695,739	1,695,739	1,695,739	1,695,739
Restricted funds	16	305,983	280,728	305,983	280,728
Total restricted funds		<u>2,001,722</u>	<u>1,976,467</u>	<u>2,001,722</u>	<u>1,976,467</u>
Unrestricted funds					
General funds	17	15,535,624	16,015,227	15,553,781	16,029,068
Total unrestricted funds		<u>15,535,624</u>	<u>16,015,227</u>	<u>15,553,781</u>	<u>16,029,068</u>
TOTAL FUNDS	17	<u>17,537,346</u>	<u>17,991,695</u>	<u>17,555,503</u>	<u>18,005,535</u>

The result of the Group for the year ended 31 August 2025 was a deficit of £454,349 (2024: £704,370 surplus) and for the Foundation was a deficit of £450,032 (2024: Surplus of £704,446). The accounts were approved and authorised for issue by the Board of Governors on the 9th of December 2025.



S Altman
Governor



D Tidmarsh
Governor

The accompanying notes on pages 23 to 40 form an integral part of these financial statements.

THE ALDENHAM FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	2024 £
Net cash inflow from operating activities	18	1,726,446	1,733,958
Cash flows from investing activities:			
Investment income		174,438	148,671
Payments to acquire tangible fixed assets		(258,432)	(764,679)
Financing costs		(347,616)	(425,048)
Net cash used in investing activities		(431,610)	(1,041,056)
Cash flows from financing activities:			
Repayment of long-term bank loan		(305,820)	(272,559)
Monies deposited into the Advance Fee Scheme		469,199	2,442,883
Monies refunded from the Advance Fee Scheme		(496,481)	
Amounts utilised from Advance Fee Scheme		(1,761,239)	(859,507)
Net cash used in financing activities		(2,094,341)	1,310,817
Change in cash and cash equivalents in the reporting period		(799,504)	2,003,719
Cash and cash equivalents at the beginning of reporting period		5,671,924	3,668,205
Cash and cash equivalents at the end of reporting period		4,872,420	5,671,924

The notes on pages 23 to 40 form part of these financial statements.

THE ALDENHAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

The Aldenham Foundation is constituted as a company limited by guarantee, without a share capital, registered in England, No. 01847134, and is registered with the Charity Commission under Charity No. 298140. The Foundation's principal activity is the advancement of education of children and students in the United Kingdom and elsewhere such education to be consistent with the doctrines of the Church of England.

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention 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). The governors have given due regard to the guidance on public benefit issued by the Charity Commission.

The Governors have reviewed the forecasts up to August 2027 taking into account continuing cost pressures and the impact of VAT, and are satisfied that the revised budget and cashflows produced are realistic. The current biggest risk to the Foundation remains fee affordability by the introduction of VAT on school fees and the pupil pipeline. The closure of St Hilda's School has been presented above as discontinued operations on the SOFA.

The Governors are confident that, despite the potential reduction in pupil numbers for the sector as a whole the Foundation has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the Foundation's ability to continue. The accounts have therefore been prepared on the basis that the Foundation is a going concern. The various committees meet on a termly basis and routinely discuss pupil numbers and results

Basis of consolidation

The group financial statements consolidate the results of The Aldenham Foundation and the Foundation's subsidiaries, Aldenham Enterprises Limited and Aldenham Schools Holdings Ltd.

No separate Statement of Financial Activities for the individual entities have been presented, as permitted by s406 of the Companies Act 2006. The gross income of the Foundation was £22,616,296 (2024: £23,246,384). The movement in funds (net income) of the Foundation was -£440,849 (2024: £704,370).

1.2 Income

School fees are accounted for in the period in which the service is provided. Fees receivable are before deduction for bursaries and scholarships granted by the school. Fee income received in advance is deferred.

Voluntary income, including donations, gifts and legacies are recognised when there is entitlement, probability of receipt and if the amount can be measured with sufficient reliability. Such income is only deferred when either the donor specifies that the grant or donation can only be used in a future accounting period, or if the donor has imposed conditions that must be met before the charity has unconditional entitlement.

Investment income and other incoming resources are recognised on a receivable basis.

Government grants are recognised on the performance model, when the schools have complied with any conditions attaching to the grant and the grant will be received.

1.3 Expenditure

Resources expended are recognised in the period in which they are incurred with liabilities being recognised where there is a legal or constructive obligation to pay.

Resources expended are allocated to a particular activity where the costs relate directly to that activity. Resources expended have been allocated on the basis indicated below:

1.3 Expenditure (Continued)

- Charitable activities: These are costs directly attributable to the operation of the school.
- Governance costs: These include the cost of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the charitable activity. This includes such items as external audit and costs associated with constitutional and statutory requirements.
- Raising funds include all direct fundraising expenditure associated with running the development office.
- Support costs: These include all the costs relating to the management, administration and running the central functions of the school.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	not depreciated
Freehold buildings	up to 50 years
Sports pitch and equipment	4-10 years
Fixtures, fittings and equipment	3-10 years
Motor vehicles	4 years

All expenditure over £5,000, or £500 for IT costs, is identified as a new tangible fixed asset or as an improvement to an existing tangible fixed asset and is capitalised. Where on review an impairment of a fixed asset is identified, the value of the fixed asset is reduced or eliminated in line with the review. All tangible fixed assets are regarded as operational assets.

1.5 Stock

Stock is carried at the lower of cost and net realisable value.

1.6 Leasing

Rentals payable under operating leases are charged against income 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.

1.7 Investments

Investments are stated at market value and any gain or loss on revaluation or on disposal of fixed asset investments is taken to the Statement of Financial Activities.

1.8 Pensions

The Aldenham Foundation, along with many other schools, contributes to the defined benefit scheme operated by the Government Teachers Pension Agency and known as the Teachers' Pension Scheme. The Teachers' Pension Scheme is a multi-employer scheme as defined in the transitional arrangements of FRS102 and accordingly, the schools are required to treat the scheme as a defined contribution scheme.

The regular cost of providing retirement pensions and related benefits is charged to the Statement of Financial Activities over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the Statement of Financial Activities and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

The Aldenham Foundation also contributes to one externally invested defined contribution scheme for staff who are not eligible for the Teachers' Pension scheme and the pension costs charged to the statement of financial activities represent the contributions payable by the charity during the year. In addition, The Aldenham Foundation contributes to personal pension schemes for two employees pre-dating the introduction of the school's own defined contribution scheme.

1.9 Accumulated Funds

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity. Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

The Governors may designate monies held by the charity for specific purposes, particularly when building up funds for investment by the charity into further educational facilities and projects and additional bursarial funds, in order to have resources available to provide assistance to those who would otherwise be unable to attend the school.

Unrestricted funds are school fees, donations and other incoming resources received or generated for charitable purposes.

1.10 Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value and based upon market valuation at that date. Financial assets held at amortised cost comprise cash at bank and in hand, together with parent and other debtors.

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 all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

The value of financial assets held at fair value at year end totalled £4,754,902 (2024: £4,194,582).

1.11 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the accounting policies, the Governors are required to make judgements, 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 accounting policies have been applied consistently in dealing with items which are considered material in relation to the Foundation's financial statements.

2 Donations and Legacies

Name of donor	Restricted	Unrestricted	Total £ 2025	Total £ 2024
Richard Platt Foundation	27,310	-	27,310	25,380
ASWMEF	9,000	-	9,000	9,000
Martineau's Trust	12,707	-	12,707	11,787
Brewers Company	18,000	-	18,000	18,000
GCT	1,075	13,420	14,495	86,639
Other donations and gifts	20,150	-	20,150	6,499
	88,243	13,420	101,663	157,305

3 School Fees and Ancillary Income

	Continuing Operations	Discontinued Operations	Total 2025	Total 2024
Gross Fees	20,191,532	1,729,888	21,921,420	22,218,270
Less: bursaries and scholarships	(1,905,560)	(30,786)	(1,936,346)	(1,833,612)
Net Fees	18,285,972	1,699,102	19,985,074	20,384,658
Add Back: Bursaries/scholarships paid by restricted funds	51,367	-	51,367	62,777
	18,337,339	1,699,102	20,036,441	20,447,435

4 Other Activities

A grant was received from the Ministry of Defence for the school's Combined Cadet Force and will be used to fund facilities for their use. Money was also raised by St Hilda's PTA and was used to fund some activities for the pupils and staff at the school in their closing celebrations.

THE ALDENHAM FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

5 Expenditure	Foundation						Total 2025 £	Total 2024 £
	Continuing Operations			Discontinued Operations				
	Staff costs £	Other costs £	Depreciation £	Staff costs £	Other costs £	Depreciation £		
5a Charitable activities								
Educational activities	9,527,402	2,647,907	500,396	1,409,791	136,283	20,544	14,242,323	14,022,892
Welfare (including catering)	402,644	1,465,901	-	-	238,210	-	2,106,755	2,056,428
Premises	828,433	1,510,376	985,086	95,088	133,629	39,552	3,592,164	3,889,588
Support costs of schooling	1,539,767	669,137	-	411,004	67,710	-	2,687,618	2,323,203
Grants, awards and funded resources (Note 5b)	-	72,541	-	-	-	-	72,541	77,205
	12,298,246	6,365,862	1,485,482	1,915,883	575,832	60,096	22,701,401	22,369,315
Cost of generating funds								
Development office	18,923	10,402	-	-	-	-	29,325	70,529
Bank loan interest and charges	-	347,616	-	-	-	-	347,616	425,049
Investment management fees	-	-	-	-	-	-	-	-
AEL/ASH Trading expenses	41,779	161,044	-	-	-	-	202,823	209,202
	60,702	519,062	-	-	-	-	579,764	704,781
Total Expenditure	12,358,948	6,884,924	1,485,482	1,915,883	575,832	60,096	23,281,165	23,074,096

5b Grants, awards and funded resources - Continuing Operations

	Total 2025 £	Total 2024 £
Bursaries and Scholarships	51,367	54,482
Prizes	449	411
Direct Teaching resources	20,725	22,311
	72,541	77,204

6 Support costs

	Continuing Operations	Discontinued Operations	Total 2025 £	Total 2024 £
Salaries	1,404,267	411,004	1,815,271	1,442,145
Staff recruitment, travel and training	33,582	798	34,380	36,835
Communications & Network	187,128	27,312	214,440	237,217
Telephone, postage, printing, stationery	46,826	8,459	55,285	72,674
Miscellaneous admin. Costs	368,700	27,016	395,716	361,445
Governance Costs	168,401	4,125	172,526	172,887
	2,208,903	478,714	2,687,617	2,323,203

The total support salary costs is £2,012,771 however some staff costs are allocated into the Governance costs for the Bursar and the Head of Foundation.

7 Operating Profit

This is arrived at after charging the following:

	Continuing Operations	Discontinued Operations	Total 2025 £	Total 2024 £
Depreciation	1,485,482	60,096	1,545,578	1,488,305
Operating Lease Expenses	250,193	2,530	252,723	302,673
Fees payable to the company's auditor for audit fees	39,349	4,125	43,474	49,080
Fees payable to the company's auditor for other services			-	8,154
	1,775,024	66,751	1,841,775	1,848,212

8 Number of employees

The average monthly number of employees during the year was:

	Continuing Operations	Discontinued Operations	Total 2025 Number	Total 2024 Number
Teaching staff	169	15	184	181
Fundraising and publicity	5	-	5	4
Management and support staff	66	21	87	94
	240	36	276	279

Employment costs

	Continuing Operations	Discontinued Operations	Total 2025 £	Total 2024 £
Wages and salaries	9,018,860	1,258,176	10,277,036	10,082,730
Social security costs	1,074,013	146,024	1,220,037	1,066,624
Other pension costs	1,967,330	224,625	2,191,955	1,943,758
	12,060,203	1,628,825	13,689,028	13,093,112
Payments made to peripatetic staff working at the school	63,738	3,380	67,118	81,068
Other staff costs	235,007	283,678	518,685	208,013
	12,358,948	1,915,883	14,274,831	13,382,193

The number of employees whose annual taxable emoluments were £60,000 or more were:

	Total 2025	Total 2024
£60,000 - £70,000	37	28
£70,000- £80,000	9	7
£80,000- £90,000	6	4
£90,000- £100,000	1	0
£100,000 - £110,000	0	1
£110,000 - £120,000	0	1
£120,000 - £130,000	1	0
£140,000 - £150,000	1	0
£170,000 - £180,000	1	1
£180,000 - £190,000	1	0

The aggregate amount of total employee salary and benefits for the Key Management Personnel/Foundation's Leadership Group (FLG) was £1,059k (2024: £871k). This amount included PILON and redundancy costs of £154k (2024 £75k). The FLG do have other teaching and support responsibilities.

All but 2 (2024: 2) of these employees are members of the defined benefit pension scheme. Those not included are members of the defined contribution pension scheme and employer payments of £21k were made on their behalf.

9 Tangible fixed assets

Group							
	Land and buildings	Assets under construction	Sports pitch and equipment	Library	Fixtures, fittings & equipment	Motor Vehicles	Total
	£	£	£	£	£	£	£
Cost							
At 1 September 2024	28,313,260	172,056	1,474,208	25,000	5,343,076	367,661	35,695,261
Transfers	(6,905)	(172,056)	178,961	-	-	-	-
Additions	-	-	55,300	-	145,733	57,398	258,432
Disposals	(25,148)	-	(50,975)	-	(448,376)	(24,990)	(549,489)
At 31 August 2025	28,281,207	-	1,657,494	25,000	5,040,434	400,069	35,404,204
Depreciation							
At 1 September 2024	(9,976,137)	-	(968,342)	-	(3,781,608)	(215,726)	(14,941,813)
Transfers	2,339	-	(2,339)	-	-	-	-
Eliminated on disposal	25,148	-	50,975	-	448,376	24,990	549,489
Charge for the year	(1,023,375)	-	(91,432)	-	(364,891)	(65,881)	(1,545,578)
At 31 August 2025	(10,972,024)	-	(1,011,138)	-	(3,698,124)	(256,616)	(15,937,902)
Net book value							
At 31 August 2024	18,337,123	172,056	505,866	25,000	1,561,467	151,934	20,753,446
At 31 August 2025	17,309,184	-	646,356	25,000	1,342,310	143,450	19,466,300

The Aldenham Foundation							
	Land and buildings	Assets under construction	Sports pitch and equipment	Library	Fixtures, fittings & equipment	Motor Vehicles	Total
	£	£	£	£	£	£	£
Cost							
At 1 September 2024	28,313,260	172,056	1,474,208	25,000	5,321,875	367,661	35,674,059
Transfers	(6,905)	(172,056)	178,961	-	-	-	-
Additions	-	-	55,300	-	145,733	57,398	258,432
Disposals	(25,148)	-	(50,975)	-	(448,376)	(24,990)	(549,489)
At 31 August 2025	28,281,207	-	1,657,494	25,000	5,019,232	400,069	35,383,002
Depreciation							
At 1 September 2024	(9,976,137)	-	(968,342)	-	(3,760,407)	(215,726)	(14,920,612)
Transfers	2,339	-	(2,339)	-	-	-	-
Eliminated on disposal	25,148	-	50,975	-	448,376	24,990	549,489
Charge for the year	(1,023,375)	-	(91,432)	-	(364,891)	(65,881)	(1,545,578)
At 31 August 2025	(10,972,024)	-	(1,011,138)	-	(3,676,922)	(256,616)	(15,916,701)
Net book value							
At 31 August 2024	18,337,123	172,056	505,866	25,000	1,561,467	151,934	20,753,446
At 31 August 2025	17,309,184	-	646,356	25,000	1,342,310	143,452	19,466,300

THE ALDENHAM FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

10 Fixed asset investments

	Group		Aldenham Foundation	
	Total 2025 £	Total 2024 £	Total 2025 £	Total 2024 £
Investment in subsidiary: Aldenham Enterprises Ltd	-	-	100	100
Investment in subsidiary: Aldenham Schools Holdings	-	-	100	100
Investment in subsidiary: Aldenham Schools Holdings	350,000	350,000	-	-
Listed investments:				
Market value at 1 September 2024	4,194,382	3,662,300	4,194,382	3,662,300
Additions at cost	-	-	-	-
Additions: dividends and interest received reinvested	-	-	-	-
Deductions: investment management fees	-	-	-	-
Movement on valuation in year	210,520	532,082	210,520	532,082
Market value at 31 August 2025	4,404,902	4,194,382	4,404,902	4,194,382
TOTAL	4,754,902	4,194,382	4,405,102	4,194,582
Historical cost of investments:				
At 31 August 2025	2,927,644	2,927,644	2,927,644	2,927,644
At 31 August 2024	2,927,644	2,927,644	2,927,644	2,927,644

The Foundation's investments are managed by Sarasin Investment Fund Limited. The funds are held in Alpha CIF for Endowments.

The Foundation owns 100% of Aldenham School Holdings who in turn have a 40% shareholding in Aldenham Education DMCC, based in Dubai. The investment was moved from an Intercompany debtor to investments during the year.

11 Debtors

	Group		Aldenham Foundation	
	Total 2025 £	Total 2024 £	Total 2025 £	Total 2024 £
Parent and trade debtors	6,215,931	346,203	6,115,330	155,091
Other debtors	229,109	100,806	204,173	100,680
Prepayments	1,161,683	800,916	1,161,683	800,916
Amounts due from fellow subsidiaries	-	-	581,456	494,858
	7,606,723	1,247,925	8,062,642	1,551,545

The substantial difference between parent debtors between 2025 and 2024 was due to the introduction of VAT and invoices being raised in August 2025. The corresponding deferred income is recognised in creditors on the balance sheet and the output VAT is also a creditor on the balance sheet. Ongoing the variance will be reflective of this new presentation and will not generate a substantial variance.

THE ALDENHAM FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

12 Creditors: amounts falling due within one year

	Group		Aldenham Foundation	
	Total 2025	Total 2024	Total 2025	Total 2024
	£	£	£	£
Bank loans	440,607	440,607	440,607	440,607
Taxes and social security costs	380,412	261,402	380,412	261,401
Other creditors and accruals	7,300,798	1,031,246	7,267,300	1,014,028
VAT Liability	1,251,814	-	1,243,635	-
Trade creditors	963,172	522,997	949,795	415,361
Refundable deposits	1,440,778	1,455,333	1,440,778	1,455,333
Fees in advance	308,370	1,343,010	308,370	1,343,010
Advance fee scheme	1,104,933	1,704,054	1,104,933	1,704,054
Intercompany	-	-	-	-
	13,190,884	6,758,649	13,135,830	6,633,794

Bank Loans

The bank loan is the capital amount due within one year

Other creditors and accruals

Included in this figure is the deferred income as mentioned in note 11, of deferred income of £6,477,728 for billing for the following academic year.

Refundable deposits

Deposits are placed when pupils join the school and credited against fees and disbursements for their last term.

Fees in advance

Fees in advance reflect advance payments of school fees for the forthcoming year,

Advance fee scheme

Parents may enter into a contract to pay to the school multiple years' fees in advance. The advance fee creditor represents the school's liability under the contracts. The movements in the year were:

	Total 2025	Total 2024
Balance as at 1 September 2024	3,920,692	2,337,316
Monies deposited into scheme	(496,481)	2,442,883
Monies refunded from the scheme	469,199	-
Amounts utilised in payment of fees	(1,761,239)	(859,507)
Total advance fee creditor at 31 August 2025	2,132,171	3,920,692
Utilised within 1 year	1,104,933	1,704,054
Utilised in more than 1 year	1,027,238	2,216,638
	2,132,171	3,920,692

The amount refunded from the Advance Fee Scheme was in the main as a result of the closure of St Hilda's School.

13 Creditors: amounts falling due after more than one year

	Group		Aldenham Foundation	
	Total 2025 £	Total 2024 £	Total 2025 £	Total 2024 £
Total > 1 year	5,972,113	7,467,334	5,972,113	7,467,334
Bank Loans	4,944,875	5,250,696	4,944,875	5,250,696
FIA > 1YR	1,027,238	2,216,638	1,027,238	2,216,638
Other creditors and accruals	-	-	-	-
	5,972,113	7,467,334	5,972,113	7,467,334
Loan maturity analysis				
Debt due in one year or less	440,607	440,607	440,607	440,607
In more than one year but not more than two years	440,607	440,607	440,607	440,607
In more than two years but not more than five years	1,321,821	1,321,821	1,321,821	1,321,821
In more than five years	3,182,447	3,488,268	3,182,447	3,488,268
	5,385,482	5,691,303	5,385,482	5,691,303

Bank Loans

The bank loans are secured on the freehold land and buildings at the School. The loans outstanding at 31 August 2025 secured on Aldenham School represents 31% of the carrying value of the land and buildings of the schools.

A new bank loan agreement was signed on the 29th of November 2019 to fund the build of the building of the Prep School. The loan is to be repaid over a 15-year period commencing September 2021. The rate agreed is 1.39% over base rate. The final amount of the total amount borrowed was £6,609,108 and with amortised interest the total commitment of the loan is £7,374,314 at today's rates. The loan can be repaid at any time without penalty. The interest element is written off as an expense in the SOFA, and the above refers to the capital element only.

Advance fee scheme

Parents may enter into a contract to pay to the school multiple years' fees in advance. The advance fee creditor represents the school's liability under the contracts, to be utilised > 1 year. The movements in the year are detailed in note 12.

14 Pension and other post-retirement benefit commitments

The Foundation participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,837,470 (2024: £1,633,749) and at the year-end £210,473 (2024: £206,044) was accrued in respect of contributions to this scheme, included within taxes and social security costs in creditors.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023. The Valuation Report shows notional assets of £222.2bn and liabilities of £262bn, resulting in a scheme deficit of £39.8bn.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

For employees not eligible for the Teachers' Pension scheme, the Foundation contributes to a direct contribution scheme run by AVIVA (the Norwich Union) and investing in AVIVA (Norwich Union Pension funds). The minimum employee contribution for those who have not opted out is 5% and the Foundation's contribution is 10%. During the year the Foundation contributed £358,411 (2024: £309,590) into the scheme and at the year-end there were no contributions remaining outstanding (2024: Nil). These amounts include charges and liabilities relating to the Foundation's auto-enrolment arrangements that applied with effect from 1 April 2014.

THE ALDENHAM FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

15 Endowment funds

The permanent endowment fund is represented by the land and buildings detailed in part 1 of the Charity Commission Scheme sealed on 27 November 1995. The value of the fund at 31 August 2025 and 31 August 2024 was £1,695,739.

16 Restricted Funds

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

Fund	Balance at 1 Sept 2024	Incoming resources	Resources expended	Investment gains/losses	Transfers	Balance at 31 August 2025
	£	£	£	£	£	£
Jukes Fund	190,336	-	-	9,553	-	199,889
Aldenham School General Charitable Trust	0	1,075	(1,075)	-	-	-
Sundry Donations Received	-	20,150	(20,150)	-	-	-
Brewers Company General Charitable Trust						
Annual Fund	26,916	18,000	(18,319)	-	-	26,597
Whitbread Fund	199	-	-	-	-	199
Richard Platt Foundation	40,346	27,310	(21,389)	-	-	46,268
ASWMEF	-	9,000	(9,000)	-	-	-
Martineau's Trust - Prizes	-	449	(449)	-	-	-
Martineau's Trust - Scholarships	1,379	3,632	(2,159)	-	-	2,852
Martineau's Trust - General Fund	21,552	8,626	-	-	-	30,178
	280,728	88,243	(72,541)	9,553	-	305,983

Donations received from Aldenham Foundation General Charitable Trust (AFGCT) totalling £14,495, £13,000 funded a bursary for a pupil and the remainder funded departmental resources, of which £1,075 was received into AFGCT for restricted purposes. The total bursaries and scholarships funded by donations totalled £51,367.

- The Jukes Fund represents a legacy to be used for pupil scholarships and bursaries where the parents of existing pupils fall into financial difficulty (as a result of illness or redundancy, or for any other such reason which the Governors deem necessary).
- The Brewers Bursary Fund represents an historical sum received from The Aldenham School General Charitable Trust which is to be used in providing pupil bursaries for larger or longer-term bursaries at the Headmaster's discretion.
- The Brewer's Company, Martineau's Trust funds are restricted funds that are restricted for 3 different uses. The General fund is to be used in the Senior School and it has been agreed that it will benefit Martineau's Junior House.
- The Whitbread Fund is used for 6th form bursaries for pupils, at the Head's discretion, who would not be able to remain in the school to continue their education in the 6th form without financial support.
- The Richard Platt Foundation fund is an endowed fund and the income is distributed to various beneficiaries, of which Aldenham School is one. It is a restricted fund that must be used in the senior school.
- The Aldenham School War Memorial Educational Fund or "ASWMEF", was a fund set up at the end of World War 1, and is a fund used for bursaries.

THE ALDENHAM FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

17 Analysis of net assets between funds

Fund balances as at 31 August 2025 are represented by:

	Group			Total	2024 £
	2025	2025	2025		
	Unrestricted	Restricted	Endowment		
Tangible assets	17,770,561	0	1,695,739	19,466,300	20,753,446
Investments	4,555,013	199,889	0	4,754,902	4,544,382
Other net current liabilities	(817,836)	106,094	0	(711,742)	161,200
Creditors: amounts falling due > than 1 year	(5,972,113)	0	0	(5,972,113)	(7,467,334)
	15,535,625	305,983	1,695,739	17,537,346	17,991,694

	Aldenham Foundation			Total	2024 £
	2025	2025	2025		
	Unrestricted	Restricted	Endowment		
Tangible assets	17,770,561	0	1,695,739	19,466,300	20,753,446
Investments	4,205,213	199,889	0	4,405,102	4,194,582
Other net current liabilities	(449,880)	106,094	0	(343,786)	524,841
Creditors: amounts falling due > than 1 year	(5,972,113)	0	0	(5,972,113)	(7,467,334)
	15,553,781	305,983	1,695,739	17,555,503	18,005,535

18 Net cash inflow from operating activities

	Total 2025 £	Total 2024 £
Reconciliation to net incoming resources:		
Net incoming resources before investment gains	(664,869)	172,288
Investment income	(174,438)	(148,672)
Financing costs	347,616	425,049
Depreciation of tangible fixed assets	1,545,578	1,488,305
Loss on disposal of fixed assets	0	-
(Increase) / decrease in debtors	(6,358,797)	146,255
Increase / (decrease) in creditors	7,031,357	(349,267)
	1,726,446	1,733,958

19 Commitments

The Charity has annual commitments under non-cancellable operating leases as follows:

	2025	2024
	£	£
Within one year	126,634	207,926
Between two and five years	130,150	174,815
Over 5 years	-	1,288
	<u>256,784</u>	<u>384,029</u>

The increase in lease commitments is due to the introduction of surface devices for all pupils. The cost of these are charged onto parents and included in ancillary income.

20 Related party transactions**The Board of Governors**

The Board of Governors of the Foundation did not receive any remuneration during the year. One Governor was reimbursed for expenses where appropriate, totalling £1,915 for travel and accommodation (2024: £1,455).

There were no transactions with parties related to the Board of Governors during the year (2024: £0).

Aldenham School General Charitable Trust ("the Trust")

The Trust is independent of the Foundation but is substantially under the same management. During the year Aldenham Foundation received donations of £16,384 (2024: £86,639) from the Trust.

Aldenham Enterprises Ltd

During the year there were intercompany transactions with Aldenham Enterprises Ltd amounting to £65,081 (2024: £37,969) for salary recharges and other intercompany items. In addition to this the annual profits of £128,554 have been accrued and included in the intercompany debtor balance at the year-end of £213,354 (2024: £130,916).

Aldenham Schools Holdings Ltd

During the year there were intercompany transactions of £4,160 and at year end the intercompany debtor balance was £368,102 which represents the initial loan to Aldenham Schools Holdings Ltd to fund their investment in the overseas Company Aldenham Education Group DMCC.

The registered offices for all the subsidiaries is the same as that of the Aldenham Foundation.

THE ALDENHAM FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

21 Subsidiaries of The Aldenham Foundation

Aldenham Enterprises Limited is incorporated in the United Kingdom (No. 01635965) and is a wholly owned trading subsidiary of The Aldenham Foundation.

Aldenham Schools Holdings Ltd, is a registered company in England, No. 11923888 ("ASH") and is a wholly owned subsidiary of The Aldenham Foundation.

A summary of results for the year and financial position at 31 August 2025 is shown below.

	AEL		ASH	
	2025	2024	2025	2024
	£	£	£	£
Incoming resources	337,060	335,239	-	-
Operating expenditure	(208,506)	(214,127)	(4,316)	(4,224)
Gift aid donation to the Foundation	(128,554)	(121,965)	-	-
Result for year	<u>-</u>	<u>(853)</u>	<u>(4,316)</u>	<u>(4,224)</u>
Assets	267,982	255,422	350,572	350,650
Liabilities	(265,830)	(253,270)	(370,680)	(366,442)
	<u>2,152</u>	<u>2,152</u>	<u>(20,108)</u>	<u>(15,792)</u>
Called up Share Capital	100	100	100	100
Profit and Loss account	2,052	2,052	(20,208)	(15,892)
Total funds	<u>2,152</u>	<u>2,152</u>	<u>(20,108)</u>	<u>(15,792)</u>

The operating expenditure above includes intercompany transactions (see note 20) that are eliminated upon consolidation in the Statement of Financial Activities on page 18 and therefore the figures do not agree on the face of the SOFA.

ASH has a 40% shareholding in Aldenham Education DMCC, and £350,000 of the assets above reflects the investment in Aldenham Education DMCC.

22 Members' Liability

Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £100 each for the debts and liabilities contracted before they ceased to be a member.

THE ALDENHAM FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

23. Consolidated Statement of Financial Activities for the year ending 31st August 2024:

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
INCOME:					
School fees		20,447,435	-	20,447,435	19,622,013
Ancillary income		2,057,437	-	2,057,437	2,008,156
	3	22,504,872	-	22,504,872	21,630,169
Donations and legacies	2	64,653	92,653	157,306	109,765
Investments		148,671	-	148,671	14,361
Rents and lettings		82,304	-	82,304	78,094
Other activities	4	17,992	-	17,992	233,920
Other trading activities	21	335,239	-	335,239	342,687
		648,859	92,653	741,512	778,827
TOTAL INCOME		23,153,731	92,653	23,246,384	22,408,996
EXPENDITURE:					
Raising funds					
Costs of financing and raising funds		495,579	-	495,579	412,037
Trading expenditure	5/21	209,202	-	209,202	221,227
Charitable Activities					
Expenditure on education		22,292,110	77,205	22,369,315	20,661,574
TOTAL EXPENDITURE	5	22,996,891	77,205	23,074,096	21,294,838
Operating surplus/(deficit)		156,840	15,448	172,288	1,114,158
Net gains/(losses) on investments	10	507,937	24,145	532,082	51,563
Net Income/(deficit)		664,777	39,593	704,370	1,165,721
Net movement in funds		664,777	39,593	704,370	1,165,721
Fund balances at 1 September 2023		15,350,451	1,936,874	17,287,325	16,121,604
FUND BALANCES AT 31 AUGUST 2024		16,015,228	1,976,467	17,991,695	17,287,325

THE ALDENHAM FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

24. **Restricted funds 2024:**

GROUP & FOUNDATION (Combined)

Fund	Balance at 1 Sept 2023 £	Income £	Expenditure £	Investment gains £	Balance at 31 August 2024 £
Rodney Fitzgerald Memorial	-				
Jukes Fund	166,191			24,145	190,336
Aldenham Foundation					
General Charitable Trust	-	28,486	(28,486)	-	-
Sundry Donations Received	-	-	-	-	
Brewers Company General					
Charitable Trust-Annual	22,121	18,000	(13,205)	-	26,916
Fund					
Whitbread Fund	199	-	-	-	199
Richard Platt Foundation	34,023	25,380	(19,057)	-	40,346
ASWMEF	-	9,000	(9,000)	-	-
Brewers Co. - Martineau's					
Trust for Prizes	-	411	(411)	-	-
Brewers Co. - Martineau's					
Trust for Scholarships	68	3,326	(2,015)	-	1,379
Brewers Co. - Martineau's-					
General	18,533	8,050	(5,031)	-	21,552
	241,135	92,653	(77,205)	24,145	280,728

Fund balances as 31 August 2024 are represented by:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
GROUP				
Tangible fixed assets	19,057,707	-	1,695,739	20,753,446
Investments	4,354,046	190,336	-	4,544,382
Other net current liabilities	70,808	90,392	-	161,200
Creditors: amounts falling due after more than one year	(7,467,334)	-	-	(7,467,334)
	16,015,227	280,728	1,695,739	17,991,694
FOUNDATION				
Tangible fixed assets	19,057,707	-	1,695,739	20,753,446
Investments	4,004,246	190,336	-	4,194,582
Other net current (liabilities)/ assets	434,449	90,392	-	524,841
Creditors: amounts falling due after more than one year	(7,467,334)	-	-	(7,467,334)
	16,029,068	280,728	1,695,739	18,005,535

THE ALDENHAM FOUNDATION

England & Wales - Charity number 298140

Accounts

**Company Registration No.
01847134
Charity Registration No. 298140**

**THE ALDENHAM FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2024**

THE ALDENHAM FOUNDATION

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THE ALDENHAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Governors/Directors The Directors of the Company, and their committee duties, are as below. All are members of the Governing Body and Trustees of the Charity.

Committees 23-24						
Full Governing Body: Names	Finance & General Purposes	Education	Estates	Audit	Governance	Remuneration
Altman, Mrs S (Chair)	○	○	○	●	●	●
Bryer, Mr R (Appointed September 2022)			☒			
Clifford, Mrs C	●					
Cuttell, Mrs F *****				●		
Hawdon, Dr J ***						
Hudson, Ven C J		●				
Hunter, Mr A		●				
James-Crook, Mr J		●	●			
Lambert, Cllr D * / **			●			
Phillips, Mr A	●			☒		
Rees, Mr C	●					
Ms H Simmons ***** (Retired July 24)		●				
Mr T C Sligo-Young	☒					●
Smart, Prof K (Upper Warden) *****						
Thomas, Mrs H (Retired July 24)						
Tindal, Cdre N					●	
Mr D T Tidmarsh		☒			☒	☒
Mr T F Wells			●			

- ☒ = Chair of that Committee
 ● = Member of Committee
 ○ = In attendance at the Committee meetings, but not a member

- * Governor Responsible for Aldenham Prep School
 ** Local Authority Designated Governor
 *** Safeguarding Designated Governor for the Foundation
 **** Governor Responsible for S Hilda's School
 ***** Governor Responsible for Aldenham Senior School and Boarding
 ***** Honary Governor during 12 month appointment as Upper Warden of Brewers Company

THE ALDENHAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION AS AT 31 AUGUST 2024

Secretary	K Mahon
Charity number	298140
Company number	01847134
Registered office/ Principal address	Aldenham School Elstree Herts WD6 3AJ
Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	National Westminster Bank Plc 72/74 High Street Watford Hertfordshire WD17 2GZ
Solicitors	Farrer & Co LLP 65-66 Lincoln's Inn Fields London WC2A 3LH Taylor Walton 28-44 Alma Street Luton Bedfordshire LU1 2PL
Contact details	Website: www.aldenham.com E-mail: enquiries@aldenham.com

Key Management Personnel (Foundation Leadership Group/Executives)

A Hems (Mrs)	Head of Foundation and Head of Senior School
S Galpin (Mrs)	Head of Aldenham Preparatory School
A Kaye (Mr)	Head of St Hilda's School
K Mahon (Mr)	Bursar & Clerk to the Governors
S Toye (Mrs)	Director of Finance and HR
P Dunstan (Mr)	Business Development Director

**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

The Governors of The Aldenham Foundation present their Annual Report for the year ended 31 August 2024 under the Charities Act 2011 and the Companies Act 2006, including a Strategic Report, together with the audited financial statements for the year.

DIRECTORS' REPORT

CONSTITUTION

Aldenham School, the oldest part of The Aldenham Foundation (“the Foundation”), was founded in 1597. The Foundation is constituted as a company limited by guarantee, without a share capital, registered in England, No. 01847134, and is registered with the Charity Commission under Charity No. 298140. Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member. The liability of the members is limited to £100 each for the debts and liabilities contracted before they ceased to be a member.

The members are:

- The Worshipful Company of Brewers
- The Clerk to the Worshipful Company of Brewers

The Foundation operates three schools known as Aldenham Senior School, Aldenham Prep School and St Hilda’s School Bushey.

There is one Governing Body for the three Schools. Details of the members of the Governing Body, together with the Foundation’s officers and principal advisers, are set out on pages 1 and 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The Foundation is governed by its Memorandum of Association and Articles of Association last amended on 21st July 2011.

Governing Body

The Foundation has a Board of up to 20 Governors of whom six are Representative Governors appointed by the Worshipful Company of Brewers, one is appointed by the Local Education Authority and the remaining thirteen are Co-opted appointed by the board of Governors. Each Governor is appointed for an initial term of three years and may subsequently be reappointed by the Board for successive periods of three years.

New members of the Governing Body are appointed or elected on the basis of nominations based on the candidates’ professional qualities, qualifications and experience. The Governors of the Foundation are the Directors of the Company and Trustees of the Charity. From this point forward they will be referred to as Governors.

Recruitment and training of Governors

New Governors are inducted into the workings of the Foundation and its schools, including Governing Body policy and procedures, at an induction specially organised for them by the Heads and Bursar. They are provided with a Governance Manual that provides detail on subjects such as recruitment and induction into their role, Terms of Reference and general policies and information.

The new Governors are also encouraged to attend specialist external courses on the role and responsibilities of charity trustees and other external and in-house trustee training and information courses designed to keep them informed and updated on current issues in the sector and on regulatory requirements.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2024**

Organisational management

The Governors are legally responsible for the overall management and control of the Foundation and its schools. Their role is to agree strategy, advise on and review the development of plans and monitor their execution by the Executive. The Governors decide ultimately how the Foundation's financial resources are deployed and hold the Executive to account while also acting as their critical friend.

Individual Governors hold a place on individual Committees as detailed below, to carry out the above, as well as ratifying policies where applicable, monitoring, safeguarding and discussing strategic and operational issues. The terms of reference for each Committee are summarised below:

- The Audit Committee keeps under review the Foundation's internal controls, is mainly responsible for the Foundation's relationship with the external auditor and oversees the production of the Annual Report and Accounts and performance of the external audit.
- The Education Committee has a monitoring and advisory role relating to the overall provision of education, pastoral care and safeguarding activities across the Foundation.
- The Estates Committee has a monitoring and advisory role relating to the Foundation's buildings, plant, grounds, gardens, roadways and security. They request financial approval from the Finance and General Purposes Committee of work that needs to be completed in excess of £250k and F&GP in turn seek approval for any project in excess of £500k
- The Finance & General Purposes Committee has a monitoring role relating to the overall financial and business activities of the Foundation, including budgeting, reviewing financial performance, investment, HR and Health and Safety. They also monitor the pay and conditions of all staff within the Aldenham Foundation and makes recommendations to the Full Governing Body about variations to these annually. The pay of the Foundation Leadership Group is decided by the Remuneration Committee.
- The Governance Committee keeps under review the Foundation's assessment and response to risk, monitors the governance offered to the Foundation schools by the various committees and advises the Board on any changes needed to the Board of Governors and how individual Governors are deployed.

The development and execution of strategic plans and operational management of the Aldenham Foundation is delegated to the Foundation Leadership Group (i.e., The Executive), consisting of the Heads of each school, and other key operational staff. They meet fortnightly to discuss and implement policy, strategy and development of the Foundation and significant operational issues. The day-to-day running of the three schools is delegated to the respective Heads, supported by their respective Senior Leadership Teams.

The Aldenham Foundation Board of Governors takes its governance responsibilities seriously and, as a large charity, aims to have a governance framework that is fit for purpose, compliant and efficient. The Board has established a solid foundation in governance in which all of its governors are clear about their roles and legal responsibilities, are committed to supporting the Foundation to deliver its objects most effectively for its beneficiaries' benefit.

The Aldenham Foundation Governance Committee keeps the Charity Code of Governance regularly under review and are confident that governance is executed well at the Foundation.

Group structure and relationships

During the year there were three subsidiaries within the Foundation, these being:

- The Aldenham School Charity, a registered charity number 1057611("ASC");
- Aldenham Enterprises Ltd, a limited company registered in England No 01635965 ("AEL").
- Aldenham Schools Holdings Ltd, a registered company in England, No. 11923888 ("ASH")

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2024

The Aldenham School Charity is now a dormant Company and owns the endowed land.

Aldenham Enterprises Ltd is a wholly owned non-charitable subsidiary of the Foundation whose annual profits are donated to the Foundation under the Gift Aid Scheme. The trading activities of AEL primarily comprise a franchised retail outlet and revenue from letting of the Aldenham Foundation schools' facilities when not in use by the schools.

Aldenham Schools Holdings Ltd is a wholly owned non-charitable subsidiary of the Foundation and was formed on the 3rd of April 2019 with a separate Board, consisting of members of the Foundation's Leadership Group, as well as two Governors. Its purpose is to monitor and manage the overseas activities of the Foundation.

The registered address of both of the above subsidiaries is the same as The Aldenham Foundation.

Employment and remuneration policy

The Foundation is an equal opportunities employer. Full and fair consideration is given to job applications from all applicants, and the Foundation does not discriminate against anyone. The Foundation has an Equal Opportunities and Dignity at Work policy which is compliant with the Equality Act 2010. Full and fair consideration will be given to applications of employment made by disabled persons having regard to their particular aptitudes and abilities and has regard to its duties to implement reasonable adjustments to ensure that they are not disadvantaged in any application. Once employed, training and support will be given to disabled staff as with all staff.

Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the Foundation regularly.

Communication with employees continues through normal management channels in a variety of forms and also via an annual briefing to all staff of the Foundation by the Heads of the Schools in September covering the Foundation's performance over the previous year and targets and aspirations for the new academic and financial year. A new staff portal has been launched and will be used to promote news items across the Foundation. There has been a move away from a formal annual appraisal to regular check-ins that are recorded on an online platform. The annual pay increase for all staff is agreed by the Full Governors and the remuneration of Key Management Personnel (Foundation Leadership Group) is agreed by the members of the Remuneration Committee during each year.

The Foundation has a Staff Code of Conduct that sets out the expectations for standards and behaviours across all schools. This is reviewed annually.

Investment policy, objectives and performance

The Governors' investment powers are governed by the Charity Commission Scheme which requires that all sums belonging to the Foundation, other than sums needed for immediate working purposes, be invested in trust for the schools. The Governors' policy is to maintain income whilst preserving the real value of the endowed investments held in restricted funds. The Governors aim to maximise the total investment return they are able to achieve from the cash and investments the schools hold, bearing in mind their planned expenditure and financing needs. The investment strategy and policy is monitored by the Finance and General Purposes (F&GP) Committee. Currently, any surplus cash held by the Foundation, in excess of that required for working capital, is available for investment.

Principal Risks and Risk management

The Governors have considered the major risks to which the Foundation and its subsidiaries are exposed. The Governors have ultimate responsibility for managing any risks faced by the Foundation. The risk management process and the resulting Risk Report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2024**

Principal Risks and Risk management (continued)

The current areas that the Governors consider to be the principal risks are as follows:

- External Influences:
 - Any impact of the change to the Labour Government with regards to the introduction of VAT of school fees. Financial modelling has been undertaken and there have been clear communications with Parents as to the approach taken and the percentage that fees will increase with effect from January 2025, however the actual impact is still unknown. Capital projects are delayed where appropriate.
 - The current economic effect of the global increase in the cost of living on parental ability to pay fees. The risk is being managed by carefully considered fee increases, credit control policies and bursarial support where necessary.
- Financial Risk:
 - The impact of ongoing inflationary pressures upon parents and the Foundation cost base.
 - General affordability and non-payment of fees: full consideration is given to fee increases each year and any fee increases are therefore intended to meet expected cost increases whilst maintaining the educational provision provided by the Foundation. The surplus also needs to enable planning for the ongoing development of the schools within it, whilst maintaining financial stability.
 - Increased interest rates impacting on loan repayments.
- Reputational Risk:
 - The impact upon parental confidence due to any adverse information or action.
- Safeguarding:
 - This is always deemed to be a principal risk due to the seriousness of any breach and the potential impact on pupils, reputation and confidence. Safeguarding is given the utmost consideration and a Governor, who is a professional Paediatrician, has been appointed to oversee compliance in the Foundation and to provide support and advice. There are Designated Safeguard Leads in each School who are responsible for keeping children safe in education. In addition, a “whole school” approach is taken to safeguarding so training is given to all staff and Governors.
- Health and Safety:
 - The health and safety of the Foundation’s pupils and staff is a key area for risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the schools’ sites, on trips and expeditions). The level and breadth of activity across the schools is extensive and the risks associated with this are minimised by ongoing risk assessments and management. An experienced dedicated Health and Safety Office was employed by the Foundation to support the Bursar in managing this risk. However, the Health and Safety of the Foundation is the responsibility of all members of the school community but driven by the Bursar and his key teams and there is a designated Governor who takes an overview of this area.

The generic controls used by the Foundation to minimise all risks, including the above, are:

- Detailed terms of reference together with formal agendas for Committee and Board activity.
- Employment of qualified, key staff whose roles include consideration and minimisation of risk and use of specialist outside consultants where appropriate.
- Formal strategic development planning, reviewed by the relevant Committees and discussed annually at a special meeting attended by the Governors along with the senior management teams of the schools.
- Comprehensive budgeting and management accounting.
- Established organisational structures and lines of reporting.
- Formal written policies including clear authorisation and approval levels.
- Safeguarding procedures as required by law for the protection of the vulnerable.
- Regular review and monitoring by members of the Foundation Leadership Group and Committees.

Principal Risks and Risk management (continued)

The Governors are satisfied that for all major risks identified for the Foundation, appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that whilst systems can provide only reasonable, but not absolute assurance, that major risks have been managed. Detailed consideration of risk is delegated to the Governance Committee, which reports formally to the Governors at each meeting. The production and maintenance of the Risk Register is delegated to the Bursar.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Mission statement

The Foundation's mission is to provide the necessary education and appropriate training to enable pupils to develop their potential as individuals, and thereby to help ensure that when they leave they will be confident members of the larger society and effective contributors to it.

Charitable Objects

The Foundation's Objects, as set out in the Memorandum of Association, are to promote and provide for the advancement of education of children and students in the United Kingdom and elsewhere, such education to be consistent with the doctrines of the Church of England. In furtherance of these Objects for the public benefit the Foundation has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects. The Governors are mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection they have monitored closely the Public Benefit guidance available from the Charity Commission and also its supplementary website guidance on fee-charging.

Intended impact

Within its charitable Objects, the Foundation's intention is to provide a first-class education through strong academic tuition and by developing broader skills that help every pupil to realise his or her potential to the full. This involves emphasis on the co-curriculum through cerebral, sporting, artistic, team building and social skills. This policy builds self-confidence and life skills in the pupils and inculcates a desire to learn and a willingness to contribute to the wider community whilst at school and in later life.

Aims

The Foundation's aims remain:

- to offer all pupils a range of opportunities so that they can achieve to the best of their ability within a framework of shared values and standards.
- to value and nurture pupils as individuals, giving them a sense of their own self-worth and of the value of service to others, thus preparing them for life beyond school.
- to continue to operate the Aldenham Senior School as a day and boarding community with strong links both locally and further afield, and to seek to increase the numbers of pupils who can benefit from boarding.
- to continue to cultivate strong and active partnerships with parents and with the local community around the schools.
- to continue to make its facilities available for the wider use of the community.

Primary objectives

The primary objectives of the Foundation to fulfil these aims are:

- to provide a stimulating learning environment in which pupils can develop their academic potential to the full.

Primary objectives (continued)

- to provide a happy and secure pastoral environment in which pupils can learn to live together and thus foster a sense of community, co-education, respect for one another and good citizenship.
- to provide pupils with the opportunity to take advantage of a breadth of extra-curricular activities in order to develop positively all aspects of their character.
- to provide pupils with the opportunity to take decisions based on their own judgment and to communicate those decisions appropriately and effectively.
- to provide financial support to enable children whose parents are unable to afford the full fees to benefit from the education and opportunities offered.
- to provide a clear, simple and effective management structure capable of taking timely decisions and allocating necessary resources appropriately.
- to provide the necessary administrative and logistic framework to meet the needs of members of staff and pupils alike.
- to maintain and improve facilities which will enable these objectives to be achieved, and which can also be applied for the wider benefit of the outside community.

The aims and objectives set for the Foundation's subsidiaries are to facilitate the achievement of the Foundation's aims and objectives as above.

Principal activity

The Foundation's principal activity, as specified in the Memorandum of Association is the advancement of education of children and students in the United Kingdom and elsewhere, such education to be consistent with the doctrines of the Church of England and, in this, the Foundation has again had a successful year with approximately 1,000 pupils being educated in the Foundation's schools.

Public benefit

The Foundation is a Public Benefit Entity (PBE) as defined in FRS102 and applies the appropriate PBE paragraphs appropriately. The Governance Committee give due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011 to ensure that they are compliant and are offering as much as they can to the wider community.

The Foundation remains committed to the aim of providing public benefit, and details below the activities that took place during the year:

Bursaries

- The awarding of bursaries to parents is a measurable means of providing public benefit. The Governors consider bursaries, awarded to those whose parents would not otherwise be able to afford the fees, as being very important, but not to the exclusion of the much wider benefit that the Foundation provides within the community. Those pupils who attend our schools and who receive financial support contribute to the school community in a variety of ways, and so the benefit is not purely to these pupils but to the whole Foundation and, in some cases, to the wider community. In 2023/24 the Foundation awarded means-tested awards based on a sliding scale according to financial circumstances totalling £570k to 54 pupils, excluding the funding for the Homes for Ukraine pupils. The Foundation is now working with the Royal National Children's Springboard Foundation to assist in offering children transformational bursaries to join the school. By working with them, the pupils are targeted as to those in most need who would benefit from the education and pastoral care that Aldenham provides.
- In addition to allocations of support from its fee income, there are specific bursary funds established from legacies provided by former pupils, specific funds created from Foundation reserves and annual support from funds held by other organisations associated with the Foundation.

Public Benefit (continued)

Other activities

Other activities and partnerships are detailed below:

- The Foundation has partnered local maintained schools and provided support for local community organisations through pupil and staff involvement, and by use by the community of Foundation facilities and equipment.
- Letting of the grounds and facilities to local clubs and organisations.
- Free use of St Hilda's Hall for use for a local mother and toddler group.
- Use of Aldenham Chapel by other local schools.
- Use of Aldenham minibuses by local community groups and sports teams.
- Members of the local community use Aldenham land for walking groups.
- We cooperate with local charities and educational bodies in our ongoing endeavours to widen public access to the schooling we provide, to optimise the use of our cultural and sporting facilities and to awaken in our pupils an awareness of the social context of the all-round education they receive at the Foundation's schools.
- The Senior School partners a local maintained school to provide a Combined Cadet Force for the mutual benefit of both schools.
- Pupils and staff of the Foundation continue to provide support for a range of local and national charities through fundraising and Aldenham School has maintained its support of a community in Malawi through its Ripple Africa initiative which involves a group of 6th Form students travelling to Malawi each year to take part in community projects there.
- Across the Foundation £9,200 was raised for several different Charities.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

This was the second year following the roll-out of Surface devices to all Senior School students. We have continued to provide regular training throughout the year for teaching staff and to seek feedback from students about their learning experiences. In response to some of this feedback further adaptations have been made to ensure that the School is meeting the requirements of a variety of learning styles and needs across the student body.

Academic results were extremely pleasing this year, with nearly half of all GCSE grades at 7 or above and 28% of all GCSE grades at 8 or 9. At A Level nearly 60% of all A Level grades were A*, A or B, leading to the strongest set of results in the A*- B band that we have seen. A quarter of all A level grades were A or A*.

90% of our leaving year group are attending a UK University, 4% are attending an international university, 3% are entering employment, 2% are taking a gap year and 1% are taking up an apprenticeship. 48% of those attending university will be attending a Russell Group institution, and 28% of our leavers will be studying STEM subjects.

Performing and creative arts continue to thrive at Aldenham. The annual House Music Competition continues to play a key role in bringing students and staff together in pursuit of a common goal in the first half of the Autumn Term. The learning and adaptations of the Covid period proved valuable here as we chose to continue with the live-streaming for parents at home, and were delighted to discover that the event was viewed in 19 countries on the night, reminding us of the rich international diversity of our community. Also in the Autumn Term we enjoyed an outstanding production of *Guys and Dolls*. Later in the Year the Dance Show, the Beck Music Competition, Aldfest and the Junior House play *High School Musical* all continued to demonstrate the School's strengths in creativity and performance.

Aldenham has always valued very highly its engagement with our local community. Our Assistant Head with specific responsibility for Co-Curricular, Outreach and Operations, has been promoted to the position of Deputy Head, thus giving more status and resource to these important areas of school life. A tea party, hosted by students and staff, for residents of a local retirement home became a regular fixture and we now have a growing relationship with a local primary school again. Nine of our students visit Elstree Care Home twice a week, and we also join the residents on an adhoc basis to support various events such as Burns Night. In addition, we hosted academic workshops for primary schools in Science, Maths and Drama.

We have also been able to resume the school's annual trip to Malawi. 14 students and four staff members travelled out to work with the Ripple Africa project in Malawi in July 2024 where they learned about local fishing and farming practices, helped with digging latrines and building cooking stoves and volunteered in a local primary school. Over the course of the academic year successful trips also took place to Japan, Switzerland, France, Spain and the Azores to support learning in Computer Science, Physics, Geography, Biology and Modern Languages. A group visited Poland to learn more about the Holocaust. Our full boarders learned more about the UK by visiting Edinburgh and the Forest of Dean. The Duke of Edinburgh's Award programme continues to be very popular and involved expeditions in Wales, Shropshire and more locally in the Chilterns, while the CCF have enjoyed overnight exercises as well as their Summer Camp. Our footballers went on tour to Madrid, cricketers to Dubai and our netballers had the chance to play in a tournament in Paris in which they were extremely successful.

The sporting life of the school continues to flourish. In Football the boys U15A team were National ISFA champions beating Whitgift 3-1 whilst the U13 side lost 7-5 to Highgate in the final. The U14A team also won the Hertfordshire Schools County Cup & the Elgin Independent Schools Cup

We also had a number of individual honours including one student who captained England U16 whilst another represented the National U16 ISFA side and another did the same for the U14 National side. Four students left us at the end of Year 11, when they signed contracts with professional football teams. In Hockey three players in Year 12, one girl and two boys, took part in the England Hockey Talent Academy throughout the year and were selected to play in their summer TA Festival in Nottingham.

ACHIEVEMENTS AND PERFORMANCE – Continued

One of our boys is playing Tennis at an international level in the U16 category, while in Netball five girls were selected to play for the Hertfordshire Mavericks junior teams. In Athletics two students represented Hertfordshire at the National English Schools Athletics Championships after winning their events at the Herts County Championships.

The School continues to invest in its facilities for learning and teaching both indoors and out. All classrooms and corridors in the Music department were refurbished over the summer period. The tennis/ netball courts have been re-surfaced, creating a much safer and more attractive setting for those sports. We have completed the construction of a Sensory garden that was designed in collaboration with the student community and has created a beautiful and peaceful space in the heart of the school site. The refurbishment of the main Reception area in the Senior School has made a big difference to the experience that we are able to give to our visitors. The installation of new boilers and a Combined Heat Pump in the Kennedy's/ Martineau's building, and the replacement of hot and cold services in Kennedy's House were necessary in order to improve energy efficiency. Fire alarm systems have been upgraded in various buildings across the site over the past year.

St Hilda's

At the beginning of the year St Hilda's bought in a class set of Surface Go devices following their successful implementation at the Senior School and in consultation with The Foundation's Head of Technology and the Senior School's Head of Digital Learning. These devices have allowed for more independent study opportunities across the school and as a resource to provide further support for our SEND pupils. All girls in Form 6 achieved a place at their first or second choice senior school with 19 scholarships being awarded: x8 academic, x4 music, x3 sports, x2 drama, x1 all-rounder and x1 creative writing. Links across the three schools within The Aldenham Foundation have continued to be a real focus this year with workshops being combined across St Hilda's and Aldenham Prep, for example an Egyptian Day for Form 3 and a coding workshop for Form 5 where the two schools brought their coding resources and equipment together for a morning of coding and collaboration. Form 5 have also had the opportunity to participate in science masterclasses at the Senior School and watch the Senior School's Dance Show in their theatre. Some Form 6 school prefects represented St Hilda's at the Senior School's Act of Remembrance in November and Form 6 joined with Aldenham Prep to perform at the Senior School's carol service at St Albans Cathedral in December.

The weekly parent and toddler stay and play session, Little Bluebirds, for the local community has gone from strength to strength having been started last year; Little Bluebirds now regularly welcomes between ten and fifteen families each week. Working with the local community remains a real focus and St Hilda's continues to collaborate with a local care home on various events, such as joint art sessions for residents and pupils, pupils visiting residents to sing and perform; the co-curricular chess club visits to play with residents and the care home has invited pupils to join their monthly pet therapy sessions for residents.

In February St Hilda's and Bluebird Nursery had an educational and compliance ISI inspection under the new framework that came into effect in September 2023, and both School and Nursery met all four of the ISI standards. St Hilda's continues to extend co-curricular provision with such clubs as mindfulness, running, STEM, German and swim racing and diving to ensure that it continues to deliver a broad and balanced co-curricular provision for all. Music and Drama continue to thrive at St Hilda's and this the St Hilda's Music Competition was open to pupils across both St Hilda's and Aldenham Prep. The Senior School's Director of Music was the judge and St Hilda's hosted a winners' concert for both schools and the local community. In the Summer Term 63 pupils took the English Speaking Board examination with 45 pupils being awarded a Distinction, 13 pupils being awarded a Merit + and 1 pupil was awarded a Merit.

This year there has been a particular focus on Space and the school was awarded the Space Education Bronze Quality Mark – this is an award given to schools that have used the context of space to enhance learning and provide opportunities for learning about space science. As part of their studies, all the girls across the school had the opportunity to look at meteorite fragments and moon rock under microscopes and our Form 6 had an astronomy evening at the Senior School with the Head of Astronomy using the Senior School's telescopes. Across The Foundation this year we have been discussing The Aldenham Foundation's Model of Learning and this will continue to form an integral part of pedagogy in our provision of learning for all pupils going forward.

ACHIEVEMENTS AND PERFORMANCE – Continued

Aldenham Prep School

Aldenham Prep appointed Mrs Sarah Galpin as Head from September 2023. She had been Acting Head the previous year. The 4+ assessment process was very successful with a full class of twenty-three children enrolled for September 2024, sixteen of whom came from the Nursery class. Sixteen Year 6 pupils moved to the Senior School at the end of the academic year. The Music Department has continued to thrive. This year a Junior Choir was introduced. Both Junior and Senior Choirs performed on numerous occasions, including the Harvest Festival, music concerts and Visitation Day. In March, the Year 5 and 6s sang at the OVO Arena Wembley in the Young Voices Choir, totalling 5,000 children. Alongside the work of the choirs a violin ensemble and a guitar ensemble were introduced, taught by the instrumental teachers.

The Prep School achieved remarkable successes in sport. The U11 Boys' football team participated in the Independent Schools Football Association area championships for the first time. Years 3-6 swimmers showcased their talent at the local Prep Schools' Gala and the U11 Boys' relay swimming team made it to the national championships at the London Aquatic Centre and achieved a remarkable improvement in their personal best time by 19 seconds. The cross-country team also performed exceptionally well at the local prep schools' competition, with the girls' team securing second place. One of the Prep School's Year 6 girls finished first out of 57 runners, and a boy in Year 3 finished fourth out of 56 runners, which was even more remarkable as he was competing against older boys up to Year 6. Children participated in a range of competitions this year including the Bebras Challenge, Hertsmere Christmas Card Competition, a poetry competition and the Primary Maths Challenge for Years 5 and 6. Two children reached the highly challenging bonus round where one child achieved a bronze and the other child, a gold award. School highlights this year include the first 'Celebrate our Heritage Day' which will be repeated every year; World Book Day and the Aldenham Foundation Book Festival; Learning Outside the Classroom Day; Children's Mental Health Week; whole school elections; 'Headteacher for the Day' and the London Mini Marathon.

Links between the three schools in The Aldenham Foundation continued to be a focus with pupils from Aldenham Prep and St Hilda's collaborating during Children's Mental Health Week and taking part in several workshops together including Egyptian Day, a Holocaust Workshop and a Gorilla Workshop. Year 6 pupils also had the opportunity to participate in science masterclasses in the Senior School's science laboratories; a morning of English workshops during the Aldenham Foundation Book Festival and an immersive Drama workshop in the Senior School's theatre. Nursery children enjoyed visiting the Senior School library for reading sessions fortnightly. Senior School students conducted fieldwork studies on the weather with the Year 1 pupils and U11 students supported pupils in classes throughout the year.

The Foundation has continued its work on the development of international schools through its subsidiary, Aldenham Schools Holdings (ASH) who are partners in Aldenham Education Group (AEG) operating from Dubai. Since opening in August 2022 Aldenham Prep School Riyadh has seen an increase in numbers on roll from just over 100 to over 500. A new Head, Mr Matt Aston was appointed, who took up his post in August 2023. This is positive progress in the overall strategic plan of increasing non fee income for the Foundation and development of overseas schools.

The Foundation Leadership Team have developed a strategic plan that focuses on raising the profile of academic achievement and boosting the intellectual life of the school, while preserving the inclusive and holistic ethos that we value so highly at Aldenham. Closer collaboration between all three schools, to share resources and best practice and develop a strong understanding and of what it means to be part of the Foundation, have been at the fore in our work throughout the year. The Governors are actively involved in many aspects of the Foundation's activities as well as their usual functions of overseeing the strategy of the Foundation and the implementation of the Foundation's aims. The relationship between the Governors and the Foundation's senior executive team continues to be very positive and constructive.

Fundraising

Fundraising for the School is carried out by Aldenham Foundation General Charitable Trust (AFGCT), who raise money from the Old Aldenhamians to benefit the pupils of the schools. AFGCT donated £86,639 to the Foundation in the year ending August 24 which was used to fund several resources throughout the Senior School.

There has also been continued progress made this year in the Foundation's work of raising voluntary funding for other Charities. This is undertaken by the Charity Committee whose members are pupils from the School. Across the Foundation, a total of £9,200 was raised for several different Charities. There are no professional fundraising organisations used and so no monitoring processes are required. AFGCT subscribes to the Fundraising Regulator and adheres to the Fundraising Promise when undertaking fundraising activity. This promise outlines to commitment made to donors to ensure any fundraising is legal, open, honest and respectful. The school takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the School's approach to fundraising activity.

FINANCIAL REVIEW

Results for the year

The total net income for the year was £23.2m (2023: £22.4m) and expenditure of £23.1m (2023: £21.3m), resulting in an operating surplus, before investment gains, of £172,288 (2023: surplus £1,114,158), which translates into an increase in operating cash outflow of £1,733,958 and an increase in fund balances of £704,370 (2023: increase £1,165,722) at the year end. The Foundation's funding came from cash generated from fee income and the fees in advance scheme that the Foundation operates. Of the cash flow generated, £272,559 repaid bank loans and £764,679 funded capital items.

Reserves Policy

It is the Governors' policy not to accumulate and retain funds but to spend, wisely, the available cash on maintenance, and on enhancement of the Foundation school's facilities. Such enhancements usually involve significant capital sums and are therefore normally only undertaken as and when funds on a sufficient scale, built up over a number of years, become available. This policy means the Foundation does not hold a large reserve for any length of time. Moreover, as the fees are paid in advance and the short-term flow of income and expenditure is relatively predictable, the Foundation does not, as a matter of policy, hold reserves to cover say a whole term's operating costs.

The Foundation's total reserves of £17,991,695 at the year-end included £1,976,467 restricted funds and £16,015,227 unrestricted funds. Included in the reserves is a permanent endowment fund of £1,695,739, which is subject to specific conditions by donors that the capital must be maintained by the Charity.

The Foundation has no free reserves at the balance sheet date due to the investment of funds in tangible fixed assets, largely buildings for use within the Foundation. However, the Governors regularly examine the Foundation cash flows alongside the development plans for the future and are satisfied that they are adequate for the purpose of meeting its working capital requirements, by careful management of short-term liquid reserves, and that they will also cover strategic capital expenditure when complimented with an appropriate amount of loan finance. This has been reviewed in light of the pandemic and given the current climate the Governors are satisfied with the level of reserves held, however this will continue to be reviewed at F&GP meetings.

SECTION 172 STATEMENT

The Directors, who are the Trustees of the Foundation, confirm that in accordance with Section 172 of the Companies Act they act in a way that they would consider be most likely to achieve the purposes of the schools. In making this assessment the Directors have considered the following:

1) The likely consequences of any decision in the long term

The long-term position of the Foundation is considered by the Directors as set out in the Going Concern section. The Directors review annual budgets and termly management accounts at the F&GP Committee meeting and Full Governors meeting.

2) The Interests of the Foundation's employees

The Foundation values its staff highly and recognises that it can only be successful with the support and loyalty of its staff members. The educational outcomes and experience of the pupils is dependent upon the stability and quality of the staff body. The Heads of the Schools are responsible for communicating and support their respective staff body, and in turn they are supported by the Head/CEO, Bursar and Director of Finance and HR, along with a centralised HR Department that monitors staff wellbeing and engagement.

The Governors receive regular reports on staff matters through the respective Heads' termly reports and all Governors conduct visits to school where opportunity is made for direct staff engagement.

All staff were involved in the early stages of the strategic plan development, and all are updated on the plan and priorities at the start of each academic year.

The Foundation has complied with the UK's Equality Act 2010 (Gender Pay Gap Information) Regulations that came into effect in April 2017, and the report is available on the website.

3) The need to foster the Foundation's relationships with suppliers, customers and others

Fostering a successful and positive relationship with the pupils and parents of the Foundation is key to the success of the Foundation. Parental engagement is maintained via weekly newsletters and during the year there are several parent events where they have the opportunity to meet staff both socially and to discuss pupil progress. This culminates in an annual Prizegiving/Visitation Day at the end of term where parents have the opportunity to reflect on the year's successes and academic achievements.

All suppliers are treated fairly and promptly with their business terms being adhered to.

4) The impact of the Foundation's operations on the community and environment

See page 8 and 9 for partnership links.

The Foundation is complying with the Streamlined Energy and Carbon Reporting (SECR) requirements and the details are on page 15 below.

5) The desirability of the Foundation maintaining a reputation for high standards of business conduct

The Foundation's bribery and whistleblowing policies, as approved by the Governing Body, sets out the responsibilities for staff to report any incidents or suspicion of fraud, bribery or corruption arising in the course of their work to cooperate fully with any such investigations.

6) The need to act fairly as between members of the company

All Governors and senior staff complete an annual Conflicts of Interest and Related Party form. There have been no incidents reported of inappropriate relationships.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2024**

Streamlined Energy and Carbon Report

With regards to the energy and carbon usage, during the year the total energy use by the Foundation for the year ended August 24 was for gas 3,707,301 kwh and for electricity 1,234,744 kwh. This equates to 82 tonnes less CO₂e which is equivalent of an 8.8% decrease on last year's figures. This reduction is extremely pleasing and is testament to the Foundations ongoing drive to reduce our carbon footprint.

The Foundation remains committed to reduce our carbon footprint further and during this year the investment was made on the following items:

- Installing a DACHS Gen2 CHP system and new boilers in the fourth boarding house.
- Replace the aging and inefficient boiler system in a teaching building with significantly more energy efficient units that are also hydrogen compatible.
- Continue the window replacement and insulation programme based on the results of the thermal imaging survey results.

FUTURE PLANS

With the imposition of VAT, the Foundation Leadership Team and the Governors are focussing on parental impact and recruitment and retention of pupils. There is a continued focus on costs to ensure that the minimum amount of VAT is passed onto parents. Major development has been put on hold for the next 12 to 18 months whilst the impact of this settles, however it is the intention that the drama and music facilities will be upgraded in the future. The Academic staff continue to warm up the academics whilst maintaining the ethos of the schools.

The Governors have been mindful of the declining pupil numbers and losses at St Hilda's School since the Covid crisis in 2020-21. A comprehensive report was carried out on the continued viability of the school in the autumn of 2021 by a leading expert in independent schools who concluded that the school was in a difficult strategic position and facing uncertainty across the wider sector for the future of small single sex prep schools. This report was updated in January 2025 due to continued reducing pupil roll and wider sector concerns, and they concurred that the national and local market themes had not changed, and the view remained that the School was not saveable and the forecasted losses for the School for the next two years are unsustainable. On the 10th of February 2025 the Governors held an extraordinary general meeting and unanimously voted that, due to their grave concerns regarding the viability of the school, staff would be consulted with on the potential proposal of the school. This was a very difficult and painful decision for the Governors of the Foundation. Collective consultation commenced with appointed representatives on the 3rd of March 2025 and was finalised on the 19th of March 2025 with a full report from this provided to Governors by those leading on this consultation. The Governors held a further extraordinary general meeting on the 24th of March, where despite full consideration given to staff proposals and feedback, they concluded that the School and Nursery would close at the end of the academic year.

The Governors and Leadership team have to continue to ensure the strength and stability of the Foundation in the years to come, especially considering current economic and political uncertainty and threats to the Independent Schools sector, and difficult decisions have to be made, including cost saving measures and changes to offering.

Going Concern

The current biggest risk to the Foundation is fee affordability by the introduction of VAT on school fees and the pupil pipeline. Parents have now been informed of the gross cost increase to them and Governors are monitoring impact upon current pupils and the prospective pupils. The closure of St Hilda's School will have an impact on the results of the Foundation for the next year, as there will be legal costs and potential redundancy costs, along with a loss of pupils, however there is no effect to the Going Concern assessment of the Governors as future losses from St Hilda's will be eliminated.

The Governors are confident that, despite the sad closure of St Hilda's, the Foundation has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the Foundation's ability to continue. The accounts have therefore been prepared on the basis that the Foundation is a going concern. The various committees meet on a termly basis and routinely discuss pupil numbers and results.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2024**

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The members of the Governing Body (who are also the Directors of the charitable company for the purpose of company law) are responsible for preparing the Annual Report and the financial statements for each financial year in accordance with applicable law and FRS102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

Under company law the Governing Body members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governing Body members are required to:

- select the most 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 the applicable Financial Reporting Standard has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The members of the Governing Body are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Governing Body of The Aldenham Foundation, including, in their capacity as company directors, the Strategic Report contained therein, and signed on its behalf by:



Sarah Altman

Chair of Governing Body

Dated: 01st April 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM FOUNDATION

Opinion

We have audited the financial statements of the Aldenham Foundation ('the charitable company') and its subsidiaries ('the group') for the year ended 31 August 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the groups and the charitable company's affairs as at 31 August 2024 and of the group's 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM FOUNDATION

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and Safety legislation, Taxation legislation and Employment legislation.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM
FOUNDATION**

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

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

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

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

Use of our report

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



Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of

Crowe U.K. LLP
Statutory Auditor
London

Date: 24/04/25

THE ALDENHAM FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2024
(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
INCOME:					
School fees		20,447,435	-	20,447,435	19,622,013
Ancillary income		2,057,437	-	2,057,437	2,008,156
	3	22,504,872	-	22,504,872	21,630,169
Donations and legacies	2	64,653	92,653	157,306	109,765
Investments		148,671	-	148,671	14,361
Rents and lettings		82,304	-	82,304	78,094
Other activities	4	17,992	-	17,992	233,920
Other trading activities	21	335,239	-	335,239	342,687
		648,859	92,653	741,512	778,827
TOTAL INCOME		23,153,731	92,653	23,246,384	22,408,996
EXPENDITURE:					
Raising funds					
Costs of financing and raising funds		495,579	-	495,579	412,037
Trading expenditure	5/21	209,202	-	209,202	221,227
Charitable Activities					
Expenditure on education		22,292,110	77,205	22,369,315	20,661,574
TOTAL EXPENDITURE	5	22,996,891	77,205	23,074,096	21,294,838
Operating surplus/(deficit)		156,840	15,448	172,288	1,114,158
Net gains/(losses) on investments	10	507,937	24,145	532,082	51,563
Net Income/(deficit)		664,777	39,593	704,370	1,165,721
Net movement in funds		664,777	39,593	704,370	1,165,721
Fund balances at 1 September 2023		15,350,451	1,936,874	17,287,325	16,121,604
FUND BALANCES AT 31 AUGUST 2024		16,015,228	1,976,467	17,991,695	17,287,325

Operations throughout both periods were from continuing activities.

Aldenham uses the exemption conferred by section 408 of the Companies Act 2006 in not preparing a separate Income and Expenditure account for the separate entities.

Included within the balance brought forward on restricted funds is a permanent endowment of £1,695,739 (Note 15)

The notes on pages 24 to 41 form part of these financial statements.

THE ALDENHAM FOUNDATION

CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2024

	Notes	GROUP 2024 £	GROUP 2023 £	FOUNDATION 2024 £	FOUNDATION 2023 £
Fixed assets					
Tangible assets	9	20,753,446	21,477,072	20,753,446	21,477,072
Investment Assets	10	4,544,382	4,012,300	4,194,582	3,662,500
		<u>25,297,828</u>	<u>25,489,372</u>	<u>24,948,028</u>	<u>25,139,572</u>
Current assets					
Debtors	11	1,247,925	1,394,181	1,551,545	1,721,602
Cash at bank and in hand		5,671,924	3,668,205	5,607,091	3,517,070
		<u>6,919,849</u>	<u>5,062,386</u>	<u>7,158,636</u>	<u>5,238,672</u>
Creditors: amounts falling due within one year	12	(6,758,649)	(6,218,107)	(6,633,794)	(6,035,829)
Net current liabilities		<u>161,200</u>	<u>(1,155,721)</u>	<u>524,841</u>	<u>(797,157)</u>
Total assets less current liabilities		<u>25,459,028</u>	<u>24,333,651</u>	<u>25,472,869</u>	<u>24,342,415</u>
Creditors: amounts falling due after more than one year	13	(7,467,334)	(7,046,326)	(7,467,334)	(7,046,326)
NET ASSETS		<u>17,991,695</u>	<u>17,287,325</u>	<u>18,005,535</u>	<u>17,296,089</u>
Endowment funds	15	1,695,739	1,695,739	1,695,739	1,695,739
Restricted funds	16	280,728	241,135	280,728	241,135
Total restricted funds		<u>1,976,467</u>	<u>1,936,874</u>	<u>1,976,467</u>	<u>1,936,874</u>
Unrestricted funds					
General funds	17	16,015,227	15,350,451	16,029,068	15,359,215
Total unrestricted funds		<u>16,015,227</u>	<u>15,350,451</u>	<u>16,029,068</u>	<u>15,359,215</u>
TOTAL FUNDS	17	<u>17,991,695</u>	<u>17,287,325</u>	<u>18,005,535</u>	<u>17,296,089</u>

The notes on pages 24 to 41 form part of these financial statements.

The result of the Group for the year ended 31 August 24 was a surplus of £704,370 (2023: £1,165,722 surplus) and for the Foundation was £709,446.

The accounts were approved by the Board of Governors on the 10th of December 2024





S Altman
Governor

D Tidmarsh
Governor

The accompanying notes form an integral part of these financial statements.

THE ALDENHAM FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	2023 £
Net cash inflow from operating activities	18	1,733,958	3,143,504
Cash flows from investing activities:			
Investment income		148,671	14,361
Payments to acquire tangible fixed assets		(764,679)	(1,280,020)
Financing costs		(425,048)	(349,929)
Net cash used in investing activities		<u>(1041,056)</u>	<u>(1,615,588)</u>
Cash flows from financing activities:			
Repayment of long-term bank loan		(272,559)	(278,674)
Monies deposited into the Advance Fee Scheme		2,442,883	836,249
Amounts utilised from Advance Fee Scheme		(859,507)	(1,126,519)
Net cash used in financing activities		<u>1,310,817</u>	<u>(568,944)</u>
Change in cash and cash equivalents in the reporting period		2,003,719	958,973
Cash and cash equivalents at the beginning of reporting period		<u>3,668,205</u>	<u>2,709,232</u>
Cash and cash equivalents at the end of reporting period		<u>5,671,924</u>	<u>3,668,205</u>

The notes on pages 24 to 41 form part of these financial statements.

The Aldenham Foundation is constituted as a company limited by guarantee, without a share capital, registered in England, No. 01847134, and is registered with the Charity Commission under Charity No. 298140. The Foundation's principal activity is the advancement of education of children and students in the United Kingdom and elsewhere such education to be consistent with the doctrines of the Church of England.

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention 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). The governors have given due regard to the guidance on public benefit issued by the Charity Commission.

The Governors have reviewed the forecasts upto August 2026 taking into account cost pressures in terms of higher interest rates, increased cost of living and the impact of VAT, and are satisfied that the revised budget and cashflows produced are realistic. The current biggest risk to the Foundation remains fee affordability by the introduction of VAT on school fees and the pupil pipeline. Parents have now been informed of the gross cost increase to them and Governors are monitoring impact upon current pupils and the prospective pupils. The closure of St Hilda's School will have an impact on the results of the Foundation for the next year, as there will be legal costs and potential redundancy costs, along with a loss of pupils, however there is no effect to the Going Concern assessment of the Governors as the closure of St Hilda's eliminates their losses.

The Governors are confident that, despite the sad closure of St Hilda's, the Foundation has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the Foundation's ability to continue. The accounts have therefore been prepared on the basis that the Foundation is a going concern. The various committees meet on a termly basis and routinely discuss pupil numbers and results

Basis of consolidation

The group financial statements consolidate the results of The Aldenham Foundation and the Foundation's subsidiaries, Aldenham Enterprises Limited and Aldenham Schools Holdings Ltd.

No separate Statement of Financial Activities of the Foundation has been presented, as permitted by s406 of the Companies Act 2006. The gross income of the Foundation was £23,246,384 (2023: £22,408,996). The movement in funds (net income) of the Foundation was £704,370 (2023: £1,165,722).

1.2 Income

School fees are accounted for in the period in which the service is provided. Fees receivable are before deduction for bursaries and scholarships granted by the school. Fee income received in advance is deferred.

Voluntary income, including donations, gifts and legacies are recognised when there is entitlement, probability of receipt and if the amount can be measured with sufficient reliability. Such income is only deferred when either the donor specifies that the grant or donation can only be used in a future accounting period, or if the donor has imposed conditions that must be met before the charity has unconditional entitlement.

Investment income and other incoming resources are recognised on a receivable basis.

Government grants are recognised on the performance model, when the schools have complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme has been recognised in the period to which the underlying furloughed staff costs relate to.

1.3 Expenditure

Resources expended are recognised in the period in which they are incurred with liabilities being recognised where there is a legal or constructive obligation to pay.

Resources expended are allocated to a particular activity where the costs relate directly to that activity. Resources expended have been allocated on the basis indicated below:

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

1.3 Expenditure (Continued)

- Charitable activities: These are costs directly attributable to the operation of the school.
- Governance costs: These include the cost of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the charitable activity. This includes such items as external audit and costs associated with constitutional and statutory requirements.
- Raising funds include all direct fundraising expenditure associated with running the development office.
- Support costs: These include all the costs relating to the management, administration and running the central functions of the school.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	not depreciated
Freehold buildings	up to 50 years
Sports pitch and equipment	4-10 years
Fixtures, fittings and equipment	3-10 years
Motor vehicles	4 years

All expenditure over £5,000, or £500 for IT costs, is identified as a new tangible fixed asset or as an improvement to an existing tangible fixed asset and is capitalised. Where on review an impairment of a fixed asset is identified, the value of the fixed asset is reduced or eliminated in line with the review. All tangible fixed assets are regarded as operational assets.

1.5 Stock

Stock is carried at the lower of cost and net realisable value.

1.6 Leasing

Rentals payable under operating leases are charged against income 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.

1.7 Investments

Investments are stated at market value and any gain or loss on revaluation or on disposal of fixed asset investments is taken to the Statement of Financial Activities.

1.8 Pensions

The Aldenham Foundation, along with many other schools, contributes to the defined benefit scheme operated by the Government Teachers Pension Agency and known as the Teachers' Pension Scheme. The Teachers' Pension Scheme is a multi-employer scheme as defined in the transitional arrangements of FRS102 and accordingly, the schools are required to treat the scheme as a defined contribution scheme.

The regular cost of providing retirement pensions and related benefits is charged to the Statement of Financial Activities over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the Statement of Financial Activities and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

The Aldenham Foundation also contributes to one externally invested defined contribution scheme for staff who are not eligible for the Teachers' Pension scheme and the pension costs charged to the statement of financial activities represent the contributions payable by the charity during the year. In addition, The Aldenham Foundation contributes to personal pension schemes for two employees pre-dating the introduction of the school's own defined contribution scheme.

1.9 Accumulated Funds

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity. Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

The Governors may designate monies held by the charity for specific purposes, particularly when building up funds for investment by the charity into further educational facilities and projects and additional bursarial funds, in order to have resources available to provide assistance to those who would otherwise be unable to attend the school.

Unrestricted funds are school fees, donations and other incoming resources received or generated for charitable purposes.

1.10 Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value and based upon market valuation at that date. Financial assets held at amortised cost comprise cash at bank and in hand, together with parent and other debtors.

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 all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

The value of financial assets held at fair value at year end totalled £4,194,582 (2023: £3,662,500).

1.11 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the accounting policies, the Governors are required to make judgements, 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 accounting policies have been applied consistently in dealing with items which are considered material in relation to the Foundation's financial statements.

2 Donations and Legacies

Name of donor	Unrestricted	Restricted	Total £ 2024	Total £ 2023
Whitbread Fund	-	-	-	-
Richard Platt Foundation	-	25,380	25,380	23,101
ASWMEF	-	9,000	9,000	9,000
Martineau's Trust	-	11,787	11,787	8,657
Brewers Company	-	18,000	18,000	18,000
GCT	58,153	28,486	86,639	51,007
Other donations and gifts	6,499	-	6,499	-
	<u>64,652</u>	<u>92,653</u>	<u>157,305</u>	<u>109,765</u>

3 School Fees and Ancillary Income

	2024	2023
	£	£
The Foundation's fee income comprised the following:		
Gross fees	22,218,270	21,336,313
Less: Bursaries and scholarships	(1,833,612)	(1,768,087)
	<u>20,384,658</u>	<u>19,568,226</u>
Add back: Bursaries paid for by Restricted funds	62,777	53,787
	<u>20,447,435</u>	<u>19,622,013</u>

The ancillary income of £2,057,437 includes recharges of coach transport, surface devices, instrumental lessons, after and before school activities and educational trips and events. The costs relating to ancillary income are included in educational activities, other and staff costs, below.

The number of pupils (not FTE in the nursery) educated across the Foundation is given below:

	Average	Average
	2024	2023
Aldenham Nursery	23	20
Aldenham Prep	143	143
Aldenham Senior	<u>678</u>	<u>702</u>
Total Aldenham pupils	844	865
St Hilda's Nursery	41	42
St Hilda's Prep	<u>108</u>	<u>100</u>
	149	142
TOTAL FOUNDATION	993	1,007

4 Other Activities

In 2023 there was a large receipt from insurers, relating to storm damage during the previous academic year, of £187k, hence the reduction in other income in 2024.

5 Expenditure

5a	Staff costs £	Other costs £	Depreciation £	Total 2024 £	Total 2023 £
Charitable Activities					
Educational activities	10,389,759	3,169,466	463,666	14,022,892	12,797,724
Welfare (including catering)	339,125	1,717,303	-	2,056,428	1,967,025
Premises	990,840	1,874,109	1,024,638	3,889,588	3,480,531
Support costs of schooling	1,574,645	748,558	-	2,323,203	2,260,054
Grants, awards and funded resources (Note 5b)	-	77,205	-	77,205	156,241
	<u>13,294,369</u>	<u>7,586,642</u>	<u>1,488,304</u>	<u>22,369,315</u>	<u>20,661,575</u>
Trading expenditure	37,145	172,057	-	209,202	221,227
Development office	50,679	19,850	-	70,529	62,108
Bank loan interest and charges	-	425,049	-	425,049	349,929
	<u>87,824</u>	<u>616,957</u>	<u>-</u>	<u>704,781</u>	<u>633,264</u>
Total Expenditure	<u>13,382,193</u>	<u>8,203,599</u>	<u>1,488,304</u>	<u>23,074,096</u>	<u>21,294,839</u>

5b Grants, awards and funded resources	Total 2024 £	Total 2023 £
From Restricted resources:		
Bursaries and scholarships	54,482	53,787
Prizes	411	226
Direct teaching resources (funded by Aldenham General Charitable Trust)	22,311	102,228
	<u>77,205</u>	<u>156,241</u>

6 Support Costs of Schooling	2024 £	2023 £
Salaries	1,442,145	1,498,044
Staff recruitment, travel and training	36,835	24,466
Communications and network	237,217	81,622
Telephone, postage, printing, stationery	72,674	92,405
Miscellaneous administration costs	361,445	388,643
Governance costs	172,887	174,874
	<u>2,323,203</u>	<u>2,260,054</u>

The total salary cost is £1,574,645 however some staff costs are allocated into the Governance costs for the Head of Foundation and Bursar.

7 Operating Profit

This is arrived at after charging the following:

	2024	2023
Depreciation	1,488,305	1,452,456
Operating lease expenses	302,673	268,004
Fees payable to the company's auditor for audit fees	49,080	49,080
Fees payable to the company's auditor for other services	8,154	7,980
	<u>1,848,212</u>	<u>1,777,520</u>

The increase in lease costs relates to the introduction of surface devices recharged to pupils.

8 Employees**Number of employees**

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Teaching staff	181	181
Fundraising and publicity	4	4
Management and support staff	94	91
	<u>279</u>	<u>276</u>

Employment costs

	2024	2023
	£	£
Wages and salaries	10,082,730	9,266,857
Social security costs	1,066,624	979,096
Other pension costs	1,943,758	1,671,835
	<u>13,093,112</u>	<u>11,917,788</u>
Payments made to peripatetic and temporary staff working at the school	81,068	69,900
Other staff costs	208,013	258,982
	<u>13,382,193</u>	<u>12,246,670</u>

The number of employees whose annual taxable emoluments were £60,000 or more were:

	2024	2023
£60,000 - £70,000	28	21
£70,000- £80,000	7	3
£80,000- £90,000	4	3
£90,000- £100,000	0	1
£100,000- £110,000	1	0
£110,000- £120,000	1	1
£120,000-£130,000	0	0
£130,000-£140,000	0	1
£160,000-£170,000	0	1
£170,000-£180,000	1	0

The aggregate amount of total employee salary and benefits for the Key Management Personnel/Foundation's Leadership Group (FLG) was £871k (2023: £985k). The FLG do have other teaching and support responsibilities.

All but 2 (2023: 2) of these employees are members of the defined benefit pension scheme. Those not included are members of the defined contribution pension scheme and employer payments of £20,858 were made on their behalf.

During the year there were redundancy and settlement payments made of £75,000 (2023 £165,843).

9 Fixed Assets

GROUP	Land and buildings £	Assets under construction	Sports pitch and equipment £	Library £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost							
At 1 September 2023	28,313,260	-	1,474,208	25,000	5,005,086	316,349	35,133,903
Additions	-	172,056	-	-	529,822	62,800	764,678
Transfers	-	-	-	-	-	-	-
Disposals	-	-	-	-	(191,833)	(11,489)	(203,322)
At 31 August 2024	28,313,260	172,056	1,474,208	25,000	5,343,075	367,660	35,695,259
Depreciation							
At 1 September 2023	(8,951,499)	-	(899,091)	-	(3,640,965)	(165,276)	(13,656,831)
Eliminated on disposal	-	-	-	-	191,833	11,489	203,322
Charge for the year	(1,024,638)	-	(69,251)	-	(332,476)	(61,939)	(1,488,305)
At 31 August 2024	(9,976,137)	-	(968,342)	-	(3,781,608)	(215,726)	(14,941,813)
Net book value							
At 31 August 2023	19,361,761	-	575,117	25,000	1,364,121	151,073	21,477,072
At 31 August 2024	18,337,123	172,056	505,886	25,000	1,561,467	151,934	20,753,446
FOUNDATION							
	Land and buildings £	Assets under construction	Sports pitch and equipment £	Library £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost							
At 1 September 2023	28,313,260	-	1,474,208	25,000	4,983,885	316,349	35,112,702
Additions	-	172,056	-	-	529,822	62,800	764,678
Transfers	-	-	-	-	-	-	-
Disposals	-	-	-	-	(191,833)	(11,489)	(203,322)
At 31 August 2024	28,313,260	172,056	1,474,208	25,000	5,321,874	367,660	35,674,058
Depreciation							
At 1 September 2023	(8,951,499)	-	(899,091)	-	(3,619,764)	(165,276)	(13,635,630)
Eliminated on disposal	-	-	-	-	191,833	11,489	203,322
Charge for the year	(1,024,638)	-	(69,251)	-	(332,476)	(61,939)	(1,488,305)
At 31 August 2024	(9,976,137)	-	(968,342)	-	(3,760,407)	(215,726)	(14,920,612)
Net book value							
At 31 August 2023	19,361,761	-	575,117	25,000	1,364,121	151,073	21,477,072
At 31 August 2024	18,337,123	172,056	505,886	25,000	1,561,467	151,934	20,753,446

THE ALDENHAM FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

10 Fixed Asset Investments

	GROUP 2024 £	GROUP 2023 £	FOUNDATION 2024 £	FOUNDATION 2023 £
Investment in subsidiary – Aldenham Enterprises Ltd		-	100	100
Aldenham Schools Holdings (ASH)		-	100	100
Investment in AEG	350,000	350,000		
Listed Investments:				
Market value at 1 September	3,662,300	3,610,737	3,662,300	3,610,737
Additions				
Movement on valuation in year	532,082	51,563	532,082	51,563
Market value at 31 August	4,194,382	3,662,300	4,194,382	3,662,300
TOTAL	4,544,382	4,012,300	4,194,582	3,662,500
Historical cost of listed investments	2,927,644	2,927,644	2,927,644	2,927,644

The Foundation's investments are managed by Sarasin Investment Fund Limited. The funds are held in Alpha CIF for Endowments.

The Foundation owns 100% of Aldenham School Holdings who in turn have a 40% shareholding in Aldenham Education DMCC, based in Dubai. The investment was moved from an Intercompany debtor to investments during the year.

11 Debtors

	GROUP 2024 £	GROUP 2023 £	FOUNDATION 2024 £	FOUNDATION 2023 £
Fee and trade debtors	346,203	413,800	155,091	230,142
Other debtors	100,806	73,187	100,680	52,062
Prepayments	800,916	907,194	800,916	907,194
Due from subsidiary	-	-	494,858	532,204
	1,247,925	1,394,181	1,551,545	1,721,602

12 Creditors: Amounts falling due within one year

	GROUP	GROUP	FOUNDATION	FOUNDATION
	2024	2023	2024	2023
	£	£	£	£
Bank loans	440,607	440,607	440,607	440,607
Taxes and social security costs	261,402	250,863	261,401	250,863
Other creditors and accruals	1,031,246	1,104,133	1,014,028	967,273
Trade creditors	522,997	697,368	415,361	651,949
Refundable deposits	1,455,333	1,294,836	1,455,333	1,294,836
Fees in advance	1,343,010	1,616,056	1,343,010	1,616,056
Advance fee scheme	1,704,054	814,245	1,704,054	814,245
	<u>6,758,649</u>	<u>6,218,107</u>	<u>6,633,794</u>	<u>6,035,829</u>

Bank Loans

The bank loan is the capital element due within one year.

Refundable deposits

Deposits are placed when pupils join the school and credited against fees and disbursements for their last term.

Fees in advance

Fees in advance reflect advance payments of school fees for the forthcoming year, which are not part of the Advance Fee Scheme below.

Advance Fee Scheme

Parents may enter into a contract to pay to the school multiple years' fees in advance. The advance fee creditor represents the school's liability under the contracts, to be utilised in the forthcoming year. The movements in the year were:

Advance Fee Scheme - Group & Foundation (combined)

	2024	2023
	£	£
Balance at beginning of year	2,337,316	2,627,586
Monies deposited into scheme	2,442,883	836,249
Amounts utilised in payment of fees	(859,507)	(1,126,519)
Balance at the end of the year	<u>3,920,692</u>	<u>2,337,316</u>
Utilised within 1 year	1,704,054	814,245
Utilised within more than 1 year	2,216,638	1,523,071
	<u>3,920,692</u>	<u>2,337,316</u>

13 Creditors: Amounts falling due after more than one year

	GROUP 2024	GROUP 2023	FOUNDATION 2024	FOUNDATION 2023
	£	£	£	£
Bank loans	5,250,696	5,523,255	5,250,696	5,523,255
Advance Fee Scheme	2,216,638	1,523,071	2,216,638	1,523,071
	<u>7,467,334</u>	<u>7,046,326</u>	<u>7,467,334</u>	<u>7,046,326</u>
Bank loan maturity analysis				
Debt due in one year or less	440,607	440,607	440,607	440,607
In more than one year but not more than two years	440,607	440,607	440,607	440,607
In more than two years but not more than five years	1,321,821	1,321,821	1,321,821	1,321,821
In more than five years	3,488,268	3,760,827	3,488,268	3,760,827
	<u>5,691,303</u>	<u>5,963,862</u>	<u>5,691,303</u>	<u>5,963,862</u>

Bank loans

The bank loans are secured on the freehold land and buildings at the School. The loans outstanding at 31 August 2024 secured on Aldenham School represents 27% of the carrying value of the land and buildings of the school.

A new bank loan agreement was signed on the 29th of November 2019 to fund the build of the building of the Prep School. The loan is to be repaid over a 15-year period commencing September 2021. The rate agreed is 1.39% over base rate. The final amount of the total amount borrowed was £6,609,108 and with amortised interest the total commitment of the loan is £8,352,497 at today's rates. The loan can be repaid at any time without penalty. The interest element is written off as an expense in the SOFA, and the above refers to the capital element only.

Advance fee scheme

Parents may enter into a contract to pay to the school multiple years' fees in advance. The advance fee creditor represents the school's liability under the contracts, to be utilised in the forthcoming year. The movements in the year are detailed in note 11.

14 Pension and other post-retirement benefit commitments

The Foundation participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,633,749 (2023: £1,378,087) and at the year-end £206,044 (2023: £166,242) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

For employees not eligible for the Teachers' Pension scheme, the Foundation contributes to a direct contribution scheme run by AVIVA (the Norwich Union) and investing in AVIVA (Norwich Union Pension funds). The minimum employee contribution for those who have not opted out is 5% and the Foundation's contribution is 10%. During the year the Foundation contributed £309,590 (2023: £292,353) into the scheme and at the year-end there were no contributions remaining outstanding (2023: Nil). These amounts include charges and liabilities relating to the Foundation's auto-enrolment arrangements that applied with effect from 1 April 2014.

15 Endowment funds

The permanent endowment fund is represented by the land and buildings detailed in part 1 of the Charity Commission Scheme sealed on 27 November 1995. The value of the fund at 31 August 2024 and 31 August 2023 was £1,695,739.

16 Restricted Funds

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

GROUP & FOUNDATION (Combined)

Fund	Balance at 1 Sept 2023 £	Income £	Expenditure £	Investment gains £	Balance at 31 August 2024 £
Rodney Fitzgerald Memorial	-				
Jukes Fund	166,191			24,145	190,336
Aldenhams Foundation General Charitable Trust	-	28,486	(28,486)		-
Sundry Donations Received	-				
Brewers Company General Charitable Trust-Annual Fund	22,121	18,000	(13,205)		26,916
Whitbread Fund	199				199
Richard Platt Foundation ASWMEF	34,023	25,380	(19,057)		40,346
Brewers Co. - Martineau's Trust for Prizes	-	9,000	(9,000)		-
Brewers Co. - Martineau's Trust for Scholarships	-	411	(411)		-
Brewers Co. - Martineau's- General	68	3,326	(2,015)		1,379
	18,533	8,050	(5,031)		21,552
	<u>241,135</u>	<u>92,653</u>	<u>(77,205)</u>	<u>24,145</u>	<u>280,728</u>

Out of the donations received from Aldenhams Foundation General Charitable Trust, £13,000 funded a bursary for a pupil and the remainder funded departmental resources. The total bursaries and scholarships funded by donations totalled £62,777.

- The Rodney Fitzgerald Memorial Fund reflects an interim distribution from the estate of a former pupil of the school. The funds were left to the school for the provision of bursaries for those with sporting abilities.
- The Jukes Fund represents a legacy to be used for pupil scholarships and bursaries where the parents of existing pupils fall into financial difficulty (as a result of illness or redundancy, or for any other such reason which the Governors deem necessary).
- The Brewers Bursary Fund represents an historical sum received from The Aldenhams School General Charitable Trust which is to be used in providing pupil bursaries for larger or longer-term bursaries at the Headmaster's discretion.
- The Brewer's Company, Martineau's Trust funds are restricted funds that are restricted for 3 different uses. The General fund is to be used in the Senior School and it has been agreed that it will benefit Martineau's Junior House.
- The Whitbread Fund is used for 6th form bursaries for pupils, at the Head's discretion, who would not be able to remain in the school to continue their education in the 6th form without financial support.
- The Richard Platt Foundation fund is an endowed fund and the income is distributed to various beneficiaries, of which Aldenhams School is one. It is a restricted fund that must be used in the senior school.
- The Aldenhams School War Memorial Educational Fund or "ASWMEF", was a fund set up at the end of World War 1, and is a fund used for bursaries.

17 Analysis of net assets between funds

Fund balances as 31 August 2024 are represented by:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
GROUP				
Tangible fixed assets	19,057,707		1,695,739	20,753,446
Investments	4,354,046	190,336		4,544,382
Other net current liabilities	70,808	90,392		161,200
Creditors: amounts falling due after more than one year	(7,467,334)			(7,467,334)
	<u>16,015,227</u>	<u>280,728</u>	<u>1,695,739</u>	<u>17,991,694</u>
FOUNDATION				
Tangible fixed assets	19,057,707		1,695,739	20,753,446
Investments	4,004,246	190,336		4,194,582
Other net current (liabilities)/ assets	434,449	90,392		524,841
Creditors: amounts falling due after more than one year	(7,467,334)			(7,467,334)
	<u>16,029,068</u>	<u>280,728</u>	<u>1,695,739</u>	<u>18,005,535</u>

18 Net cash inflow from operating activities

	2024 £	2023 £
Reconciliation to net incoming resources		
Operating Surplus	172,288	1,114,157
Investment income	(148,671)	(14,361)
Financing costs	425,049	349,929
Depreciation of tangible fixed assets	1,488,305	1,452,456
Loss on disposal of fixed assets	-	-
(Increase) / decrease in debtors	146,255	(488,554)
Increase in creditors	(349,267)	729,877
	<u>1,733,958</u>	<u>3,143,504</u>

19 Commitments

The Charity has annual commitments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Within one year	207,926	262,895
Between two and five years	174,815	274,827
Over 5 years	1,288	14,699
	<u>384,029</u>	<u>552,421</u>

The increase in lease commitments is due to the introduction of surface devices for all pupils. The cost of these are charged onto parents and included in ancillary income.

There are £30k of capital commitments at year end with regards to the finalisation of the tennis courts resurfacing.

20 Related party transactions**The Board of Governors**

The Board of Governors of the Foundation did not receive any remuneration during the year. One Governor was reimbursed for expenses where appropriate, totalling £1,455 for travel and accommodation (2023: £2,168).

There were no transactions with parties related to the Board of Governors during the year (2023: £0).

Aldenham School General Charitable Trust (“the Trust”)

The Trust is independent of the Foundation but is substantially under the same management. During the year Aldenham Foundation received donations of £86,639 (2023: £50,349) from the Trust.

Aldenham Enterprises Ltd

During the year there were intercompany transactions with Aldenham Enterprises Ltd amounting to £37,969 (2023 £88,482) for salary recharges and other intercompany items. In addition to this the annual profits of £121,112 have been accrued and included in the intercompany debtor balance at the year-end of £130,916 (2023 £130,092).

Aldenham Schools Holdings Ltd

During the year there were intercompany transactions of £1,831 and at year end the intercompany debtor balance was £363,942, which represents the initial loan to Aldenham Schools Holdings Ltd to fund their investment in the overseas Company Aldenham Education Group DMCC.

The registered offices for all the subsidiaries is the same as that of the Aldenham Foundation.

21 Subsidiaries of The Aldenham Foundation

Aldenham Enterprises Limited is incorporated in the United Kingdom (No. 01635965) and is a wholly owned trading subsidiary of The Aldenham Foundation.

Aldenham Schools Holdings Ltd, is a registered company in England, No. 11923888 (“ASH”) and is a wholly owned subsidiary of The Aldenham Foundation.

A summary of results for the year and financial position at 31 August 2023 is shown below.

	AEL		ASH	
	2024	2023	2024	2023
	£	£	£	£
Incoming resources	335,239	342,687	-	-
Operating expenditure	(214,127)	(228,899)	(4,224)	(4,078)
Gift aid donation to the Foundation	(121,965)	(112,936)	-	-
Result for year	(853)	852	(4,224)	(4,078)
Assets	255,421	355,375	350,650	350,543
Liabilities	(253,270)	(352,371)	(366,442)	(362,111)
	2,151	3,004	(15,792)	(11,568)
Called up Share Capital	100	100	100	100
Profit and Loss account	2,051	2,904	(15,892)	(11,668)
Total funds	2,151	3,004	(15,792)	(11,568)

The operating expenditure above includes intercompany transactions (see note 20) that are eliminated upon consolidation in the Statement of Financial Activities on page 18 and therefore the figures do not agree on the face of the SOFA.

ASH has a 40% shareholding in Aldenham Education DMCC, and £350,000 of the assets above reflects the investment in Aldenham Education DMCC.

22 Members' Liability

Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £100 each for the debts and liabilities contracted before they ceased to be a member.

23. Consolidated Statement of Financial Activities for the year ending 31st August 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
INCOME:					
School fees		19,622,013	-	19,622,013	18,498,442
Ancillary income		2,008,156	-	2,008,156	1,140,207
	3	<u>21,630,169</u>	<u>-</u>	21,630,169	<u>19,638,649</u>
Income from:					
Donations and legacies	2	13,115	96,650	109,765	240,401
Investments		14,361	-	14,361	10
Rents and lettings		78,094	-	78,094	68,513
Other activities	4	233,920	-	233,920	86,085
Other trading activities	21	342,687	-	342,687	192,508
		<u>682,177</u>	<u>96,650</u>	778,827	<u>587,517</u>
TOTAL INCOME		<u>22,312,346</u>	<u>96,650</u>	22,408,996	<u>20,226,166</u>
EXPENDITURE:					
Raising funds					
Costs of financing and raising funds		412,037	-	412,037	213,755
Trading expenditure	5/21	221,227	-	221,227	102,432
Charitable Activities					
Expenditure on education		20,505,333	156,241	20,661,574	18,979,702
TOTAL EXPENDITURE	5	<u>21,138,597</u>	<u>156,241</u>	21,294,838	<u>19,295,889</u>
Operating surplus/(deficit)		1,173,750	(59,591)	1,114,158	930,277
Net gains/(losses) on investments	10	49,223	2,340	51,563	(220,516)
Net Income/(deficit)		<u>1,222,973</u>	<u>(57,251)</u>	1,165,721	<u>709,761</u>
Net movement in funds		<u>1,222,973</u>	<u>(57,251)</u>	1,165,721	<u>709,761</u>
Fund balances at 1 September 2022		14,127,479	1,994,125	16,121,604	15,411,843
FUND BALANCES AT 31 AUGUST 2023		<u>15,350,451</u>	<u>1,936,874</u>	17,287,325	<u>16,121,604</u>

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

24. Restricted funds 2023

GROUP & FOUNDATION (Combined)

Fund	Balance at 1 Sept 2022 £	Income £	Expenditure £	Investment gains £	Balance at 31 August 2023 £
Rodney Fitzgerald Memorial	-				
Jukes Fund	163,851	-	-	2,340	166,191
Aldenham Foundation General Charitable Trust	66,035	37,892	(103,927)	-	-
Sundry Donations Received Brewers Company General Charitable Trust-Annual Fund	23,366	18,000	(19,245)	-	22,121
Whitbread Fund	6,199	-	(6,000)		199
Richard Platt Foundation ASWMEF	21,472	23,101	(10,549)		34,024
		9,000	(9,000)		-
Brewers Co. - Martineau's Trust for Prizes		226	(226)		-
Brewers Co. - Martineau's Trust for Scholarships	729	1,831	(2,492)		68
Brewers Co. - Martineau's- General	16,735	6,600	(4,802)		18,533
	298,387	96,650	(156,241)	2,340	241,135

25. Analysis of net assets between funds 2023

Fund balances as 31 August 2023 are represented by:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
GROUP				
Tangible fixed assets	19,781,333	-	1,695,739	21,477,072
Investments	3,846,109	166,191	-	4,012,300
Other net current liabilities	(1,230,665)	74,944	-	(1,155,721)
Creditors: amounts falling due after more than one year	(7,046,326)	-	-	(7,046,326)
	15,350,451	241,135	1,695,739	17,287,325
FOUNDATION				
Tangible fixed assets	19,781,333	-	1,695,739	21,477,072
Investments	3,496,309	166,191	-	3,662,500
Other net current (liabilities)/ assets	(872,101)	74,944	-	(797,157)
Creditors: amounts falling due after more than one year	(7,046,326)	-	-	(7,046,326)
	15,359,215	241,135	1,695,739	17,296,089

26. Post Balance Sheet Events

The Governors have been mindful of the declining pupil numbers and losses at St Hilda's School since the Covid crisis in 2020-21. Although the numbers in the Nursery have remained steady, the numbers in the Prep School have been declining, from 128 in Summer 2019 to 104 in Autumn 2024 and forecasted to be less than 100 in Autumn 2025. The national and local market themes have since worsened and with the falling birth rate the view is that the School was not saveable, and the forecasted losses for the School for the next two years unsustainable. The costs due to the closure of St Hilda's is estimated to be in the region of £600k, however this is offset by the savings on forecasted losses. The forecasted loss for the School for the year 24-25 was estimated to be £165k and £235k for the following year.

Further details are given above in the Future Plans and Going Concern section, On the 10th of February 2025 the Governors held a further extraordinary general meeting on the 24th of March, where despite full consideration given to staff proposals and feedback from the Collective Consultation, they concluded that the School and Nursery would close at the end of the academic year.

The Governors and Leadership team have to continue to ensure the strength and stability of the Foundation in the years to come, especially considering current economic and political uncertainty and threats to the Independent Schools sector, and difficult decisions have to be made, and cost saving measures taken to do this, and losses could no longer be sustained.

THE ALDENHAM FOUNDATION

England & Wales - Charity number 298140

Accounts

Company Registration No.
01847134
Charity Registration No. 298140

THE ALDENHAM FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

THE ALDENHAM FOUNDATION

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THE ALDENHAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Governors/Directors The Directors of the Company, and their committee duties, are as below. All are members of the Governing Body and Trustees of the Charity.

Committees 22-23						
Full Governing Body: Names	Finance & General Purposes	Education	Estates	Audit	Governance	Remuneration
Altman, Mrs S (Chair)	○	○		●	●	●
Bryer, Mr R (Appointed September 2022)			☒			
Clifford, Mrs C	●					
Cuttell, Mrs F *****				●		
Hawdon, Dr J ***						
Hellman, Mr A G (Retired March 23)	●					
Hunter, Mr A		●				
James-Crook, Mr J		●	●			
Lambert, Cllr D * / **			●			
Mainwaring, Ven Dr J (Resigned February 23)		●				
Phillips, Mr A	●			☒		
Rees, Mr C	●					
Ms H Simmons *****		●				
Mr T C Sligo-Young	☒					●
Smart, Prof K (Upper Warden) *****						
Thomas, Mrs H						
Tindal, Cdre N					●	
Mr D T Tidmarsh		☒			☒	☒
Mr T F Wells			●			

- ☒ = Chair of that Committee
 ● = Member of Committee
 ○ = In attendance at the Committee meetings, but not a member

- * Governor Responsible for Aldenham Prep School
 ** Local Authority Designated Governor
 *** Safeguarding Designated Governor for the Foundation
 **** Governor Responsible for S Hilda's School
 ***** Governor Responsible for Aldenham Senior School and Boarding
 ***** Honary Governor during 12 month appointment as Upper Warden of Brewers Company

THE ALDENHAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION AS AT 31 AUGUST 2023

Secretary	K Mahon
Charity number	298140
Company number	01847134
Registered office/ Principal address	Aldenham School Elstree Herts WD6 3AJ
Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	National Westminster Bank Plc 72/74 High Street Watford Hertfordshire WD17 2GZ
Solicitors	Farrer & Co LLP 65-66 Lincoln's Inn Fields London WC2A 3LH Taylor Walton 28-44 Alma Street Luton Bedfordshire LU1 2PL
Contact details	Website: www.aldenham.com E-mail: enquiries@aldenham.com

Key Management Personnel (Foundation Leadership Group/Executives)

A Hems (Mrs)	Head of Foundation
AM Williams (Mr)	Head of Senior School
S Galpin (Mrs)	Head of Aldenham Preparatory School
A Kaye (Mr)	Head of St Hilda's School
K Mahon (Mr)	Bursar & Clerk to the Governors
S Toye (Mrs)	Director of Finance and HR
P Dunstan (Mr)	Business Development Director

**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

The Governors of The Aldenham Foundation present their Annual Report for the year ended 31 August 2023 under the Charities Act 2011 and the Companies Act 2006, including a Strategic Report, together with the audited financial statements for the year.

DIRECTORS' REPORT

CONSTITUTION

Aldenham School, the oldest part of The Aldenham Foundation (“the Foundation”), was founded in 1597. The Foundation is constituted as a company limited by guarantee, without a share capital, registered in England, No. 01847134, and is registered with the Charity Commission under Charity No. 298140. Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member. The liability of the members is limited to £100 each for the debts and liabilities contracted before they ceased to be a member.

The members are:

- The Worshipful Company of Brewers
- The Clerk to the Worshipful Company of Brewers

The Foundation operates three schools known as Aldenham Senior School, Aldenham Prep School and St Hilda’s School Bushey.

There is one Governing Body for the three Schools. Details of the members of the Governing Body, together with the Foundation’s officers and principal advisers, are set out on pages 1 and 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The Foundation is governed by its Memorandum of Association and Articles of Association last amended on 21st July 2011.

Governing Body

The Foundation has a Board of up to 20 Governors of whom six are Representative Governors appointed by the Worshipful Company of Brewers, one is appointed by the Local Education Authority and the remaining thirteen are Co-opted appointed by the board of Governors. Each Governor is appointed for an initial term of three years and may subsequently be reappointed by the Board for successive periods of three years.

New members of the Governing Body are appointed or elected on the basis of nominations based on the candidates’ professional qualities, qualifications and experience. The Governors of the Foundation are the Directors of the Company and Trustees of the Charity. From this point forward they will be referred to as Governors.

Recruitment and training of Governors

New Governors are inducted into the workings of the Foundation and its schools, including Governing Body policy and procedures, at an induction specially organised for them by the Heads and Bursar. They are provided with a Governance Manual that provides detail on subjects such as recruitment and induction into their role, Terms of Reference and general policies and information.

The new Governors are also encouraged to attend specialist external courses on the role and responsibilities of charity trustees and other external and in-house trustee training and information courses designed to keep them informed and updated on current issues in the sector and on regulatory requirements.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2023**

Organisational management

The Governors are legally responsible for the overall management and control of the Foundation and its schools. Their role is to agree strategy, advise on and review the development of plans and monitor their execution by the Executive. The Governors decide ultimately how the Foundation's financial resources are deployed and hold the Executive to account while also acting as their critical friend.

Individual Governors hold a place on individual Committees as detailed below, to carry out the above, as well as ratifying policies where applicable, monitoring, safeguarding and discussing strategic and operational issues. The terms of reference for each Committee are summarised below:

- The Audit Committee keeps under review the Foundation's internal controls, is mainly responsible for the Foundation's relationship with the external auditor and oversees the production of the Annual Report and Accounts and performance of the external audit.
- The Education Committee has a monitoring and advisory role relating to the overall provision of education, pastoral care and safeguarding activities across the Foundation.
- The Estates Committee has a monitoring and advisory role relating to the Foundation's buildings, plant, grounds, gardens, roadways and security. They request financial approval from the Finance and General Purposes Committee of work that needs to be completed in excess of £250k and F&GP in turn seek approval for any project in excess of £500k
- The Finance & General Purposes Committee has a monitoring role relating to the overall financial and business activities of the Foundation, including budgeting, reviewing financial performance, investment, HR and Health and Safety. They also monitor the pay and conditions of all staff within the Aldenham Foundation and makes recommendations to the Full Governing Body about variations to these annually. The pay of the Foundation Leadership Group is decided by the Remuneration Committee.
- The Governance Committee keeps under review the Foundation's assessment and response to risk, monitors the governance offered to the Foundation schools by the various committees and advises the Board on any changes needed to the Board of Governors and how individual Governors are deployed.

The development and execution of strategic plans and operational management of the Aldenham Foundation is delegated to the Foundation Leadership Group (i.e., The Executive), consisting of the Heads of each school, and other key operational staff. They meet fortnightly to discuss and implement policy, strategy and development of the Foundation and significant operational issues. The day-to-day running of the three schools is delegated to the respective Heads, supported by their respective Senior Leadership Teams.

The Aldenham Foundation Board of Governors takes its governance responsibilities seriously and, as a large charity, aims to have a governance framework that is fit for purpose, compliant and efficient. The Board has established a solid foundation in governance in which all of its governors are clear about their roles and legal responsibilities, are committed to supporting the Foundation to deliver its objects most effectively for its beneficiaries' benefit.

The Aldenham Foundation Governance Committee keeps the Charity Code of Governance regularly under review and are confident that governance is executed well at the Foundation.

Group structure and relationships

During the year there were three subsidiaries within the Foundation, these being:

- The Aldenham School Charity, a registered charity number 1057611("ASC");
- Aldenham Enterprises Ltd, a limited company registered in England No 01635965 ("AEL").
- Aldenham Schools Holdings Ltd, a registered company in England, No. 11923888 ("ASH")

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2023

The Aldenham School Charity is now a dormant Company and owns the endowed land.

Aldenham Enterprises Ltd is a wholly owned non-charitable subsidiary of the Foundation whose annual profits are donated to the Foundation under the Gift Aid Scheme. The trading activities of AEL primarily comprise a franchised retail outlet and revenue from letting of the Aldenham Foundation schools' facilities when not in use by the schools.

Aldenham Schools Holdings Ltd is a wholly owned non-charitable subsidiary of the Foundation and was formed on the 3rd of April 2019 with a separate Board, consisting of members of the Foundation's Leadership Group, as well as two Governors. Its purpose is to monitor and manage the overseas activities of the Foundation.

The registered address of both of the above subsidiaries is the same as The Aldenham Foundation.

Employment and remuneration policy

The Foundation is an equal opportunities employer. Full and fair consideration is given to job applications from all applicants, and the Foundation does not discriminate against anyone. The Foundation has an Equal Opportunities and Dignity at Work policy which is compliant with the Equality Act 2010. Full and fair consideration will be given to applications of employment made by disabled persons having regard to their particular aptitudes and abilities and has regard to its duties to implement reasonable adjustments to ensure that they are not disadvantaged in any application. Once employed, training and support will be given to disabled staff as with all staff.

The Foundation's HR Department use the product MyNewTerm which has enabled blind shortlisting which has strengthened the process. Due consideration is given to the individual applicant's training and employment needs.

Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the Foundation annually.

Communication with employees continues through normal management channels in a variety of forms and also via an annual briefing to all staff of the Foundation by the Heads of the Schools in September covering the Foundation's performance over the previous year and targets and aspirations for the new academic and financial year. All staff are appraised annually, however the intention is to move to continual review via termly check-ins. The annual pay increase for all staff is agreed by the Full Governors and the remuneration of Key Management Personnel (Foundation Leadership Group) is agreed by the members of the Remuneration Committee during each year.

The Foundation has a Staff Code of Conduct that sets out the expectations for standards and behaviours across all schools.

Investment policy, objectives and performance

The Governors' investment powers are governed by the Charity Commission Scheme which requires that all sums belonging to the Foundation, other than sums needed for immediate working purposes, be invested in trust for the schools. The Governors' policy is to maintain income whilst preserving the real value of the endowed investments held in restricted funds. The Governors aim to maximise the total investment return they are able to achieve from the cash and investments the Schools hold, bearing in mind their planned expenditure and financing needs. The investment strategy and policy is monitored by the Finance and General Purposes (F&GP) Committee. Currently, any surplus cash held by the Foundation, in excess of that required for working capital, is available for investment. The intention is to protect the value of funds used for bursaries and scholarships in addition to any Fees In Advance funds received for fees in excess of two years.

Principal Risks and Risk management

The Governors have considered the major risks to which the Foundation and its subsidiaries are exposed. The Governors have ultimate responsibility for managing any risks faced by the Foundation. The risk management process and the resulting Risk Report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2023**

Principal Risks and Risk management (continued)

The current areas that the Governors consider to be the principal risks are as follows:

- Any impact of a change to opposition government with a manifesto promise of school fee VAT and taxation. A Finance Focus Group has been created with some of the Governors from F&GP, who are tasked with looking at this area along with the FLG. Financial modelling is being undertaken that shows the different scenarios and what mitigating actions have to be taken.
- The current economic effect of the global increase in the cost of living on parental ability to pay fees. The risk is being managed by carefully considered fee increases, credit control policies and bursarial support where necessary.
- The cost of living impact, and energy crisis, on the investment surplus for the Foundation along with the impact of interest rate rises on the cost of our current loan that funded the Prep School build. Careful attention is given to budgets and forecasting to ensure the loan repayments can be made. Capital projects are delayed where appropriate.
- Cyber Security: The theft of data and attempts at financial fraud are deemed to be an area of principal risk due to the increasing number and sophistication of reported incidences in the wider business community. The Foundation seeks to adequately protect itself against such risk through comprehensive security measures, regular review and testing of these and through scrutiny of systems.
- General affordability and non-payment of fees: Full consideration is given to fee increases each year and any fee increases are therefore intended to meet expected cost increases whilst maintaining the educational provision provided by the Foundation. The surplus also needs to enable planning for the ongoing development of the Schools within it, whilst maintaining financial stability.
- Safeguarding: This is always deemed to be a principal risk due to the seriousness of any breach and the potential impact on pupils, reputation and confidence. Safeguarding is given the utmost consideration and a Governor, who is a professional Paediatrician, has been appointed to oversee compliance in the Foundation and to provide support and advice. There are Designated Safeguard Leads in each School who are responsible for keeping children safe in education. In addition, a "whole school" approach is taken to safeguarding so training is given to all staff and Governors.
- Health and Safety: The health and safety of the Foundation's pupils and staff is a key area for risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the schools' sites, on trips and expeditions). The level and breadth of activity across the schools is extensive and the risks associated with this are minimised by ongoing risk assessments and management. An experienced dedicated Health and Safety Office was employed by the Foundation to support the Bursar in managing this risk. However, the Health and Safety of the Foundation is the responsibility of all members of the school community but driven by the Bursar and his key teams and there is a designated Governor who takes an overview of this area.

The generic controls used by the Foundation to minimise all risks, including the above, are:

- Detailed terms of reference together with formal agendas for Committee and Board activity;
- Employment of qualified, key staff whose roles include consideration and minimisation of risk and use of specialist outside consultants where appropriate;
- Formal strategic development planning, reviewed by the relevant Committees and discussed annually at a special meeting attended by the Governors along with the senior management teams of the schools;
- Comprehensive budgeting and management accounting;
- Established organisational structures and lines of reporting;
- Formal written policies including clear authorisation and approval levels;
- Safeguarding procedures as required by law for the protection of the vulnerable;
- Regular review and monitoring by members of the Foundation Leadership Group and Committees.

The Governors are satisfied that for all major risks identified for the Foundation, appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that whilst systems can provide only reasonable, but not absolute assurance, that major risks have been managed. Detailed consideration of risk is delegated to the Governance Committee, which reports formally to the Governors at each meeting. The production and maintenance of the Risk Register is delegated to the Bursar.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Mission statement

The Foundation's mission is to provide the necessary education and appropriate training to enable pupils to develop their potential as individuals, and thereby to help ensure that when they leave they will be confident members of the larger society and effective contributors to it.

Charitable Objects

The Foundation's Objects, as set out in the Memorandum of Association, are to promote and provide for the advancement of education of children and students in the United Kingdom and elsewhere, such education to be consistent with the doctrines of the Church of England. In furtherance of these Objects for the public benefit the Foundation has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects. The Governors are mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection they have monitored closely the Public Benefit guidance available from the Charity Commission and also its supplementary website guidance on fee-charging.

Intended impact

Within its charitable Objects, the Foundation's intention is to provide a first-class education through strong academic tuition and by developing broader skills that help every pupil to realise his or her potential to the full. This involves emphasis on the co-curriculum through cerebral, sporting, artistic, team building and social skills. This policy builds self-confidence and life skills in the pupils and inculcates a desire to learn and a willingness to contribute to the wider community whilst at school and in later life.

Aims

The Foundation's aims remain:

- to offer all pupils a range of opportunities so that they can achieve to the best of their ability within a framework of shared values and standards;
- to value and nurture pupils as individuals, giving them a sense of their own self-worth and of the value of service to others, thus preparing them for life beyond school;
- to continue to operate the Aldenham Senior School as a day and boarding community with strong links both locally and further afield, and to seek to increase the numbers of pupils who can benefit from boarding;
- to continue to operate the Aldenham Prep School and St Hilda's School as day schools, in which there are strong and active partnerships with parents and with the local community around the two schools;
- to continue to make its facilities available for the wider use of the community.

Primary objectives

The primary objectives of the Foundation to fulfil these aims are:

- to provide a stimulating learning environment in which pupils can develop their academic potential to the full;
- to provide a happy and secure pastoral environment in which pupils can learn to live together and thus foster a sense of community, co-education, respect for one another and good citizenship;
- to provide pupils with the opportunity to take advantage of a breadth of extra-curricular activities in order to develop positively all aspects of their character;

Primary objectives (continued)

- to provide pupils with the opportunity to take decisions based on their own judgment and to communicate those decisions appropriately and effectively;
- to provide financial support to enable children whose parents are unable to afford the full fees to benefit from the education and opportunities offered;
- to provide a clear, simple and effective management structure capable of taking timely decisions and allocating necessary resources appropriately;
- to provide the necessary administrative and logistic framework to meet the needs of members of staff and pupils alike;
- to maintain and improve facilities which will enable these objectives to be achieved and which can also be applied for the wider benefit of the outside community.

The aims and objectives set for the Foundation's subsidiaries are to facilitate the achievement of the Foundation's aims and objectives as above.

Principal activity

The Foundation's principal activity, as specified in the Memorandum of Association is the advancement of education of children and students in the United Kingdom and elsewhere, such education to be consistent with the doctrines of the Church of England and, in this, the Foundation has again had a successful year with over 1,000 pupils being educated in the Foundation's schools.

Public benefit

The Governance Committee give due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011 to ensure that they are compliant and are offering as much as they can to the wider community.

The Foundation remains committed to the aim of providing public benefit, and details below the activities that took place during the year:

Bursaries

- The awarding of bursaries to parents is a measurable means of providing public benefit. The Governors consider bursaries, awarded to those whose parents would not otherwise be able to afford the fees, as being very important, but not to the exclusion of the much wider benefit that the Foundation provides within the community. Those pupils who attend our schools and who receive financial support contribute to the school community in a variety of ways, and so the benefit is not purely to these pupils but to the whole Foundation and, in some cases, to the wider community. In 2022/23 the Foundation awarded means-tested awards based on a sliding scale according to financial circumstances totalling £556k to 47 pupils. The Foundation is now working with the Royal National Children's Springboard Foundation to assist in offering children transformational bursaries to join the school. By working with them, the pupils are targeted as to those in most need who would benefit from the education and pastoral care that Aldenham provides.
- In addition to allocations of support from its fee income, there are specific bursary funds established from legacies provided by former pupils, specific funds created from Foundation reserves and annual support from funds held by other organisations associated with the Foundation.

Other activities

Other activities and partnerships are detailed below:

- The Foundation has partnered local maintained schools and provided support for local community organisations through pupil and staff involvement, and by use by the community of Foundation facilities and equipment.
- Letting of the grounds and facilities to local clubs and organisations.
- Free use of St Hilda's hall for use for a local mother and toddler group.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2023**

Public Benefit (continued)

- Use of Aldenham Chapel by other local schools.
- Use of Aldenham minibuses by local community groups and sports teams.
- Members of the local community use Aldenham land for walking groups.
- We cooperate with local charities and educational bodies in our ongoing endeavours to widen public access to the schooling we provide, to optimise the use of our cultural and sporting facilities and to awaken in our pupils an awareness of the social context of the all-round education they receive at the Foundation's schools.
- The Senior School partners a local maintained school to provide a Combined Cadet Force for the mutual benefit of both schools.
- Pupils and staff of the Foundation continue to provide support for a range of local and national charities through fundraising and Aldenham School has maintained its support of a community in Malawi through its Ripple Africa initiative which involves a group of 6th Form students travelling to Malawi each year to take part in community projects there.
- Across the Foundation and prior to lock-down a total of £17k was raised for several different Charities.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

This was the first full school year without any Covid restrictions and saw the return of the full range of international trips and school events. The School's ability to adapt over the previous two years, however, had enabled a leap forwards in use of technology. Having laid the groundwork carefully in the academic year 2021-22 we were ready to roll out use of Surface devices for all students in the Senior School other than Year 13s. The decision was made not to include them as they were entering their final year of school and were already equipped with their own laptops etc. All students in Years 7 and 8 were issued with Surface Go devices, and Years 9-12 with Surface Pro devices, paid for by parents. The roll-out went smoothly and was carefully supported by the work of the Head of Digital Learning and the Head of Technology and his support team. Regular training was provided throughout the year for teaching staff and opportunities were created for students and parents to offer feedback about their perspective and experience. Students were also invited to present their experience to the Education Committee of the Governors in the Spring Term. In response to some of this feedback further adaptations were made to ensure that the School is meeting the needs of a variety of learning styles and needs across the student body.

Academic results were extremely pleasing with 52% of A level exams achieving A*-B grades and 88% of the top half of the cohort achieving A* - B grades. The overall pass rate of 99% ensured that over 90% of students secured places at their first or second choice university and a significant number of these were at the prestigious Russell Group universities. One notable continuing success story was the EPQ qualification which achieved 79% A*-B grades.

The senior school once again achieved very strong GCSEs. Notable outcomes include 66% of results for the top half of the cohort being graded 7+. The overall figure of 39% of grades at 7+ (rising to 48% for girls) compares very favourably against the national picture of 27%.

Performing and creative arts continue to thrive at Aldenham. The return to the annual House Music Competition in its full format just before the October half term was much appreciated. As in so many other ways, however, the learning and adaptations of the Covid period proved valuable here as we chose to continue with the live-streaming for parents at home, and were delighted to discover that the event was viewed in 19 countries on the night, reminding us of the rich international diversity of our community. In the Spring Term we enjoyed an outstanding production of *Everybody's Talking about Jamie*; we believe that Aldenham is the first school to stage this musical. Later in the Year the Dance Show, the Beck Music Competition, Aldfest and the Junior House play *The Lord of the Flies* all continued to demonstrate the School's strengths in creativity and performance.

Aldenham has always valued very highly its engagement with our local community. The appointment of an Assistant Head with specific responsibility for Co-Curricular, Outreach and Operations, who joined us in September 2022, combined with the cessation of covid restrictions, saw the return of many of these activities to the calendar. A tea party, hosted by students and staff, for residents of a local retirement home became a regular fixture and we now have a growing relationship with a local primary school again. We have also been able to resume the school's annual trip to Malawi. 16 students and four staff members travelled out to work with the Ripple Africa project in Malawi in July 2023 where they learned about local fishing and farming practices, helped with digging latrines and building cooking stoves and volunteered in a local primary school. Over the course of the academic year successful trips also took place to Iceland, New York and France to support learning in Business, Drama, Geography and Modern Languages. Our footballers went on tour to Madrid, cricketers to Dubai and our netballers had the chance to play in a tournament in Paris in which they were extremely successful.

Sport has continued to flourish at the School for both boys and girls. We were delighted to welcome England and GB hockey player, and Olympic, Commonwealth and European Champion, Shona McCallin MBE to open our second Astroturf pitch in the Spring Term. This pitch has greatly enhanced our delivery of hockey for girls and boys. Four additional cricket nets were also completed this year, which support the growing provision for girls' cricket across the School. In Hockey our Girls 1st hockey team became U18 district champions and the Boys 1st team qualified for the National finals at Nottingham this year. In Football the Boys U13 A team became the ISFA champions after winning their final in March and the U15s are currently English Schools Football Association Champions. The U14s, U15s and U18s are also County Champions for their age groups. A number of our students received call-ups to play football for England at Junior level this year.

ACHIEVEMENTS AND PERFORMANCE – Continued

The School continues to invest in its facilities for learning and teaching both indoors and out. In addition to the improved sporting provision mentioned above we have undertaken the complete refurbishment of the Mathematics teaching block and of classrooms in English and Classics teaching areas. Over the summer holiday the Sixth Form Suite was refurbished, to create a more flexible environment for study for our Year 12 and Year 13 students and to enhance staff supervision in this area. We were also able to create four new teaching spaces across the Senior School. Over the same period new signage and wayfinders across the whole site have significantly enhanced the experience for all our visitors. The School takes seriously its responsibilities to improve fuel efficiency and carbon footprint, and therefore undertook a significant heat loss survey earlier in the year, which led to targeted work to improve insulation in the roof spaces of McGill's, Beevor's & Paull's Houses and the replacement of 34 old windows in the upper floors of Paull's House. The summer works programmed also included the installation of a new CHP heating system in Beevor's House, which together with similar installations in McGill's and Paull's in previous years have made a significant difference to our fuel costs. These works, combined with the construction of new walls at the entrance to the Senior School and the replacement of a second section of the Gilbert Building roof all speak to the balance of the careful stewarding and preservation of our historic and much loved older buildings, to ensure that they continue to serve the School's needs in the modern world.

St Hilda's appointed a new Head, Mr Andrew Kaye, from September 2022. As he had previously been the Deputy Head, a new Deputy Head was also appointed internally. The 4+ assessment process was very successful with a full class of 20 girls enrolled for September 2023, many of whom came from the nursery's pre school class. All girls in Form 6 achieved a place at their first choice senior school with 19 scholarships and 1 Music Exhibition being awarded across the cohort of secondary schools; 10 Academic, 1 Art, 6 Music and 2 Sports. There was also a Prep Scholarship awarded to one of the Form 5 girls. Links between the three schools in The Aldenham Foundation has been a focus this year with pupils from St Hilda's and Aldenham Prep collaborating during Children's Mental Health Week and celebrating the King's Coronation with their buddy class before joining the Senior School for a Coronation picnic. Girls in Form 5 have also had the opportunity to participate in science masterclasses in the Senior School's newly refurbished science laboratories and watch the Senior School's Dance Show in their theatre. This year the school introduced 'Little Bluebirds', a weekly parent/toddler stay and play session for families in the local community. The school was awarded The Eco Schools Green Flag Award in recognition of our work on sustainability and biodiversity. Particular highlights of this academic year have been; links made between our nursery and school classes during events such as Book Week, Children's Mental Health Week and STEM workshops, having one of our pupil's Coronation bunting designs be a winning design in the Historic Royal Palaces national competition, the whole school having class trips to a local zero waste food shop, a new 5 day Form 5 and Form 6 residential to a French chateau. A new Form 6 Upcycled Fashion Show was introduced which is a textiles and design project which begin with each pupil being given £5 to spend in a local charity shop before designing and turning their purchases into new outfits for a fashion show in front of the school and their families. Drama and public speaking continue to be a strength at St Hilda's with 48 out of the 62 girls who took the relevant English Speaking Board exam in the Summer Term being awarded a Distinction. We have broadened our PE and Games curriculum this year and have developed a more inclusive extracurricular sports club timetable, including offering clubs to our Lower School pupils. Our fixtures lists now also ensure there are more opportunities for participation in team matches and galas with the school now playing more schools than ever. We had two girls represent St Hilda's in the IAPS National Swimming Finals at The London Aquatic Centre and we put forward a team in our first aquathlon competition at a local senior school.

Aldenham Prep School continues to flourish. Fifteen Year 6 pupils moved to the Senior School at the end of the academic year. Two joint Music and Academic scholarships from the Senior School were offered; one was accepted. All children achieved a place at their first choice of Senior School apart from one child. In sport children have represented Aldenham Prep at venues such as the Olympic Pool in London and in the sports of football, netball, athletics, cricket, hockey and cross country. House Competitions have taken place in all these sports too. Children have celebrated much success including: the U11 Cross Country team who participated in the Buckingham Prep Cross Country competition; the boys came 2nd and the girls came 1st overall. There were standout individual performances by a boy in Year 6 and a girl in Year 5 who were both placed 1st in their respective races. Four pupils also participated in the gruelling Herts Primary Schools Cross Country Championships. The highest placed runner was a girl in Year 5 who finished 12th out of 87 and was still a year underage. Twelve runners from years 4-6 competed in the annual St. Martins Road Relays. First place was awarded to a Year 6 child from Aldenham Prep and another child from the school came 6th.

ACHIEVEMENTS AND PERFORMANCE – Continued

The U9 and U11 Athletics teams also won the Buckingham Prep Athletics competition which took place on Button Field. A Year 6 pupil came 16th in the IAPS National Final 50m backstroke race setting a new personal best and was awarded a sports scholarship from Haileybury. Children have also achieved success with their talent at art – with one child winning the Hertsmere Borough Council seasonal card competition and another child being a runner up. Sixty-one children completed the Capable Kids challenge and developed valuable life skills receiving Micro, Mini or Junior Duke awards. Years 5 and 6 children entered the Primary Maths Challenge, and two children reached the highly challenging bonus round which resulted in one of them achieving a gold award. A highlight of the year was the King's Coronation Celebration Day. Staff and children, dressed in red, white and blue from both Aldenham Prep and St Hilda's and joined together in Barton Hall to sing a Coronation Song. Year groups from the two schools then took part in celebratory activities before venturing up to the Senior School together for a Coronation Picnic.

The Foundation has continued its work on the development of international schools through its subsidiary, Aldenham Schools Holdings (ASH) who are partners in Aldenham Education Group (AEG) operating from Dubai. Since opening in August 2022 Aldenham Prep School Riyadh has seen an increase in numbers on roll from just over 100 to just over 300. A new Head, Mr Matt Aston was appointed, who took up his post in August 2023. This is positive progress in the overall strategic plan of increasing non fee income for the Foundation and development of overseas schools.

Mrs Alex Hems took up her post as Head of the Aldenham Foundation in September 2022 and since then the Foundation Leadership Group has begun a review of the Foundation's Strategic Plan which will be completed by December 2023. The Governors are actively involved in many aspects of the Foundation's activities during the year as well as their usual functions of overseeing the strategy of the Foundation and the implementation of the Foundation's aims. The relationship between the Governors and the Foundation's senior executive team continues to be very positive and constructive.

Fundraising

Fundraising for the School is carried out by Aldenham Foundation General Charitable Trust (AFGCT), who raise money from the Old Aldenhamians to benefit the pupils of the schools. AFGCT donated £50,349 to the Foundation in the year ending August 23 which was used to fund several resources throughout the Senior School and also funded the Prep School outdoor classroom, which was also supported by ASPA Prep.

There has also been continued progress made this year in the Foundation's work of raising voluntary funding for other Charities. This is undertaken by the Charity Committee whose members are pupils from the School. Across the Foundation, a total of £17k was raised for several different Charities including an appeal for the DEC in aid of Ukraine and the Turkey earthquake appeal. There are no professional fundraising organisations used and so no monitoring processes are required. AFGCT subscribes to the Fundraising Regulator and adheres to the Fundraising Promise when undertaking fundraising activity. This promise outlines to commitment made to donors to ensure any fundraising is legal, open, honest and respectful. The school takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the School's approach to fundraising activity.

FINANCIAL REVIEW

Results for the year

The total net income for the year was £22.4m (2022: £20.2m) and expenditure of £21.3m (2022: £19.3m), resulting in an operating surplus, before investment gains, of £1,114,158 (2022: surplus £930,277), which translates into an increase in operating cash outflow of £958,973 and an increase in fund balances of £1,165,722 (2022: increase £709,761) at the year end.

The Foundation's funding came from cash generated from fee income and the fees in advance scheme that the Foundation operates. Of the cash flow generated, £278,674 repaid bank loans and £1,280,020 funded capital items.

Reserves Policy

It is the Governors' policy not to accumulate and retain funds but to spend, wisely, the available cash on maintenance, and on enhancement of the Foundation school's facilities. Such enhancements usually involve significant capital sums and are therefore normally only undertaken as and when funds on a sufficient scale, built up over a number of years, become available. This policy means the Foundation does not hold a large reserve for any length of time. Moreover, as the fees are paid in advance and the short-term flow of income and expenditure is relatively predictable, the Foundation does not, as a matter of policy, hold reserves to cover say a whole term's operating costs.

The Foundation's total reserves of £17,287,325 at the year-end included £1,936,598 restricted funds and £15,350,127 unrestricted funds. Included in the reserves is a permanent endowment fund of £1,695,739, which is subject to specific conditions by donors that the capital must be maintained by the Charity.

The Foundation has no free reserves at the balance sheet date due to the investment of funds in tangible fixed assets, largely buildings for use within the Foundation. However, the Governors regularly examine the Foundation cash flows alongside the development plans for the future and are satisfied that they are adequate for the purpose of meeting its working capital requirements, by careful management of short-term liquid reserves, and that they will also cover strategic capital expenditure when complimented with an appropriate amount of loan finance. This has been reviewed in light of the pandemic and given the current climate the Governors are satisfied with the level of reserves held, however this will continue to be reviewed at F&GP meetings.

SECTION 172 STATEMENT

The Directors, who are the Trustees of the Foundation, confirm that in accordance with Section 172 of the Companies Act they act in a way that they would consider be most likely to achieve the purposes of the School. In making this assessment the Directors have considered the following:

1) The likely consequences of any decision in the long term

The long-term position of the Foundation is considered by the Directors as set out in the Going Concern section. The Directors review annual budgets and termly management accounts at the F&GP Committee meeting and Full Governors meeting.

2) The Interests of the Foundation's employees

The Foundation values its staff highly and recognises that it can only be successful with the support and loyalty of its staff members. The educational outcomes and experience of the pupils is dependent upon the stability and quality of the staff body. The Heads of the Schools are responsible for communicating and support their respective staff body, and in turn they are supported by the Head/Ceo, Bursar and Director of Finance and HR, along with a centralised HR Department that monitors staff wellbeing and engagement.

The Governors receive regular reports on staff matters through the respective Heads' termly reports and all Governors conduct visits to school where opportunity is made for direct staff engagement.

All staff were involved in the early stages of the strategic plan development, and all are updated on the plan and priorities at the start of each academic year.

The Foundation has complied with the UK's Equality Act 2010 (Gender Pay Gap Information) Regulations that came into effect in April 2017, and the report is available on the website.

3) The need to foster the Foundation's relationships with suppliers, customers and others

Fostering a successful and positive relationship with the pupils and parents of the Foundation is key to the success of the Foundation. Parental engagement is maintained via weekly newsletters and during the year there are several parent events where they have the opportunity to meet staff both socially and to discuss pupil progress. This culminates in an annual Prizegiving/Visitation Day at the end of term where parents have the opportunity to reflect on the year's successes and academic achievements.

All suppliers are treated fairly and promptly with their business terms being adhered to.

4) The impact of the Foundation's operations on the community and environment

See page 8 and 9 for partnership links.

The Foundation is complying with the Streamlined Energy and Carbon Reporting (SECR) requirements and the details are on page 15 below.

5) The desirability of the Foundation maintaining a reputation for high standards of business conduct

The Foundation's bribery and whistleblowing policies, as approved by the Governing Body, sets out the responsibilities for staff to report any incidents or suspicion of fraud, bribery or corruption arising in the course of their work to cooperate fully with any such investigations.

6) The need to act fairly as between members of the company

All Governors and senior staff complete an annual Conflicts of Interest and Related Party form. There have been no incidents reported of inappropriate relationships.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2023**

Streamlined Energy and Carbon Report

With regards to the energy and carbon usage, during the year the total energy use by the Foundation for the period Oct 22 to Oct 23 was for gas 3,937,075 kwh and for electricity 1,302,894 kwh. This equates to 67 tonnes less CO₂e which is equivalent of a 6.2% decrease on last year's figures. This reduction is extremely pleasing and is testament to the Foundations ongoing drive to reduce our carbon footprint.

The Foundation remains committed to reduce our carbon footprint further and during this year the investment was made on the following items:

- Installed a new DACHS Gen2 Combined Heat Pump and boiler system in a boarding house.
- Installed new energy efficient heating system in maths building.
- Replaced 34 old single pane windows with new doubled glazed units in a boarding house.
- Installed secondary glazing in Grade 2 listed building.
- Installed insulation in three boarding house roof spaces.
- Replaced old light with new LEDs across three teaching areas.

Projects that will be completed during this current academic year will include:

- Installing a DACHS Gen2 CHP system and new boilers in the fourth boarding house.
- Replace the aging and inefficient boiler system in a teaching building with significantly more energy efficient units that are also hydrogen compatible.
- Continue the window replacement and insulation programme based on the results of the thermal imaging survey results.

FUTURE PLANS

With the appointment of Mrs Hems in September 2022, the current strategy document "Aldenham 2027" is being reviewed with the aim of being updated for the next ten years. Whilst not wanting to change the ethos of the schools, there will be adjustments and revisions to the strategy, that will be finalised in the coming months.

Of the previous objectives of the 2027 strategy, the Foundation has partnered in the opening of a Prep School in Riyadh, built a brand-new Prep School on the Aldenham site and expanded the facilities of the Senior School by the redeployment of the old Prep School, amongst many other things however with a new Head of Foundation and changes in society and technology it is time to review and update the document.

Once agreed, the Governors and Leadership team will be driving forward the strategy to strengthen the Foundation in the years to come, especially in light of current economic and political uncertainty and threats to the Independent Schools sector.

Going Concern

The Governors are confident that the Foundation has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the Foundation's ability to continue. The accounts have therefore been prepared on the basis that the Foundation is a going concern. The various committees meet on a termly basis and routinely discuss pupil numbers and results.

The biggest risk to the Foundation is fee affordability by the potential introduction of VAT on school fees and a Finance Focus Group has been created from the Governors to work on these matters and look in detail at this item to ensure that the Foundation remains in a stable position moving forward.

GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2023

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The members of the Governing Body (who are also the Directors of the charitable company for the purpose of company law) are responsible for preparing the Annual Report and the financial statements for each financial year in accordance with applicable law and FRS102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

Under company law the Governing Body members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governing Body members are required to:

- select the most 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 the applicable Financial Reporting Standard has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The members of the Governing Body are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Governing Body of The Aldenham Foundation, including, in their capacity as company directors, the Strategic Report contained therein, and signed on its behalf by:



Sarah Altman

Chair of Governing Body

Dated: 12th December 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM FOUNDATION

Opinion

We have audited the financial statements of the Aldenham Foundation ('the charitable company') and its subsidiaries ('the group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2023 and of the group's 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM FOUNDATION

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and Safety legislation, Taxation legislation and Employment legislation.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM
FOUNDATION**

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

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

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

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

Use of our report

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



Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of

Crowe U.K. LLP
Statutory Auditor
London

Date: 27 February 2024

THE ALDENHAM FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023
(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
INCOME:					
School fees		19,622,013	-	19,622,013	18,498,442
Ancillary income		2,008,156	-	2,008,156	1,140,207
	3	21,630,169	-	21,630,169	19,638,649
Income from:					
Donations and legacies	2	13,115	96,650	109,765	240,401
Investments		14,361	-	14,361	10
Rents and lettings		78,094	-	78,094	68,513
Other activities	4	233,920	-	233,920	86,085
Other trading activities	21	342,687	-	342,687	192,508
		682,177	96,650	778,827	587,517
TOTAL INCOME		22,312,346	96,650	22,408,996	20,226,166
EXPENDITURE:					
Raising funds					
Costs of financing and raising funds		412,037		412,037	213,755
Trading expenditure	5/21	221,227		221,227	102,432
Charitable Activities					
Expenditure on education		20,505,333	156,241	20,661,574	18,979,702
TOTAL EXPENDITURE	5	21,138,597	156,241	21,294,838	19,295,889
Operating surplus/(deficit)		1,173,750	(59,591)	1,114,158	930,277
Net gains/(losses) on investments	10	49,223	2,340	51,563	(220,516)
Net Income/(deficit)		1,222,973	(57,251)	1,165,721	709,761
Net movement in funds		1,222,973	(57,251)	1,165,721	709,761
Fund balances at 1 September 2022		14,127,479	1,994,125	16,121,604	15,411,843
FUND BALANCES AT 31 AUGUST 2023		15,350,451	1,936,874	17,287,325	16,121,604

Operations throughout both periods were from continuing activities.

Aldenham uses the exemption conferred by section 408 of the Companies Act 2006 in not preparing a separate Income and Expenditure account for the separate entities.

Included within the balance brought forward on restricted funds is a permanent endowment of £1,695,739 (Note 15)

The notes on pages 23 to 39 form part of these financial statements.

THE ALDENHAM FOUNDATION

CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2023

	Notes	GROUP 2023 £	GROUP 2022 £	FOUNDATION 2023 £	FOUNDATION 2022 £
Fixed assets					
Tangible assets	9	21,477,072	21,649,508	21,477,072	21,649,508
Investment Assets	10	4,012,300	3,960,737	3,662,500	3,610,937
		<u>25,489,372</u>	<u>25,610,245</u>	<u>25,139,572</u>	<u>25,260,445</u>
Current assets					
Debtors	11	1,394,181	905,628	1,721,602	1,292,313
Cash at bank and in hand		3,668,205	2,709,232	3,517,070	2,605,543
		<u>5,062,386</u>	<u>3,614,860</u>	<u>5,238,672</u>	<u>3,897,856</u>
Creditors: amounts falling due within one year	12	(6,218,107)	(5,633,937)	(6,035,829)	(5,561,597)
Net current liabilities		<u>(1,155,721)</u>	<u>(2,019,077)</u>	<u>(797,157)</u>	<u>(1,663,741)</u>
Total assets less current liabilities		<u>24,333,651</u>	<u>23,591,168</u>	<u>24,342,415</u>	<u>23,596,705</u>
Creditors: amounts falling due after more than one year	13	(7,046,326)	(7,469,564)	(7,046,326)	(7,469,564)
NET ASSETS		<u>17,287,325</u>	<u>16,121,604</u>	<u>17,296,089</u>	<u>16,127,141</u>
Endowment funds	15	1,695,739	1,695,739	1,695,739	1,695,739
Restricted funds	16	241,135	298,386	241,135	298,386
Total restricted funds		<u>1,936,874</u>	<u>1,994,125</u>	<u>1,936,874</u>	<u>1,994,125</u>
Unrestricted funds					
General funds	17	15,350,451	14,127,479	15,359,215	14,133,016
Total unrestricted funds		<u>15,350,451</u>	<u>14,127,479</u>	<u>15,359,215</u>	<u>14,133,016</u>
TOTAL FUNDS	17	<u>17,287,325</u>	<u>16,121,604</u>	<u>17,296,089</u>	<u>16,127,141</u>

The notes on pages 23 to 39 form part of these financial statements.

The result of the Group for the year ended 31 August 23 was a surplus of £1,165,722 (2022: £709,761 surplus).

The accounts were approved by the Board of Governors on the 12th of December 2023



S Altman
Governor



D Tidmarsh
Governor

The accompanying notes form an integral part of these financial statements.

THE ALDENHAM FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	2022 £
Net cash inflow from operating activities	18	2,853,234	2,405,942
Cash flows from investing activities:			
Investment income		14,361	10
Payments to acquire tangible fixed assets		(1,280,020)	(790,669)
Payments to acquire investments		-	(1,350,000)
Financing costs		(349,929)	(156,520)
Net cash used in investing activities		<u>(1,615,588)</u>	<u>(2,297,179)</u>
Cash flows from financing activities:			
Repayment of long-term bank loan		(278,674)	(366,572)
New bank loan for Prep School			-
Net cash used in financing activities		<u>(278,674)</u>	<u>(366,572)</u>
Change in cash and cash equivalents in the reporting period		958,973	(257,809)
Cash and cash equivalents at the beginning of reporting period		<u>2,709,232</u>	<u>2,967,041</u>
Cash and cash equivalents at the end of reporting period		<u>3,668,205</u>	<u>2,709,232</u>

The notes on pages 23 to 39 form part of these financial statements.

The Aldenham Foundation is constituted as a company limited by guarantee, without a share capital, registered in England, No. 01847134, and is registered with the Charity Commission under Charity No. 298140. The Foundation's principal activity is the advancement of education of children and students in the United Kingdom and elsewhere such education to be consistent with the doctrines of the Church of England.

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention 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).

The governors have given due regard to the guidance on public benefit issued by the Charity Commission.

The Governors have reviewed the forecasts upto December 2025 taking into account cost pressures in terms of higher interest rates, increased cost of living and the impact of the energy crisis, and are satisfied that the revised budget and cashflows produced are realistic and ensure that the Foundation has adequate resources to continue in operational existence for the foreseeable future. The accounts have therefore been prepared on the basis that the Foundation is a going concern.

Basis of consolidation

The group financial statements consolidate the results of The Aldenham Foundation and the Foundation's subsidiaries, Aldenham Enterprises Limited and Aldenham Schools Holdings Ltd.

No separate Statement of Financial Activities of the Foundation has been presented, as permitted by s406 of the Companies Act 2006. The gross income of the Foundation was £22,408,996 (2022: £20,226,166). The movement in funds (net income) of the Foundation was £1,165,722 (2022: £709,761).

1.2 Income

School fees are accounted for in the period in which the service is provided. Fees receivable are before deduction for bursaries and scholarships granted by the school. Fee income received in advance is deferred.

Voluntary income, including donations, gifts and legacies are recognised when there is entitlement, probability of receipt and if the amount can be measured with sufficient reliability. Such income is only deferred when either the donor specifies that the grant or donation can only be used in a future accounting period, or if the donor has imposed conditions that must be met before the charity has unconditional entitlement.

Investment income and other incoming resources are recognised on a receivable basis.

Government grants are recognised on the performance model, when the School has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme has been recognised in the period to which the underlying furloughed staff costs relate to.

1.3 Expenditure

Resources expended are recognised in the period in which they are incurred with liabilities being recognised where there is a legal or constructive obligation to pay.

Resources expended are allocated to a particular activity where the costs relate directly to that activity. Resources expended have been allocated on the basis indicated below:

1.3 Expenditure (Continued)

- Charitable activities: These are costs directly attributable to the operation of the school.
- Governance costs: These include the cost of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the charitable activity. This includes such items as external audit and costs associated with constitutional and statutory requirements.
- Raising funds include all direct fundraising expenditure associated with running the development office.
- Support costs: These include all the costs relating to the management, administration and running the central functions of the school.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	not depreciated
Freehold buildings	up to 50 years
Sports pitch and equipment	4-10 years
Fixtures, fittings and equipment	3-10 years
Motor vehicles	4 years

All expenditure over £5,000, or £500 for IT costs, is identified as a new tangible fixed asset or as an improvement to an existing tangible fixed asset and is capitalised. Where on review an impairment of a fixed asset is identified, the value of the fixed asset is reduced or eliminated in line with the review. All tangible fixed assets are regarded as operational assets.

1.5 Stock

Stock is carried at the lower of cost and net realisable value.

1.6 Leasing

Rentals payable under operating leases are charged against income 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.

1.7 Investments

Investments are stated at market value and any gain or loss on revaluation or on disposal of fixed asset investments is taken to the Statement of Financial Activities.

1.8 Pensions

The Aldenham Foundation, along with many other schools, contributes to the defined benefit scheme operated by the Government Teachers Pension Agency and known as the Teachers' Pension Scheme. The Teachers' Pension Scheme is a multi-employer scheme as defined in the transitional arrangements of FRS102 and accordingly, the schools are required to treat the scheme as a defined contribution scheme.

The regular cost of providing retirement pensions and related benefits is charged to the Statement of Financial Activities over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the Statement of Financial Activities and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

The Aldenham Foundation also contributes to one externally invested defined contribution scheme for staff who are not eligible for the Teachers' Pension scheme and the pension costs charged to the statement of financial activities represent the contributions payable by the charity during the year. In addition, The Aldenham Foundation contributes to personal pension schemes for two employees pre-dating the introduction of the school's own defined contribution scheme.

1.9 Accumulated Funds

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity. Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

The Governors may designate monies held by the charity for specific purposes, particularly when building up funds for investment by the charity into further educational facilities and projects and additional bursarial funds, in order to have resources available to provide assistance to those who would otherwise be unable to attend the school.

Unrestricted funds are school fees, donations and other incoming resources received or generated for charitable purposes.

1.10 Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value and based upon market valuation at that date. Financial assets held at amortised cost comprise cash at bank and in hand, together with parent and other debtors.

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 all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

The value of financial assets held at fair value at year end totalled £3,662,500 (2022 £3,610,737).

1.11 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the accounting policies, the Governors are required to make judgements, 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 accounting policies have been applied consistently in dealing with items which are considered material in relation to the Foundation's financial statements.

2 Donations and Legacies

Name of donor	Unrestricted	Restricted	Total £ 2023	Total £ 2022
Whitbread Fund	-	-	-	12,000
Richard Platt Foundation	-	23,101	23,101	15,967
ASWMEF	-	9,000	9,000	9,000
Martineau's Trust	-	8,657	8,657	8,500
Brewers Company	-	18,000	18,000	18,000
GCT	13,115	37,892	51,007	176,934
Other donations and gifts	-	-	-	-
	<u>13,115</u>	<u>96,650</u>	<u>109,765</u>	<u>240,401</u>

3 School Fees and Ancillary Income

	2023	2022
	£	£
The Foundation's fee income comprised the following:		
Gross fees	21,336,313	20,065,419
Less: Bursaries and scholarships	(1,768,087)	(1,659,705)
	19,568,226	18,405,714
Add back: Bursaries paid for by Restricted funds	53,787	92,728
	19,622,013	18,498,442

The ancillary income of £2,008,156 includes recharges of coach transport, surface devices, instrumental lessons, after and before school activities and educational trips and events. The costs relating to ancillary income are included in educational activities, other and staff costs, below.

The number of pupils (not FTE in the nursery) educated across the Foundation is given below:

	Average	Average
	2023	2022
Aldenham Nursery	20	18
Aldenham Prep	143	133
Aldenham Senior	<u>702</u>	<u>673</u>
Total Aldenham pupils	865	824
St Hilda's Nursery	42	42
St Hilda's Prep	<u>100</u>	<u>113</u>
	142	155
TOTAL FOUNDATION	1,007	979

4 Other Activities

In 2023 there was a large receipt from insurers, relating to storm damage during the previous academic year, of £187k. The remedial work has now been carried out and the costs are included in expenditure.

5 Expenditure

5a	Staff costs	Other costs	Depreciation	Total 2023	Total 2022
	£	£	£	£	£
Charitable Activities					
Educational activities	9,338,683	3,035,735	423,306	12,797,724	11,259,139
Welfare (including catering)	320,163	1,646,862	0	1,967,025	1,898,296
Premises	891,141	1,560,240	1,029,150	3,480,531	3,577,795
Support costs of schooling	1,606,797	653,257	0	2,260,054	2,097,031
Grants, awards and funded resources (Note 5b)	0	156,241	0	156,241	147,441
	<u>12,156,784</u>	<u>7,052,335</u>	<u>1,452,456</u>	<u>20,661,575</u>	<u>18,979,702</u>
Trading expenditure	43,618	177,609	0	221,227	102,432
Development office	46,268	15,840	0	62,108	57,235
Bank loan interest and charges	0	349,929	0	349,929	156,520
	<u>89,886</u>	<u>543,378</u>	<u>0</u>	<u>633,264</u>	<u>316,187</u>
Total Expenditure	<u>12,246,670</u>	<u>7,595,713</u>	<u>1,452,456</u>	<u>21,294,839</u>	<u>19,295,889</u>

5b Grants, awards and funded resources	Total 2023	Total 2022
From Restricted resources:	£	£
Bursaries and scholarships	53,787	92,728
Prizes	226	275
Direct teaching resources (funded by Aldenham General Charitable Trust)	102,228	54,438
	<u>156,241</u>	<u>147,441</u>

6 Support Costs of Schooling	2023	2022
	£	£
Salaries	1,498,044	1,342,489
Staff recruitment, travel and training	24,466	18,128
Communications and network	81,622	56,178
Telephone, postage, printing, stationery	92,405	94,441
Miscellaneous administration costs	388,643	438,202
Governance costs	174,874	147,593
	<u>2,260,054</u>	<u>2,097,031</u>

The total salary cost is £1,606,797 as per above, however some staff costs are allocated to governance for the Head of Foundation and Bursar.

7 Operating Profit

This is arrived at after charging the following:

	2023	2022
Depreciation	1,452,456	1,430,788
Operating lease expenses	268,004	126,909
Fees payable to the company's auditor for audit fees	49,080	43,080
Fees payable to the company's auditor for other services	7,980	5,730
	<u>1,777,520</u>	<u>1,606,507</u>

The increase in lease costs relates to the introduction of surface devices recharged to pupils.

8 Employees**Number of employees**

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Teaching staff	181	178
Fundraising and publicity	4	4
Management and support staff	91	91
	<u>276</u>	<u>273</u>

Employment costs

	2023	2022
	£	£
Wages and salaries	9,266,857	8,892,203
Social security costs	979,096	948,968
Other pension costs	1,671,835	1,472,594
	<u>11,917,788</u>	<u>11,313,765</u>
Payments made to peripatetic and temporary staff working at the school	69,900	103,046
Other staff costs	258,982	60,316
	<u>12,246,670</u>	<u>11,477,127</u>

The number of employees whose annual taxable emoluments were £60,000 or more were:

	2023	2022
£60,000 - £70,000	21	12
£70,000- £80,000	3	5
£80,000- £90,000	3	2
£90,000- £100,000	1	0
£100,000- £110,000	0	1
£110,000- £120,000	1	0
£120,000-£130,000	0	1
£130,000-£140,000	1	0
£160,000-£170,000	1	0
£200,000-£210,000	0	1

The aggregate amount of total employee salary and benefits for the Key Management Personnel/Foundation's Leadership Group (FLG) was £985k (2022: £1,004k). The FLG do have other teaching and support responsibilities.

All but 2 (2022: 2) of these employees are members of the defined benefit pension scheme. Those not included are members of the defined contribution pension scheme and employer payments of £ (2022: £10,973) were made on their behalf.

During the year there were redundancy and settlement payments made of £165,843 (2022 Nil).

9 Fixed Assets

GROUP	Land and buildings £	Sports pitch and equipment £	Library £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost						
At 1 September 2022	28,273,849	1,211,482	25,000	4,144,221	242,895	33,897,447
Additions	39,411	262,726	-	860,866	117,017	1,280,020
Transfers						
Disposals					(43,562)	(43,562)
At 31 August 2023	28,313,260	1,474,208	25,000	5,005,087	316,350	35,133,905
Depreciation						
At 1 September 2022	(7,921,596)	(838,306)		(3,325,546)	(162,491)	(12,247,939)
Eliminated on disposal					43,562	43,562
Charge for the year	(1,029,906)	(60,785)		(315,418)	(46,347)	(1,452,456)
At 31 August 2023	(8,951,500)	(899,091)		(3,640,964)	(165,276)	(13,656,833)
Net book value						
At 31 August 2022	20,352,253	373,176	25,000	818,675	80,404	21,649,508
At 31 August 2023	19,361,758	575,117	25,000	1,364,123	151,074	21,477,072
FOUNDATION	Land and buildings £	Sports pitch and equipment £	Library £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost						
At 1 September 2022	28,273,849	1,211,482	25,000	4,123,020	242,895	33,876,246
Additions	39,411	262,726	-	860,866	117,017	1,280,020
Transfers						
Disposals					(43,562)	(43,562)
At 31 August 2023	28,313,260	1,474,208	25,000	4,983,886	316,350	35,112,704
Depreciation						
At 1 September 2022	(7,921,596)	(838,306)		(3,304,345)	(162,491)	(12,226,738)
Eliminated on disposal					43,562	43,562
Charge for the year	(1,029,906)	(60,785)		(315,418)	(46,347)	(1,452,456)
At 31 August 2023	(8,951,500)	(899,091)		(3,619,763)	(165,276)	(13,635,632)
Net book value						
At 31 August 2022	20,352,253	373,176	25,000	818,675	80,404	21,649,508
At 31 August 2023	19,361,760	575,117	25,000	1,364,123	151,074	21,477,072

THE ALDENHAM FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

10 Fixed Asset Investments

	GROUP 2023 £	GROUP 2022 £	FOUNDATION 2023 £	FOUNDATION 2022 £
Investment in subsidiary – Aldenham Enterprises Ltd	-	-	100	100
Aldenham Schools Holdings (ASH)	-		100	100
Investment in AEG	350,000	350,000		-
Listed Investments:				
Market value at 1 September	3,610,737	2,831,253	3,610,737	2,831,253
Additions		1,000,000		1,000,000
Movement on valuation in year	51,563	(220,516)	51,563	(220,516)
Market value at 31 August	3,662,300	3,610,737	3,662,300	3,610,737
TOTAL	4,012,300	3,960,737	3,662,500	3,610,937

Historical cost of listed investments 2,927,644 2,927,644

The Foundation's investments are managed by Sarasin Investment Fund Limited. The funds are held in Alpha CIF for Endowments.

The Foundation owns 100% of Aldenham School Holdings who in turn have a 40% shareholding in Aldenham Education DMCC, based in Dubai. The investment was moved from an Intercompany debtor to investments during the year.

11 Debtors

	GROUP 2023 £	GROUP 2022 £	FOUNDATION 2023 £	FOUNDATION 2022 £
Fee and trade debtors	413,800	299,312	230,142	203,625
Other debtors	73,187	109,867	52,062	93,055
Prepayments	907,194	496,449	907,194	496,449
Due from subsidiary		-	532,204	499,184
	1,394,181	905,628	1,721,602	1,292,313

12 Creditors: Amounts falling due within one year

	GROUP	GROUP	FOUNDATI ON	FOUNDATION
	2023	2022	2023	2022
	£	£	£	£
Bank loans	440,607	440,607	440,607	440,607
Taxes and social security costs	250,863	236,659	250,863	236,659
Other creditors and accruals	1,104,133	976,451	967,273	971,092
Trade creditors	697,368	510,378	651,949	443,396
Refundable deposits	1,294,836	1,334,677	1,294,836	1,334,677
Fees in advance	1,616,056	1,175,214	1,616,056	1,175,214
Advance fee scheme	814,245	959,951	814,245	959,951
	<u>6,218,107</u>	<u>5,633,937</u>	<u>6,035,829</u>	<u>5,561,596</u>

Bank Loans

The bank loan is the capital element due within one year.

Refundable deposits

Deposits are placed when pupils join the school and credited against fees and disbursements for their last term.

Fees in advance

Fees in advance reflect advance payments of school fees for the forthcoming year, which are not part of the Advance Fee Scheme below.

Advance Fee Scheme

Parents may enter into a contract to pay to the school multiple years' fees in advance. The advance fee creditor represents the school's liability under the contracts, to be utilised in the forthcoming year. The movements in the year were:

Advance Fee Scheme - Group & Foundation (combined)

	2023	2022
	£	£
Balance at beginning of year	2,627,586	2,891,828
Monies deposited into scheme	836,249	762,603
Amounts utilised in payment of fees	(1,126,519)	(1,026,845)
Balance at the end of the year	<u>2,337,316</u>	<u>2,627,586</u>
Utilised within 1 year	814,245	959,951
Utilised within more than 1 year	<u>1,523,071</u>	<u>1,667,635</u>
	<u>2,337,316</u>	<u>2,627,586</u>

13 Creditors: Amounts falling due after more than one year

	GROUP 2023 £	GROUP 2022 £	FOUNDATION 2023 £	FOUNDATION 2022 £
Bank loans	5,523,255	5,801,929	5,523,255	5,801,929
Advance Fee Scheme	1,523,071	1,667,635	1,523,071	1,667,635
Other creditors and accruals		-		
	<u>7,046,326</u>	<u>7,469,564</u>	<u>7,046,326</u>	<u>7,469,564</u>
Bank loan maturity analysis				
Debt due in one year or less	440,607	440,607	440,607	440,607
In more than one year but not more than two years	440,607	440,607	440,607	440,607
In more than two years but not more than five years	1,321,821	1,321,821	1,321,821	1,321,821
In more than five years	3,760,827	4,039,501	3,760,827	4,039,501
	<u>5,963,862</u>	<u>6,242,536</u>	<u>5,963,862</u>	<u>6,242,536</u>

Bank loans

The bank loans are secured on the freehold land and buildings at the School. The loans outstanding at 31 August 2023 secured on Aldenham School represents 30.8% of the carrying value of the land and buildings of the school.

A new bank loan agreement was signed on the 29th of November 2019 to fund the build of the new Prep School. The loan is to be repaid over a 15-year period commencing September 2021. The rate agreed is 1.39% over base rate. The final amount of the total amount borrowed was £6,609,108 and with amortised interest the total commitment of the loan is £8,585,641 at today's rates. The loan can be repaid at any time without penalty. The interest element is written off as an expense in the SOFA, and the above refers to the capital element only.

Advance fee scheme

Parents may enter into a contract to pay to the school multiple years' fees in advance. The advance fee creditor represents the school's liability under the contracts, to be utilised in the forthcoming year. The movements in the year are detailed in note 11.

14 Pension and other post-retirement benefit commitments

The Foundation participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,378,087 (2022: £1,330,639) and at the year-end £166,242 (2022: £157,444) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

For employees not eligible for the Teachers' Pension scheme, the Foundation contributes to a direct contribution scheme run by AVIVA (the Norwich Union) and investing in AVIVA (Norwich Union Pension funds). The minimum employee contribution for those who have not opted out is 5% and the Foundation's contribution is 10%. During the year the Foundation contributed £292,353 (2022: £143,650) into the scheme and at the year-end there were no contributions remaining outstanding (2022: Nil). These amounts include charges and liabilities relating to the Foundation's auto-enrolment arrangements that applied with effect from 1 April 2014.

15 Endowment funds

The permanent endowment fund is represented by the land and buildings detailed in part 1 of the Charity Commission Scheme sealed on 27 November 1995. The value of the fund at 31 August 2023 and 31 August 2022 was £1,695,739.

16 Restricted Funds

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

GROUP & FOUNDATION (Combined)

Fund	Balance at 1 Sept 2022 £	Income £	Expenditure £	Investment gains £	Balance at 31 August 2023 £
Rodney Fitzgerald Memorial	-				
Jukes Fund	163,851	-	-	2,340	166,191
Aldenhams Foundation General Charitable Trust	66,035	37,892	(103,927)	-	-
Sundry Donations Received					
Brewers Company General Charitable Trust-Annual Fund	23,366	18,000	(19,245)	-	22,121
Whitbread Fund	6,199	-	(6,000)		199
Richard Platt Foundation ASWMEF	21,472	23,101	(10,549)		34,024
Brewers Co. - Martineau's Trust for Prizes		9,000	(9,000)		-
Brewers Co. - Martineau's Trust for Scholarships	729	226	(226)		-
Brewers Co. - Martineau's-General	16,735	1,831	(2,492)		68
	298,387	96,650	(156,241)	2,340	241,135

Out of the donations received from Aldenhams Foundation General Charitable Trust, £6,500 funded a bursary for a pupil and the remainder funded departmental resources. The total bursaries and scholarships funded by donations totalled £53,787.

- The Rodney Fitzgerald Memorial Fund reflects an interim distribution from the estate of a former pupil of the school. The funds were left to the school for the provision of bursaries for those with sporting abilities.
- The Jukes Fund represents a legacy to be used for pupil scholarships and bursaries where the parents of existing pupils fall into financial difficulty (as a result of illness or redundancy, or for any other such reason which the Governors deem necessary).
- The Brewers Bursary Fund represents an historical sum received from The Aldenhams School General Charitable Trust which is to be used in providing pupil bursaries for larger or longer-term bursaries at the Headmaster's discretion.
- The Brewer's Company, Martineau's Trust funds are restricted funds that are restricted for 3 different uses. The General fund is to be used in the Senior School and it has been agreed that it will benefit Martineau's Junior House.
- The Whitbread Fund is used for 6th form bursaries for pupils, at the Head's discretion, who would not be able to remain in the school to continue their education in the 6th form without financial support.
- The Richard Platt Foundation fund is an endowed fund and the income is distributed to various beneficiaries, of which Aldenhams School is one. It is a restricted fund that must be used in the senior school.
- The Aldenhams School War Memorial Educational Fund or "ASWMEF", was a fund set up at the end of World War 1, and is a fund used for bursaries.

17 Analysis of net assets between funds

Fund balances as 31 August 2023 are represented by:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
GROUP				
Tangible fixed assets	19,781,333	-	1,695,739	21,477,072
Investments	3,846,109	166,191	-	4,012,300
Other net current liabilities	(1,230,665)	74,944	-	(1,155,721)
Creditors: amounts falling due after more than one year	(7,046,326)	-	-	(7,046,326)
	<u>15,350,451</u>	<u>241,135</u>	<u>1,695,739</u>	<u>17,287,325</u>
FOUNDATION				
Tangible fixed assets	19,781,333	-	1,695,739	21,477,072
Investments	3,496,309	166,191	-	3,662,500
Other net current (liabilities)/ assets	(872,101)	74,944	-	(797,157)
Creditors: amounts falling due after more than one year	(7,046,326)	-	-	(7,046,326)
	<u>15,359,215</u>	<u>241,135</u>	<u>1,695,739</u>	<u>17,296,089</u>

18 Net cash inflow from operating activities

	2023 £	2022 £
Reconciliation to net incoming resources		
Operating Surplus	1,114,157	930,277
Investment income	(14,361)	(10)
Financing costs	349,929	156,520
Depreciation of tangible fixed assets	1,452,456	1,430,788
Loss on disposal of fixed assets	0	31,449
(Increase) / decrease in debtors	(488,554)	149,284
Increase in creditors	439,607	(292,366)
	<u>2,853,234</u>	<u>2,405,942</u>

19 Commitments

The Charity has annual commitments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Within one year	262,895	90,815
Between two and five years	274,827	165,929
Over 5 years	14,699	-
	552,421	256,744

The increase in lease commitments is due to the introduction of surface devises for all pupils. The cost of these are charged onto parents and included in ancillary income.

There are no capital commitments at year end.

20 Related party transactions**The Board of Governors**

The Board of Governors of the Foundation did not receive any remuneration during the year. Three Governors were reimbursed for expenses where appropriate, totalling £2,168.13.

There were no transactions with parties related to the Board of Governors during the year (2022: £0).

Aldenham School General Charitable Trust (“the Trust”)

The Trust is independent of the Foundation but is substantially under the same management. During the year Aldenham Foundation received donations of £50,349 (2022: £176,934) from the Trust.

Aldenham Enterprises Ltd

During the year there were intercompany transactions with Aldenham Enterprises Ltd amounting to £ 88,482 (2022 £68,961) for salary recharges and other intercompany items. In addition to this the annual profits of £113,788 have been accrued and included in the intercompany debtor balance at the year-end of £130,092 (2022 £101,071).

Aldenham Schools Holdings Ltd

During the year there were intercompany transactions of £4,000 and at year end the intercompany debtor balance was £362,111, which represents the initial loan to Aldenham Schools Holdings Ltd to fund their investment in the overseas Company Aldenham Education Group DMCC.

21 Subsidiaries of The Aldenham Foundation

Aldenham Enterprises Limited is incorporated in the United Kingdom (No. 01635965) and is a wholly owned trading subsidiary of The Aldenham Foundation.

Aldenham Schools Holdings Ltd, is a registered company in England, No. 11923888 (“ASH”) and is a wholly owned subsidiary of The Aldenham Foundation.

A summary of results for the year and financial position at 31 August 2023 is shown below.

	AEL		ASH	
	2023	2022	2023	2022
	£	£	£	£
Incoming resources	342,687	192,508	-	-
Operating expenditure	(228,899)	(108,950)	(4,078)	(5,232)
Gift aid donation to the Foundation	(112,936)	(83,235)	-	-
Result for year	852	323	(4,078)	(5,232)
Assets	355,375	214,065	350,543	350,622
Liabilities	(352,371)	(211,913)	(362,111)	(358,112)
	3,004	2,152	(11,568)	(7,490)
Called up Share Capital	100	100	100	100
Profit and Loss account	2,904	2,052	(11,668)	(7,590)
Total funds	3,004	2,152	(11,568)	(7,490)

The operating expenditure above includes intercompany transactions (see note 20) that are eliminated upon consolidation in the Statement of Financial Activities on page 18 and therefore the figures do not agree on the face of the SOFA.

ASH has a 40% shareholding in Aldenham Education DMCC, and £350,000 of the assets above reflects the investment in Aldenham Education DMCC.

22 Members' Liability

Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £100 each for the debts and liabilities contracted before they ceased to be a member.

23. Consolidated Statement of Financial Activities for the year ending 31st August 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
INCOME:					
School fees		18,498,442		18,498,442	15,944,233
Ancillary income		1,140,207		1,140,207	752,802
	3	<u>19,638,649</u>		19,638,649	16,697,035
Income from:					
Donations and legacies	2	47,488	192,913	240,401	97,276
Investments		10		10	128
Rents and lettings		68,513		68,513	9,643
Other activities	4	86,085		86,085	123,521
Other trading activities	21	192,508		192,508	60,771
		<u>394,604</u>	192,913	587,517	291,339
TOTAL INCOME		<u>20,033,253</u>	192,913	20,226,166	16,988,374
EXPENDITURE:					
Raising funds					
Costs of financing and raising funds		213,755		213,755	159,431
Trading expenditure	5/21	102,432		102,432	38,369
Charitable Activities					
Expenditure on education		18,832,261	147,441	18,979,702	17,194,302
TOTAL EXPENDITURE	5	<u>19,148,448</u>	147,441	19,295,889	17,392,102
Operating surplus/(deficit)		884,805	45,472	930,277	(403,728)
Net gains/(losses) on investments	10	(203,842)	(16,674)	(220,516)	274,558
Net Income/(deficit)		<u>680,963</u>	28,798	709,761	(129,170)
Net movement in funds		<u>680,963</u>	28,798	709,761	(129,170)
Fund balances at 1 September 2021		13,446,516	1,965,327	15,411,843	15,541,013
FUND BALANCES AT 31 AUGUST 2022		<u>14,127,479</u>	1,994,125	16,121,604	15,411,843

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

24. Restricted funds 2022

GROUP & FOUNDATION (Combined)

Fund	Balance at 1 Sept 2021 £	Income £	Expenditure £	Investment gains £	Balance at 31 August 2022 £
Rodney Fitzgerald Memorial	6,560	-	(6,560)		-
Jukes Fund	198,498	-	(17,973)	(16,674)	163,851
Aldenham School General Charitable Trust	-	129,446	(63,412)		66,035
Sundry Donations Received	-	-	-		-
Brewers Company General Charitable Trust-Annual Fund	24,131	18,000	(18,765)		23,366
Whitbread Fund	6,199	12,000	(12,000)		6,199
Richard Platt Foundation	17,339	15,967	(11,834)		21,472
ASWMEF	-	9,000	(9,000)		-
Brewers Co. - Martineau's Trust for Prizes	-	275	(275)		-
Brewers Co. - Martineau's Trust for Scholarships	2,099	2,225	(3,595)		729
Brewers Co. - Martineau's- General	14,762	6,000	(4,027)		16,735
	269,588	192,913	(147,441)	(16,674)	298,386

25. Analysis of net assets between funds 2022

Fund balances as 31 August 2022 are represented by:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
GROUP				
Tangible fixed assets	19,953,769	-	1,695,739	21,649,508
Investments	3,796,886	163,851	-	3,960,737
Other net current liabilities	(2,155,383)	136,305		(2,019,077)
Creditors: amounts falling due after more than one year	(7,469,564)			(7,469,564)
	14,125,709	300,156	1,695,739	16,121,604
FOUNDATION				
Tangible fixed assets	19,953,769		1,695,739	21,649,508
Investments	3,447,086	163,851	-	3,610,937
Other net current (liabilities)/ assets	(1,800,045)	136,305		(1,663,740)
Creditors: amounts falling due after more than one year	(7,469,564)			(7,469,564)
	14,131,246	300,156	1,695,739	16,127,141

THE ALDENHAM FOUNDATION

England & Wales - Charity number 298140

Accounts

**Company Registration No.
01847134
Charity Registration No. 298140**

**THE ALDENHAM FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

THE ALDENHAM FOUNDATION

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THE ALDENHAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Governors/Directors The Directors of the Company, and their committee duties, are as below. All are members of the Governing Body and Trustees of the Charity.

Committees 21-22						
Full Governing Body: Names	Finance & General Purposes	Education	Estates	Audit	Governance	Remuneration
Altman, Mrs S (Chair)	○	○		●	●	●
Bryer, Mr R (Appointed September 2022)			☒			
Clifford, Mrs C	●					
Cuttell, Mrs F *****				●		
Day, Mr A (Retired July 22)			○			
Hawdon, Dr J ***						
Hellman, Mr A G	●					
Hunter, Mr A		●				
James-Crook, Mr J		●	●			
Lambert, Cllr D *			●			
Mainwaring, Ven Dr J *****		●				
Phillips, Mr A	●			☒		
Rees, Mr C	●					
Ms H Simmons		●				
Mr T C Sligo-Young	☒					●
Staughton, Mr J (Upper Warden)						
Thomas, Mrs H						
Tindal, Cdre N					●	
Mr D T Tidmarsh		☒			☒	☒
Mr T F Wells			●			

- ☒ = Chair of that Committee
 ● = Member of Committee
 ○ = In attendance at the Committee meetings, but not a member

- * Governor Responsible for Aldenham Prep School
 ** Local Authority Designated Governor
 *** Safeguarding Designated Governor for the Foundation and Governor Responsible for St Hilda's School
 **** Governor Responsible for S Hilda's School
 ***** Governor Responsible for Aldenham Senior School and Boarding

THE ALDENHAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION AS AT 31 AUGUST 2022

Secretary	K Mahon
Charity number	298140
Company number	01847134
Registered office/ Principal address	Aldenham School Elstree Herts WD6 3AJ
Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	National Westminster Bank Plc 72/74 High Street Watford Hertfordshire WD17 2GZ
Solicitors	Farrer & Co LLP 65-66 Lincoln's Inn Fields London WC2A 3LH Taylor Walton 28-44 Alma Street Luton Bedfordshire LU1 2PL
Contact details	Website: www.aldenham.com E-mail: enquiries@aldenham.com

Key Management Personnel (Foundation Leadership Group/Executives)

JC Fowler	Headmaster & Chief Executive Officer
AM Williams	Principal of Aldenham Senior School
VJ Gocher	Head of Aldenham Preparatory School
SJ Styles	Head of St Hilda's School
K Mahon	Bursar & Clerk to the Governors
S Toye	Director of Finance and HR
P Dunstan	Business Development Director

**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

The Governors of The Aldenham Foundation present their Annual Report for the year ended 31 August 2022 under the Charities Act 2011 and the Companies Act 2006, including a Strategic Report, together with the audited financial statements for the year.

DIRECTORS' REPORT

CONSTITUTION

Aldenham School, the oldest part of The Aldenham Foundation (“the Foundation”), was founded in 1597. The Foundation is constituted as a company limited by guarantee, without a share capital, registered in England, No. 01847134, and is registered with the Charity Commission under Charity No. 298140. Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member. The liability of the members is limited to £100 each for the debts and liabilities contracted before they ceased to be a member.

The members are:

- The Worshipful Company of Brewers
- The Clerk to the Worshipful Company of Brewers

The Foundation operates three schools known as Aldenham Senior School, Aldenham Prep School and St Hilda’s School Bushey.

There is one Governing Body for the three Schools. Details of the members of the Governing Body, together with the Foundation’s officers and principal advisers, are set out on pages 1 and 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The Foundation is governed by its Memorandum of Association and Articles of Association last amended on 21st July 2011.

Governing Body

The Foundation has a Board of up to 20 Governors of whom six are Representative Governors appointed by the Worshipful Company of Brewers, one is appointed by the Local Education Authority and the remaining thirteen are Co-opted appointed by the board of Governors. Each Governor is appointed for an initial term of three years and may subsequently be reappointed by the Board for successive periods of three years.

New members of the Governing Body are appointed or elected on the basis of nominations based on the candidates’ professional qualities, qualifications and experience. The Governors of the Foundation are the Directors of the Company and Trustees of the Charity. From this point forward they will be referred to as Governors.

Recruitment and training of Governors

New Governors are inducted into the workings of the Foundation and its schools, including Governing Body policy and procedures, at an induction specially organised for them by the Heads and Bursar. They are provided with a Governance Manual that provides detail on subjects such as recruitment and induction into their role, Terms of Reference and general policies and information.

The new Governors are also encouraged to attend specialist external courses on the role and responsibilities of charity trustees and other external and in-house trustee training and information courses designed to keep them informed and updated on current issues in the sector and on regulatory requirements.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2022**

Organisational management

The Governors are legally responsible for the overall management and control of the Foundation and its schools. Their role is to agree strategy, advise on and review the development of plans and monitor their execution by the Executive. The Governors decide ultimately how the Foundation's financial resources are deployed and hold the Executive to account while also acting as their critical friend.

Individual Governors hold a place on individual Committees as detailed below, to carry out the above, as well as ratifying policies where applicable, monitoring, safeguarding and discussing strategic and operational issues. The terms of reference for each Committee are summarised below:

- The Audit Committee keeps under review the Foundation's internal controls, is mainly responsible for the Foundation's relationship with the external auditor and oversees the production of the Annual Report and Accounts and performance of the external audit.
- The Education Committee has a monitoring and advisory role relating to the overall provision of education, pastoral care and safeguarding activities across the Foundation.
- The Estates Committee has a monitoring and advisory role relating to the Foundation's buildings, plant, grounds, gardens, roadways and security. They request financial approval from the Finance and General Purposes Committee of work that needs to be completed in excess of £250k and F&GP in turn seek approval for any project in excess of £500k
- The Finance & General Purposes Committee has a monitoring role relating to the overall financial and business activities of the Foundation, including budgeting, reviewing financial performance, investment, HR and Health and Safety. They also monitor the pay and conditions of all staff within the Aldenham Foundation and makes recommendations to the Full Governing Body about variations to these annually. The pay of the Foundation Leadership Group is decided by the Remuneration Committee.
- The Governance Committee keeps under review the Foundation's assessment and response to risk, monitors the governance offered to the Foundation schools by the various committees and advises the Board on any changes needed to the Board of Governors and how individual Governors are deployed.

The development and execution of strategic plans and operational management of the Aldenham Foundation is delegated to the Foundation Leadership Group (i.e., The Executive), consisting of the Heads of each school, and other key operational staff. They meet fortnightly to discuss and implement policy, strategy and development of the Foundation and significant operational issues. The day-to-day running of the three schools is delegated to the respective Heads, supported by their respective Senior Leadership Teams.

The Aldenham Foundation Board of Governors takes its governance responsibilities seriously and, as a large charity, aims to have a governance framework that is fit for purpose, compliant and efficient. The Board has established a solid foundation in governance in which all of its governors are clear about their roles and legal responsibilities, are committed to supporting the Foundation to deliver its objects most effectively for its beneficiaries' benefit, and contribute to the Aldenham 2027 Strategic Plan for continued improvement.

The Aldenham Foundation Governance Committee [keeps the](#) Charity Code of Governance [under review and are minded that](#) the Board of Governors meet a significant proportion of the recommended best practices for governance contained within the Code. Following last year's independent review of the Boards effectiveness, the Full Governing Body continue to review the and implement the subsequent actions plan.

Group structure and relationships

During the year there were three subsidiaries within the Foundation, these being:

- The Aldenham School Charity, a registered charity number 1057611("ASC");
- Aldenham Enterprises Ltd, a limited company registered in England No 01635965 ("AEL").
- Aldenham Schools Holdings Ltd, a registered company in England, No. 11923888 ("ASH")

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2022

The Aldenham School Charity is now a dormant Company and owns the endowed land.

Aldenham Enterprises Ltd is a wholly owned non-charitable subsidiary of the Foundation whose annual profits are donated to the Foundation under the Gift Aid Scheme. The trading activities of AEL primarily comprise a franchised retail outlet and revenue from letting of the Aldenham Foundation schools' facilities when not in use by the schools.

Aldenham Schools Holdings Ltd is a wholly owned non-charitable subsidiary of the Foundation and was formed on the 3rd of April 2019 with a separate Board, consisting of members of the Foundation's Leadership Group, as well as two Governors. Its purpose is to monitor and manage the overseas activities of the Foundation.

The registered address of both of the above subsidiaries is the same as The Aldenham Foundation.

Employment and remuneration policy

The Foundation is an equal opportunities employer. Full and fair consideration is given to job applications from all applicants, and the Foundation does not discriminate against anyone. Full and fair consideration will be given to applications of employment made by disabled persons having regard to their particular aptitudes and abilities. Once employed, training and support will be given to disabled persons as with all staff.

With the introduction of a new Applicant Tracking System, we have moved to blind shortlisting which has strengthened the process. Due consideration is given to the individual applicant's training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the Foundation.

Communication with employees continues through normal management channels in a variety of forms and also via an annual briefing to all staff of the Foundation by the Headmaster/CEO in September covering the Foundation's performance over the previous year and targets and aspirations for the new academic and financial year. All staff are appraised annually. The annual pay increase for all staff is agreed by the Full Governors and the remuneration of Key Management Personnel (Foundation Leadership Group) is agreed by the members of the Remuneration Committee during each year.

Investment policy, objectives and performance

The Governors' investment powers are governed by the Charity Commission Scheme of 1995 which requires that all sums belonging to the Foundation, other than sums needed for immediate working purposes, be invested in trust for the schools. The Governors' policy is to maintain income whilst preserving the real value of the endowed investments held in restricted funds. The Governors aim to maximise the total investment return they are able to achieve from the cash and investments the Schools hold, bearing in mind their planned expenditure and financing needs. The investment strategy and policy is monitored by the Finance and General Purposes (F&GP) Committee. Currently, any surplus cash held by the Foundation, in excess of that required for working capital, is available for investment. The intention is to protect the value of funds used for bursaries and scholarships in addition to any Fees In Advance funds received for fees in excess of two years.

Principal Risks and Risk management

The Governors have considered the major risks to which the Foundation and its subsidiaries are exposed. The Governors have ultimate responsibility for managing any risks faced by the Foundation.

The risk management process and the resulting Risk Report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high.

The current areas that the Governors consider to be the principal risks are as follows:

- The current economic effect of the global increase in the cost of living on parental ability to pay fees. The risk is being managed by carefully considered fee increases, credit control policies and bursarial support where necessary.
- The cost of living impact, and energy crisis, on the investment surplus for the Foundation along with the impact of interest rate rises on the cost of our current loan that funded the Prep School build. Careful attention is given to budgets and forecasting to ensure the loan repayments can be made. Capital projects are delayed where appropriate.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2022**

Principal Risks and Risk management (continued)

- **Cyber Security:** The theft of data and attempts at financial fraud are deemed to be an area of principal risk due to the increasing number and sophistication of reported incidences in the wider business community. The Foundation seeks to adequately protect itself against such risk through comprehensive security measures, regular review and testing of these and through scrutiny of systems.
- **General affordability and non-payment of fees:** Full consideration is given to fee increases each year and any fee increases are therefore intended to meet expected cost increases whilst maintaining the educational provision provided by the Foundation. The surplus also needs to enable planning for the ongoing development of the Schools within it, whilst maintaining financial stability.
- **Any impact of a change to opposition government with a manifesto promise of school fee VAT and taxation.**
- **Safeguarding:** This is always deemed to be a principal risk due to the seriousness of any breach and the potential impact on pupils, reputation and confidence. Safeguarding is given the utmost consideration and a Governor, who is a professional Paediatrician, has been appointed to oversee compliance in the Foundation and to provide support and advice. There are Designated Safeguard Leads in each School who are responsible for keeping children safe in education. In addition, a “whole school” approach is taken to safeguarding so training is given to all staff and Governors.
- **Health and Safety:** The health and safety of the Foundation’s pupils and staff is a key area for risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the schools’ sites, on trips and expeditions). The level and breadth of activity across the schools is extensive and the risks associated with this are minimised by ongoing risk assessments and management. An experienced dedicated Health and Safety Office was employed by the Foundation to support the Bursar in managing this risk. However, the Health and Safety of the Foundation is the responsibility of all members of the school community but driven by the Bursar and his key teams and there is a designated Governor who takes an overview of this area.

The generic controls used by the Foundation to minimise all risks, including the above, are:

- Detailed terms of reference together with formal agendas for Committee and Board activity;
- Employment of qualified, key staff whose roles include consideration and minimisation of risk and use of specialist outside consultants where appropriate;
- Formal strategic development planning, reviewed by the relevant Committees and discussed annually at a special meeting attended by the Governors along with the senior management teams of the schools;
- Comprehensive budgeting and management accounting;
- Established organisational structures and lines of reporting;
- Formal written policies including clear authorisation and approval levels;
- Safeguarding procedures as required by law for the protection of the vulnerable;
- Regular review and monitoring by members of the Foundation Leadership Group and Committees.

The Governors are satisfied that for all major risks identified for the Foundation, appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that whilst systems can provide only reasonable, but not absolute assurance, that major risks have been managed. Detailed consideration of risk is delegated to the Governance Committee, which reports formally to the Governors at each meeting. The production and maintenance of the Risk Register is delegated to the Bursar.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Mission statement

The Foundation's mission is to provide the necessary education and appropriate training to enable pupils to develop their potential as individuals, and thereby to help ensure that when they leave they will be confident members of the larger society and effective contributors to it.

Charitable Objects

The Foundation's Objects, as set out in the Memorandum of Association, are to promote and provide for the advancement of education of children and students in the United Kingdom and elsewhere, such education to be consistent with the doctrines of the Church of England. In furtherance of these Objects for the public benefit the Foundation has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects. The Governors are mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection they have monitored closely the Public Benefit guidance available from the Charity Commission and also its supplementary website guidance on fee-charging.

Intended impact

Within its charitable Objects, the Foundation's intention is to provide a first-class education through strong academic tuition and by developing broader skills that help every pupil to realise his or her potential to the full. This involves emphasis on the co-curriculum through cerebral, sporting, artistic, team building and social skills. This policy builds self-confidence and life skills in the pupils and inculcates a desire to learn and a willingness to contribute to the wider community whilst at school and in later life.

Aims

The Foundation's aims remain:

- to offer all pupils a range of opportunities so that they can achieve to the best of their ability within a framework of shared values and standards;
- to value and nurture pupils as individuals, giving them a sense of their own self-worth and of the value of service to others, thus preparing them for life beyond school;
- to continue to operate the Aldenham Senior School as a day and boarding community with strong links both locally and further afield, and to seek to increase the numbers of pupils who can benefit from boarding;
- to continue to operate the Aldenham Prep School and St Hilda's School as day schools, in which there are strong and active partnerships with parents and with the local community around the two schools;
- to continue to make its facilities available for the wider use of the community.

Primary objectives

The primary objectives of the Foundation to fulfil these aims are:

- to provide a stimulating learning environment in which pupils can develop their academic potential to the full;
- to provide a happy and secure pastoral environment in which pupils can learn to live together and thus foster a sense of community, co-education, respect for one another and good citizenship;
- to provide pupils with the opportunity to take advantage of a breadth of extra-curricular activities in order to develop positively all aspects of their character;

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2022**

Primary objectives (continued)

- to provide pupils with the opportunity to take decisions based on their own judgment and to communicate those decisions appropriately and effectively;
- to provide financial support to enable children whose parents are unable to afford the full fees to benefit from the education and opportunities offered;
- to provide a clear, simple and effective management structure capable of taking timely decisions and allocating necessary resources appropriately;
- to provide the necessary administrative and logistic framework to meet the needs of members of staff and pupils alike;
- to maintain and improve facilities which will enable these objectives to be achieved and which can also be applied for the wider benefit of the outside community.

The aims and objectives set for the Foundation's subsidiaries are to facilitate the achievement of the Foundation's aims and objectives as above.

Principal activity

The Foundation's principal activity, as specified in the Memorandum of Association is the advancement of education of children and students in the United Kingdom and elsewhere, such education to be consistent with the doctrines of the Church of England and, in this, the Foundation has again had a successful year with 979 pupils being educated in the Foundation's schools which is an increase over 2021, which was impacted by COVID and parent's reticence in sending their children into nursery.

Public benefit

The Governance Committee give due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011 to ensure that they are compliant and are offering as much as they can to the wider community.

The Foundation remains committed to the aim of providing public benefit, and details below the activities that took place during the year:

Bursaries

- The awarding of bursaries to parents is a measurable means of providing public benefit. The Governors consider bursaries, awarded to those whose parents would not otherwise be able to afford the fees, as being very important, but not to the exclusion of the much wider benefit that the Foundation provides within the community. Those pupils who attend our schools and who receive financial support contribute to the school community in a variety of ways, and so the benefit is not purely to these pupils but to the whole Foundation and, in some cases, to the wider community. In 2021/22 the Foundation awarded means-tested awards based on a sliding scale according to financial circumstances totalling £694k to 58 pupils.
- In addition to allocations of support from its fee income, there are specific bursary funds established from legacies provided by former pupils, specific funds created from Foundation reserves and annual support from funds held by other organisations associated with the Foundation.

Other activities

Other activities began to resume, post COVID-19 and are detailed below:

- The Foundation has partnered local maintained schools and provided support for local community organisations through pupil and staff involvement, and by use by the community of Foundation facilities and equipment.
- Letting of the grounds and facilities to local clubs and organisations.
- Free use of St Hilda's hall for use for a local mother and toddler group will be resumed in January 2023.

Public Benefit (continued)

- Use of Aldenham Chapel by other local schools.
- Use of Aldenham minibuses by local community groups and sports teams.
- Members of the local community use Aldenham land for walking groups.
- We cooperate with local charities and educational bodies in our ongoing endeavours to widen public access to the schooling we provide, to optimise the use of our cultural and sporting facilities and to awaken in our pupils an awareness of the social context of the all-round education they receive at the Foundation's schools.
- The Senior School partners a local maintained school to provide a Combined Cadet Force for the mutual benefit of both schools.
- Pupils and staff of the Foundation continue to provide support for a range of local and national charities through fundraising and Aldenham School has maintained its support of a community in Malawi through its Ripple Africa initiative which involves a group of 6th Form students travelling to Malawi each year to take part in community projects there. Unfortunately, due to COVID-19 this did again not take place this year.
- Staff and pupils support the PHAB Charity and hosts a weekend each year for children with physical and mental disability, allowing them access to the facilities and resources. Unfortunately, due to COVID-19 this did again not take place this year but will resume as soon as practically possible.
- Across the Foundation and prior to lock-down a total of £22k was raised for several different Charities, including the DEC for Ukraine.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

The School year 2021-2022 saw a return to relative normality after two years of stop-start schooling during the Covid pandemic.

We started the year with caution as the expectation was still that pupils undertake regular lateral flow testing and a level of social distancing would be maintained. This meant that the school continued to 'bubble' by year group, large indoor gatherings were restricted, social distancing was maintained as far as practicable and plenty of fresh air was the order of the day. The result was Chapel services and assemblies were delivered to half the school in chapel and the other half via a live stream in their tutor rooms.

We were delighted however that we could put on more events than in the previous year and House Music in October was the first example of a live whole school event. Once again all pupils took part in this significant feature in the school calendar. With limited capacity for suitably separated audience members, and all participants performing wearing masks, it lost none of its excitement and was nonetheless a real feel good spectacle and a celebration of House unity. For the first time the event was live streamed into parents' homes so they could watch it in comfort and safety.

In order to comply with Covid guidelines, the decision was taken to hold the Remembrance Service on the 11th of November outside the library, in itself a War Memorial for those OAs who fell during the First World War. This entirely fitting location resulted in a moving and evocative service which will no doubt be outside from now, another example of Covid causing us to rethink our traditions.

Technologically Covid was requiring us to make progress and we were determined not to lose this momentum as the year progressed. In response to this we started the process of digitising the pupil body in readiness for the provision of giving Surface Pro devices to all pupils from September 2022. Initially we created the post of Head of Digital Learning, and we were delighted to appoint a very successful internal candidate. In addition, further changes to the SLT were long overdue and internal and external appointments were made to strengthen the SLT in preparation for the coming years.

Creativity was a driving force this year and pupils were keen to embrace the opportunity for performance again. The senior production of 'The Visit' in Feb 2022 was a triumph and took the stage despite much adversity as the leading role was struck down with Covid just a week before the opening night. Despite covid sweeping through several key cast members, stage crew and technicians, who were all sent home to isolate, the play 'must go on' and it did, even drafting in an OA from University to learn a vital role with half an hour to spare.

In terms of infra structure developments the fitness suit was refurbished with state-of-the-art equipment and now provides a superb facility for the whole community. The initial groundwork for the laying of a second ATP was completed and we look forward to this complementing the existing all-weather facilities for hockey, football and tennis and for serving the sporting needs of the growing number of girls.

The School keeps a keen eye on its carbon footprint and this year boilers have been replaced in Paull's and McGill's, with the installation of CHP boilers resulting in a much more efficient use of energy and reduction in cost has been seen almost overnight.

In terms of admissions, we welcomed the largest number of pupils ever to sit the entrance exams in January 2022 with in excess of 400 pupils seeking places at 11+ and 13+. This resulted in the largest cohort ever joining Year 7 in September 2022 as 105 pupils started their Aldenham career across the five form groups. This brings the total number of pupils in the school to around 700 which is highest number of pupils educated on this site since the school's foundation in 1597. This is a wonderful reflection on the current popularity of the school within the local area and resounding endorsement of the quality of leadership, teaching, administration and facilities which the school has developed over recent years. During Covid the number of overseas boarders fell to single figures, therefore, it is good news to report that thanks to the hard work, focus and commitment of the admissions team, the number of overseas boarders will increase nearer to pre pandemic numbers for Sept 2022.

ACHIEVEMENTS AND PERFORMANCE – Continued

Due to some continuing global restrictions, unfortunately no overseas trips could run for the duration of the year and other external commitments were curtailed such as charity work with PHAB and with local primary schools. We did however manage to run one of our most successful fund-raising campaigns ever and the whole school came together to organise activities, competitions and cake sales to raise money for the DEC Ukraine fund. In total we raised over £20K in 3 very busy weeks and one colleague was inspired to drive a second ambulance, fully equipped and roadworthy to the border between Ukraine and Poland.

Aldenham is synonymous with providing an excellent all-round education and fortunately we were able to run a comprehensive programme of sporting fixtures which by the summer term was looking like a normal year of matches and competitions. Once again, we took home numerous trophies in football, netball, hockey, tennis and cricket.

In the lent term we were visited by the ISI inspection team who carried out a routine compliance inspection. I am delighted that Aldenham Senior School and Prep School passed and are deemed fully compliant. This is the fifth inspection in the last 12 years, all of which have been fully compliant or have achieved the highest possible grade.

Years 11 and 13 sat national exams for the first time since 2018. Year 13 did not sit GCSEs but were awarded TAGs so for all involved this was their first taste of a complete programme of external exams. The results were extremely pleasing with 61% of A level exams achieving A*-B grades and 100% of the top half of the cohort achieving A* - C grades. The overall pass rate of 98% ensured that over 90% of students secured places at their first or second choice university and a significant number of these were at the prestigious Russell Group universities. One notable continuing success story was the EPQ qualification which achieved 79% A*/A grades.

The senior school once again achieved very strong GCSEs. Notable outcomes include 62% of results for the top half of the cohort being graded 7+. The overall figure of 37% of grades at 7+ (rising to 41% for girls) compares very favourably against the national picture of 27%.

It was a fitting end of their school career that the Years 13 were able to enjoy an informal leavers' day and a formal summer ball. We wish all our school leavers well as they head off to higher education or the world of work and await the next cohort to arrive in a school which grows more and more confident with each passing year.

St Hilda's has been able to return to pre pandemic routines and procedures which has meant a return to our wider provision of opportunities, both in and out of the classroom, and experiences for the girls – including our residential trip offerings of wilderness camping to our Form 3 and Form 4 girls and a week of outward bound activities for our Form 5 and Form 6 girls on the Isle of Wight. All girls in Form 6 achieved a place at their first choice of senior schools with seven scholarships being awarded across the year group to Aldenham School, Haberdashers', Royal Masonic School, St Helen's and St Margaret's: 1 Academic, 3 Drama and 3 Music. Particular highlights of this academic year have been Form 6 representing the school at The Commonwealth Day Service at Westminster Abbey in the presence of members of the Royal Family, our Upper School choir representing the school at the Young Voices Concert at The O2 in London where they sang as part of the largest children's choir in the world and the whole school participating in a week of learning and activities about the Platinum Jubilee culminating in a whole school 'Garden Party Afternoon Tea' and maypole dancing. Sport also continues to be a real strength with girls representing the school at the Under 10 and 11 East Anglian Southern Area Athletics Championships, the Under 12 East Area Prep Schools Athletics Championships and the IAPS Individual Swimming National Finals at the Olympic pool in the London Aquatic Centre.

Aldenham Prep School continues to thrive. Eighteen out of twenty-three Year 6 pupils moved to the Senior School. Two scholarships were offered, one for Music and one for Academic at Aldenham however after careful consideration the children did not take up the offers. One child went to an all-girls' school and the other to a state grammar school. All children achieved a place at their first choice of Senior School apart from one child. A highlight of the year was the official opening of Vincent House. The Year 6s were the tour guides and showed visitors around the school who included OAs, donors and members of the Aldenham Prep School Parents' Association. This was followed by a ceremony attended by our visitors and the whole school in Barton Hall where Lord Vincent's portrait and storyboard were unveiled. The Queen's Jubilee was also celebrated with a whole school Street Party in the

ACHIEVEMENTS AND PERFORMANCE – Continued

courtyard. School day trips and residential resumed including the Year 5/6 three-day trip to France; the Year 4 three-day trip to York and the Year 5 2-day trip to Bushcraft. The Year 6s went to the Lake District for the first time for their 5-day outdoor activity residential. Sport continued to flourish with fixtures being fully resumed. It was the first year of girls' cricket for Years 3-6. The girls dressed in their whites and participated in several matches with other schools. Boys were also invited to join the netball team and play in matches for the first time. In June the swimming squad reached the IAPS National Swimming Finals at the London Aquatic Centre. Once again Drama continued to be an area of success with numerous trophies being awarded at the Watford Festival and excellent LAMDA results. The latest ISI inspection report found the School to be compliant in all areas.

As part of this plan the Foundation has continued its work on the development of international schools through its subsidiary, Aldenham Schools Holdings (ASH) who are partners in Aldenham Education Group (AEG) operating from Dubai. The first Prep School was opened in August 2022 in Riyadh and interest in the School and brand is increasing. This is positive progress in the overall strategic plan of increasing non fee income for the Foundation and development of overseas schools.

The Governors are actively involved in many aspects of the Foundation's activities during the year as well as their usual functions of overseeing the strategy of the Foundation and the implementation of the Foundation's aims. The relationship between the Governors and the Foundation's senior executive team continues to be very positive and constructive.

James Fowler, CEO, retired from his post after 16 years in Summer 2022 and Mrs Alexandra Hems, previously Head of St George's School in Edinburgh replaces him as Head of Foundation. The Governors are extremely grateful for the hard work, diligence, care, common sense and resilience shown by the senior executive team, the Heads of the individual Schools, the teachers, all other staff and the pupils during the year and are very confident of the future under the leadership of Mrs Hems.

Fundraising

Fundraising for the School is carried out by Aldenham Foundation General Charitable Trust (AFGCT), who raise money from the Old Aldenhamians to benefit the pupils of the schools. AFGCT donated £170,434 to the Foundation in the year ending August 22. This included £112,710 that was raised in the previous year for Vincent House (new Prep School). This will fund a new Pavilion in the Prep School grounds and other resources and bursaries.

There has also been continued progress made this year in the Foundation's work of raising voluntary funding for other Charities. This is undertaken by the Charity Committee whose members are pupils from the School. Across the Foundation, a total of £22k was raised for several different Charities including an appeal for the DEC in aid of Ukraine. There are no professional fundraising organisations used and so no monitoring processes are required. AFGCT subscribes to the Fundraising Regulator and adheres to the Fundraising Promise when undertaking fundraising activity. This promise outlines to commitment made to donors to ensure any fundraising is legal, open, honest and respectful. The school takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the School's approach to fundraising activity.

FINANCIAL REVIEW

Results for the year

The total net income for the year was £20.2m (2021: £17m including COVID credits) and expenditure of £19.3m (2021: £17.4m), resulting in an operating surplus, before investment gains, of £930,277 (2021: deficit £403,727), which translates into a decrease in operating cash outflow of £257,809 and an increase in fund balances of £709,761 (2021: decrease £129,169) at the year end. This deficit in the previous year was due to the impact of COVID upon the year, resulting in reduced boarding, no fee increases and the closure of the nurseries during the Lent term.

The Foundation's funding came from cash generated from fee income and the fees in advance scheme that the Foundation operates. Of the cash flow generated, £366,572 repaid bank loans, £790,669 funded capital items and £1m was transferred into our investment funds.

Reserves Policy

It is the Governors' policy not to accumulate and retain funds but to spend, wisely, the available cash on maintenance, and on enhancement of the Foundation school's facilities. Such enhancements usually involve significant capital sums and are therefore normally only undertaken as and when funds on a sufficient scale, built up over a number of years, become available. This policy means the Foundation does not hold a large reserve for any length of time. Moreover, as the fees are paid in advance and the short-term flow of income and expenditure is relatively predictable, the Foundation does not, as a matter of policy, hold reserves to cover say a whole term's operating costs.

The Foundation's total reserves of £16,121,604 at the year-end included £1,995,895 restricted funds and £14,125,709 unrestricted funds. Included in the reserves is a permanent endowment fund of £1,695,739, which is subject to specific conditions by donors that the capital must be maintained by the Charity.

The Foundation has no free reserves at the balance sheet date due to the investment of funds in tangible fixed assets, largely buildings for use within the Foundation. However, the Governors regularly examine the Foundation cash flows alongside the development plans for the future and are satisfied that they are adequate for the purpose of meeting its working capital requirements, by careful management of short-term liquid reserves, and that they will also cover strategic capital expenditure when complimented with an appropriate amount of loan finance. This has been reviewed in light of the pandemic and given the current climate the Governors are satisfied with the level of reserves held, however this will continue to be reviewed at F&GP meetings.

SECTION 172 STATEMENT

The Directors, who are the Trustees of the Foundation, confirm that in accordance with Section 172 of the Companies Act they act in a way that they would consider be most likely to achieve the purposes of the School. In making this assessment the Directors have considered the following:

1) The likely consequences of any decision in the long term

The long-term position of the Foundation is considered by the Directors as set out in the Going Concern section. The Directors review annual budgets and termly management accounts at the F&GP Committee meeting and Full Governors meeting.

2) The Interests of the Foundation's employees

The Foundation values its staff highly and recognises that it can only be successful with the support and loyalty of its staff members. The educational outcomes and experience of the pupils is dependent upon the stability and quality of the staff body. The Heads of the Schools are responsible for communicating and support their respective staff body, and in turn they are supported by the Head/Ceo, Bursar and Director of Finance and HR, along with a centralised HR Department that monitors staff wellbeing and engagement. The HR Department will be responsible for carrying out our regular staff surveys.

The Governors receive regular reports on staff matters through the respective Heads' termly reports and all Governors conduct visits to school where opportunity is made for direct staff engagement.

All staff were involved in the early stages of the strategic plan development, and all are updated on the plan and priorities at the start of each academic year.

The Foundation has complied with the UK's Equality Act 2010 (Gender Pay Gap Information) Regulations that came into effect in April 2017, and the report is available on the website.

3) The need to foster the Foundation's relationships with suppliers, customers and others

Fostering a successful and positive relationship with the pupils and parents of the Foundation is key to the success of the Foundation. Parental engagement is maintained via weekly newsletters and during the year there are several parent events where they have the opportunity to meet staff both socially and to discuss pupil progress. This culminates in an annual Prizegiving/Visitation Day at the end of term where parents have the opportunity to reflect on the year's successes and academic achievements.

All suppliers are treated fairly and promptly with their business terms being adhered to.

4) The impact of the Foundation's operations on the community and environment

See page 8 and 9 for partnership links.

The Foundation is complying with the Streamlined Energy and Carbon Reporting (SECR) requirements and the details are on page 15 below.

5) The desirability of the Foundation maintaining a reputation for high standards of business conduct

The Foundation's bribery and whistleblowing policies, as approved by the Governing Body, sets out the responsibilities for staff to report any incidents or suspicion of fraud, bribery or corruption arising in the course of their work to cooperate fully with any such investigations.

6) The need to act fairly as between members of the company

All Governors and senior staff complete an annual Conflicts of Interest and Related Party form. There have been no incidents reported of inappropriate relationships.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2022**

Streamlined Energy and Carbon Report

With regards to the energy and carbon usage, during the year the total energy use by the Foundation for the period Oct 21 to Oct 22 was for gas 4,218,320 kwh and for electricity 1,465,039 kwh, which equates to 1,049 CO₂e.

The Foundation is committed to reduce the Foundation's carbon footprint and during the year the investment was made on the following items:

- Replacing circa 60 single pane windows with DG
- Changing lights for LED options
- Lagging circa 150m pipes in boarding Houses
- Replacing boilers in a boarding house with DACHS GEN2 CHP, which are highly efficient and feed electricity back to the grid
- New heat/cool air system in Sports hall to replace less efficient heaters

Some future projects include, subject to budget;

- Further boilers have been secured for improvements to two other boarding houses.
- Thermal imaging planned to direct insulation placement in buildings.

FUTURE PLANS

Despite the pandemic, the future plans for the Foundation continue to be the expansion of the Senior School over future years so that it can become a more significant contributor to education in its locality, and to generate surplus funds that allow the continued improvement of facilities.

The strategy document "Aldenham 2027" details the basis and plans for expansion and vision of the future.

The detailed key objectives of the strategy are as follows:

1. To deliver a holistic education which supports the academic and personal progress of all children in its schools.
2. To increase the number of pupils in the Senior School to 650 without changing the ethos of the School.
3. To increase the proportion of girls in the Senior School to at least 40% of pupils.
4. To generate expanded and improved facilities for the enlarged Senior School.
5. To create a new purpose-built facility for the whole Aldenham Prep School on the school site and increase its popularity amongst local parents.
6. To maintain the strong positioning of St Hilda's School as a high performing all girls prep school with improved facilities on its existing site.
7. To consider opportunities for the Aldenham Foundation to expand its operation by the addition of further schools or other institutions.
8. To make sure that the schools of the Aldenham Foundation are as well embedded as possible in their local communities through partnership and other links.
9. To ensure that the financial position of the Aldenham Foundation is secured for the long term.
10. To create extra revenue for the Foundation in a way which can ensure that the strategic goals are achieved and the financial success of the Foundation is assured.

The Governors and Leadership team will be driving forward the strategy to strengthen the Foundation in the years to come, especially in light of current economic and political uncertainty and threats to the Independent Schools sector. The progress to date is as follows:

Objective 4: the Senior School Science block was completely refurbished last summer and the plans are to rebuild the Art/DT block in the coming years, as well as development plans for the Drama and Music Facilities. During summer 22 a new 4G hockey pitch commenced and will be completed for us in November 2022.

Objective 5: the build of the new Aldenham Prep School was completed early in 2021 and pupils moved into the building once the school reopened in March 2021.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2022**

FUTURE PLANS (Continued)

Objective 8: Following the pandemic this will be a focus for the coming year following the appointment of an Assistant Head, responsible for Operation and External Affairs.

Objective 10: as per the Strategic Report above, the Foundation has formed Aldenham Schools Holdings and plans to invest funds into the identification and creation of new schools overseas, with the aim of generating additional non-fee income into the Foundation. The first overseas school was opened in August 2022 with a three form entry prep school, in Riyadh, Saudi and the plan is for a senior school to follow.

Annually, specific objectives for The Foundation Leadership Group are defined that support the key objectives above and reflect changes to the political or social environment, however the above underpin the direction of the Foundation.

With the retirement of James Fowler after 16 years' service and the appointment of Mrs Alexandra Hems as the Head of Foundation, the 2027 strategy will be fully reviewed, revised and expanded in the coming year.

Going Concern

The Governors are confident that the Foundation has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the Foundation's ability to continue. The accounts have therefore been prepared on the basis that the Foundation is a going concern.

The various committees meet on a termly basis and routinely discuss pupil numbers. In addition, a group of Governors from Audit committees and, Finance & General Purposes meet prior to the final Audit meeting to consider any issues that might affect the Foundation in the foreseeable future.

The Foundation came through the COVID19 pandemic well and this year was the first full year of return, after two disrupted years.

The biggest risk to the Foundation is a reduction in pupil numbers and to date the pupil numbers are strong. As we move into the academic year 2022-23 our opening numbers are in excess of that of 2021-22 and the schools on the Aldenham site are full.

The impact of the energy crisis will have an impact on the future planning of the Foundation, as the fixed price arrangement that is currently in place, comes to end in March 2023. Current estimates are that costs will increase up to four-fold compared to what the Foundation currently pays. This will have an impact on investment surplus and may delay the capital development plans but we have planned well and are confident that this will be a temporary financial hit that we are well positioned to cope with.

GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2022

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The members of the Governing Body (who are also the Directors of the charitable company for the purpose of company law) are responsible for preparing the Annual Report and the financial statements for each financial year in accordance with applicable law and FRS102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

Under company law the Governing Body members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governing Body members are required to:

- select the most 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 the applicable Financial Reporting Standard has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The members of the Governing Body are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Governing Body of The Aldenham Foundation, including, in their capacity as company directors, the Strategic Report contained therein, and signed on its behalf by:



Sarah Altman

Chair of Governing Body

Dated: 28th March 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM FOUNDATION

Opinion

We have audited the financial statements of the Aldenham Foundation ('the charitable company') and its subsidiaries ('the group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2022 and of the group's 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM FOUNDATION

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and Safety legislation, Taxation legislation and Employment legislation.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM
FOUNDATION**

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

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

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

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

Use of our report

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



Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 17 April 2023

THE ALDENHAM FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022
(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
INCOME:					
School fees		18,498,442		18,498,442	15,944,233
Ancillary income		1,140,207		1,140,207	752,802
	3	<u>19,638,649</u>		19,638,649	16,697,035
Income from:					
Donations and legacies	2	47,488	192,913	240,401	97,276
Investments		10		10	128
Rents and lettings		68,513		68,513	9,643
Other activities	4	86,085		86,085	123,521
Other trading activities	21	192,508		192,508	60,771
		<u>394,604</u>	192,913	587,517	291,339
TOTAL INCOME		<u>20,033,253</u>	192,913	20,226,166	16,988,374
EXPENDITURE:					
Raising funds					
Costs of financing and raising funds		213,755		213,755	159,431
Trading expenditure	5/21	102,432		102,432	38,369
Charitable Activities					
Expenditure on education		18,832,261	147,441	18,979,702	17,194,302
TOTAL EXPENDITURE	5	<u>19,148,448</u>	147,441	19,295,889	17,392,102
Operating surplus/(deficit)		884,805	45,472	930,277	(403,728)
Net gains/(losses) on investments	10	(203,842)	(16,674)	(220,516)	274,558
Net Income/(deficit)		<u>680,963</u>	28,798	709,761	(129,170)
Net movement in funds		<u>680,963</u>	28,798	709,761	(129,170)
Fund balances at 1 September 2021		13,446,516	1,965,327	15,411,843	15,541,013
FUND BALANCES AT 31 AUGUST 2022		<u>14,127,479</u>	1,994,125	16,121,604	15,411,843

Operations throughout both periods were from continuing activities.

Aldenham uses the exemption conferred by section 408 of the Companies Act 2006 in not preparing a separate Income and Expenditure account for the separate entities.

Included within the balance brought forward on restricted funds is a permanent endowment of £1,695,739 (Note 15)

The notes on pages 24 to 40 form part of these financial statements.

THE ALDENHAM FOUNDATION

CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2022

	Notes	GROUP 2022 £	GROUP 2021 £	FOUNDATION 2022 £	FOUNDATION 2021 £
Fixed assets					
Tangible assets	9	21,649,508	22,321,077	21,649,508	22,321,077
Investment Assets	10	3,960,737	2,831,253	3,610,937	2,831,453
		<u>25,610,245</u>	<u>25,152,330</u>	<u>25,260,445</u>	<u>25,152,530</u>
Current assets					
Debtors	11	905,628	1,054,914	1,292,313	1,083,235
Cash at bank and in hand		2,709,232	2,967,041	2,605,543	2,934,261
		<u>3,614,860</u>	<u>4,021,955</u>	<u>3,897,856</u>	<u>4,017,496</u>
Creditors: amounts falling due within one year	12	(5,633,937)	(5,662,990)	(5,561,597)	(5,658,101)
Net current liabilities		<u>(2,019,077)</u>	<u>(1,641,035)</u>	<u>(1,663,741)</u>	<u>(1,640,605)</u>
Total assets less current liabilities		<u>23,591,168</u>	<u>23,511,295</u>	<u>23,596,705</u>	<u>23,511,925</u>
Creditors: amounts falling due after more than one year	13	(7,469,564)	(8,099,452)	(7,469,564)	(8,099,452)
NET ASSETS		<u>16,121,604</u>	<u>15,411,843</u>	<u>16,127,141</u>	<u>15,412,473</u>
Endowment funds	15	1,695,739	1,695,739	1,695,739	1,695,739
Restricted funds	16	298,386	269,588	298,386	269,588
Total restricted funds		<u>1,994,125</u>	<u>1,965,327</u>	<u>1,994,125</u>	<u>1,965,327</u>
Unrestricted funds					
General funds	17	14,127,479	13,446,516	14,133,016	13,447,146
Total unrestricted funds		<u>14,127,479</u>	<u>13,446,516</u>	<u>14,133,016</u>	<u>13,447,146</u>
TOTAL FUNDS	17	<u>16,121,604</u>	<u>15,411,843</u>	<u>16,127,141</u>	<u>15,412,473</u>

The notes on pages 24 to 40 form part of these financial statements.

The result of the Group for the year ended 31 August 22 was a surplus of £709,761 (2021: £129,170 deficit).

The accounts were approved by the Board of Governors on the 28th March 2023





S Altman
Governor

D Tidmarsh
Governor

The accompanying notes form an integral part of these financial statements.

THE ALDENHAM FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2021 £
Net cash inflow from operating activities	18	2,405,942	1,441,038
Cash flows from investing activities:			
Investment income		10	128
Payments to acquire tangible fixed assets		(790,669)	(5,515,956)
Payments to acquire investments		(1,350,000)	(1,000,000)
Financing costs		(156,520)	(81,536)
Net cash used in investing activities		<u>(2,297,179)</u>	<u>(6,597,364)</u>
Cash flows from financing activities:			
Repayment of long-term bank loan		(366,572)	(42,848)
New bank loan for Prep School		-	4,088,168
Net cash used in financing activities		<u>(366,572)</u>	<u>4,045,320</u>
Change in cash and cash equivalents in the reporting period		(257,809)	(1,111,006)
Cash and cash equivalents at the beginning of reporting period		<u>2,967,041</u>	<u>4,078,047</u>
Cash and cash equivalents at the end of reporting period		<u>2,709,232</u>	<u>2,967,041</u>

The notes on pages 24 to 40 form part of these financial statements.

The Aldenham Foundation is constituted as a company limited by guarantee, without a share capital, registered in England, No. 01847134, and is registered with the Charity Commission under Charity No. 298140. The Foundation's principal activity is the advancement of education of children and students in the United Kingdom and elsewhere such education to be consistent with the doctrines of the Church of England.

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention 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).

The governors have given due regard to the guidance on public benefit issued by the Charity Commission.

The Governors have reviewed the forecasts upto August 2024, taking into account cost pressures in terms of higher interest rates, increased cost of living and the impact of the energy crisis, and are satisfied that the revised budget and cashflows produced are realistic and ensure that the Foundation has adequate resources to continue in operational existence for the foreseeable future. The accounts have therefore been prepared on the basis that the Foundation is a going concern.

Basis of consolidation

The group financial statements consolidate the results of The Aldenham Foundation and the Foundation's subsidiaries, Aldenham Enterprises Limited and Aldenham Schools Holdings Ltd.

No separate Statement of Financial Activities of the Foundation has been presented, as permitted by s406 of the Companies Act 2006. The gross income of the Foundation was £20,158,147 (2021: £17,610,630). The movement in funds (net income) of the Foundation was £709,761 (2021: minus £129,169).

1.2 Income

School fees are accounted for in the period in which the service is provided. Fees receivable are before deduction for bursaries and scholarships granted by the school. Fee income received in advance is deferred.

Voluntary income, including donations, gifts and legacies are recognised when there is entitlement, probability of receipt and if the amount can be measured with sufficient reliability. Such income is only deferred when either the donor specifies that the grant or donation can only be used in a future accounting period, or if the donor has imposed conditions that must be met before the charity has unconditional entitlement.

Investment income and other incoming resources are recognised on a receivable basis.

Government grants are recognised on the performance model, when the School has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme has been recognised in the period to which the underlying furloughed staff costs relate to.

1.3 Expenditure

Resources expended are recognised in the period in which they are incurred with liabilities being recognised where there is a legal or constructive obligation to pay.

Resources expended are allocated to a particular activity where the costs relate directly to that activity. Resources expended have been allocated on the basis indicated below:

1.3 Expenditure (Continued)

- Charitable activities: These are costs directly attributable to the operation of the school.
- Governance costs: These include the cost of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the charitable activity. This includes such items as external audit and costs associated with constitutional and statutory requirements.
- Raising funds include all direct fundraising expenditure associated with running the development office.
- Support costs: These include all the costs relating to the management, administration and running the central functions of the school.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	not depreciated
Freehold buildings	up to 50 years
Sports pitch and equipment	4-10 years
Fixtures, fittings and equipment	3-10 years
Motor vehicles	4 years

All expenditure over £5,000, or £500 for IT costs, is identified as a new tangible fixed asset or as an improvement to an existing tangible fixed asset and is capitalised. Where on review an impairment of a fixed asset is identified, the value of the fixed asset is reduced or eliminated in line with the review. All tangible fixed assets are regarded as operational assets.

1.5 Stock

Stock is carried at the lower of cost and net realisable value.

1.6 Leasing

Rentals payable under operating leases are charged against income 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.

1.7 Investments

Investments are stated at market value and any gain or loss on revaluation or on disposal of fixed asset investments is taken to the Statement of Financial Activities.

1.8 Pensions

The Aldenham Foundation, along with many other schools, contributes to the defined benefit scheme operated by the Government Teachers Pension Agency and known as the Teachers' Pension Scheme. The Teachers' Pension Scheme is a multi-employer scheme as defined in the transitional arrangements of FRS102 and accordingly, the schools are required to treat the scheme as a defined contribution scheme.

The regular cost of providing retirement pensions and related benefits is charged to the Statement of Financial Activities over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the Statement of Financial Activities and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

The Aldenham Foundation also contributes to one externally invested defined contribution scheme for staff who are not eligible for the Teachers' Pension scheme and the pension costs charged to the statement of financial activities represent the contributions payable by the charity during the year. In addition, The Aldenham Foundation contributes to personal pension schemes for two employees pre-dating the introduction of the school's own defined contribution scheme.

1.9 Accumulated Funds

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity. Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

The Governors may designate monies held by the charity for specific purposes, particularly when building up funds for investment by the charity into further educational facilities and projects and additional bursarial funds, in order to have resources available to provide assistance to those who would otherwise be unable to attend the school.

Unrestricted funds are school fees, donations and other incoming resources received or generated for charitable purposes.

1.10 Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value and based upon market valuation at that date. Financial assets held at amortised cost comprise cash at bank and in hand, together with parent and other debtors.

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 all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

The value of financial assets held at fair value at year end totalled £3,610,737 (2021 £2,831,253).

1.11 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the accounting policies, the Governors are required to make judgements, 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.

Redundancy costs (termination benefits) are recognised as an immediate cost and charged to the SOFA on a demonstrable commitment to termination, with provision for future redundancy costs measured at a best estimate of the expenditure that would be required to settle the obligation at the reporting date.

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

2 Donations and Legacies

Name of donor	Unrestricted	Restricted	Total £ 2022	Total £ 2021
Whitbread Fund	-	12,000	12,000	12,000
Richard Platt Foundation	-	15,967	15,967	11,983
ASWMEF	-	9,000	9,000	12,000
Martineau's Trust	-	8,500	8,500	11,680
Brewers Company	-	18,000	18,000	18,000
GCT	47,488	129,446	176,934	30,613
Other donations and gifts	-	-	-	1,000
	<u>47,488</u>	<u>192,913</u>	<u>240,401</u>	<u>97,276</u>

3 School Fees and Ancillary Income

	2022 £	2021 £
The Foundation's fee income comprised the following:		
Gross fees	20,065,419	17,487,982
Less: Bursaries and scholarships	<u>(1,659,705)</u>	<u>(1,666,397)</u>
	18,405,714	15,821,585
Add back: Bursaries paid for by Restricted funds	<u>92,728</u>	<u>122,648</u>
	<u>18,498,442</u>	<u>15,944,233</u>

The ancillary income of £1,140,207 includes recharges of coach transport, instrumental lessons, after and before school activities and educational trips and events. The costs relating to ancillary income are included in educational activities, other and staff costs, below.

The number of pupils (not FTE in the nursery) educated across the Foundation is given below:

	Average 2022	Average 2021
Aldenham Nursery	18	18
Aldenham Prep	133	147
Aldenham Senior	<u>673</u>	<u>636</u>
Total Aldenham pupils	824	801
St Hilda's Nursery	42	37
St Hilda's Prep	<u>113</u>	<u>116</u>
	155	153
TOTAL FOUNDATION	979	954

4 Other Activities

The income in 2021 from other activities related to furlough income received of £123,521. In 2022 the income of £86,085 relates to sales of assets and an insurance claim for storm damage.

5 Expenditure

5a	Staff costs	Other costs	Depreciation	Total 2022	Total 2021
	£	£	£	£	£
Charitable Activities					
Educational activities	8,813,426	2,049,345	396,368	11,259,139	10,314,421
Welfare (including catering)	310,787	1,587,509	-	1,898,296	1,519,204
Premises	813,666	1,729,709	1,034,420	3,577,795	3,194,022
Support costs of schooling	1,456,135	640,896	-	2,097,031	2,026,289
Grants, awards and funded resources (Note 5b)	-	147,441	-	147,441	140,366
	<u>11,394,014</u>	<u>6,154,900</u>	<u>1,430,788</u>	<u>18,979,702</u>	<u>17,194,302</u>
Trading expenditure	38,498	63,934	-	102,432	38,743
Development office	44,615	12,620	-	57,235	77,895
Bank loan interest and charges		156,520	-	156,520	81,536
	<u>83,113</u>	<u>233,074</u>	<u>-</u>	<u>316,187</u>	<u>198,174</u>
Total Expenditure	<u>11,477,127</u>	<u>6,387,974</u>	<u>1,430,788</u>	<u>19,295,889</u>	<u>17,392,476</u>

5b Grants, awards and funded resources	Total 2022	Total 2021
From Restricted resources:	£	£
Bursaries and scholarships	92,728	122,648
Prizes	275	405
Direct teaching resources (funded by Aldenham General Charitable Trust)	54,438	17,313
	<u>147,441</u>	<u>140,366</u>

6 Support Costs of Schooling	2022	2021
	£	£
Salaries	1,342,489	1,272,168
Staff recruitment, travel and training	18,128	21,294
Communications and network	56,178	36,223
Telephone, postage, printing, stationery	94,441	93,921
Miscellaneous administration costs	438,202	452,932
Governance costs	147,593	149,751
	<u>2,097,031</u>	<u>2,026,289</u>

7 Operating Profit

This is arrived at after charging the following:

	2022	2021
Depreciation	1,430,788	1,263,631
Operating lease expenses	126,909	70,971
Fees payable to the company's auditor for audit fees	43,080	40,200
Fees payable to the company's auditor for other services	5,730	12,485
Furlough income	-	(123,521)
	<u>1,606,507</u>	<u>1,263,766</u>

8 Employees**Number of employees**

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Teaching staff	178	158
Fundraising and publicity	4	3
Management and support staff	91	87
	<u>273</u>	<u>248</u>

At the beginning of 2022 we employed music staff on worker zero hours contracts, who had previously been self-employed. This has increased the staff numbers.

Employment costs

	2022	2021
	£	£
Wages and salaries	8,892,203	8,258,428
Social security costs	948,968	865,319
Other pension costs	1,472,594	1,394,298
	<u>11,313,765</u>	<u>10,518,045</u>
Payments made to peripatetic and temporary staff working at the school	103,046	196,586
Other staff costs	60,316	150,842
	<u>11,477,127</u>	<u>10,865,473</u>

The number of employees whose annual taxable emoluments were £60,000 or more were:

	2022	2021
£60,000 - £70,000	12	8
£70,000- £80,000	5	3
£80,000- £90,000	2	2
£90,000- £100,000	0	0
£100,000- £110,000	1	1
£110,000- £120,000	0	1
£120,000-£130,000	1	0
£180,000-£190,000	0	1
£200,000-£210,000	1	0

The aggregate amount of total employee salary and benefits for the Key Management Personnel/Foundation's Leadership Group (FLG) was £1,004k (2021: £950k). The FLG do have other teaching and support responsibilities.

All but 2 (2021: 2) of these employees are members of the defined benefit pension scheme. Those not included are members of the defined contribution pension scheme and employer payments of £10,973 (2021: £10,348) were made on their behalf.

During the year there were no redundancy and settlement payments made (2021 £58,982).

9 Tangible Fixed Assets

GROUP	Land and buildings £	Assets in the course of construction £	Sports pitch and equipment £	Library £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost							
At 1 September 2021	28,342,005	-	882,167	25,000	4,438,384	219,616	33,907,172
Additions	4,932	334,975	37,925	-	352,863	59,974	790,669
Transfers	(26,789)	-	-	-	26,789	-	-
Disposals	(46,299)	-	(43,585)	-	(673,815)	(36,695)	(800,394)
At 31 August 2022	28,273,849	334,975	876,507	25,000	4,144,221	242,895	33,897,447
Depreciation							
At 1 September 2021	(6,902,224)		(852,236)		(3,648,319)	(183,317)	(11,586,095)
Eliminated on disposal	15,048		43,585		673,617	36,695	768,944
Charge for the year	(1,034,420)		(29,656)		(350,844)	(15,869)	(1,430,788)
At 31 August 2022	(7,921,596)		(838,306)		(3,325,546)	(162,491)	(12,247,939)
Net book value							
At 31 August 2021	21,439,781	-	29,932	25,000	790,065	36,299	22,321,077
At 31 August 2022	20,352,253	334,975	38,201	25,000	818,675	80,404	21,649,508
FOUNDATION							
	Land and buildings £	Assets in the course of construction £	Sports pitch and equipment £	Library £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost							
At 1 September 2021	28,342,004	-	882,167	25,000	4,397,612	219,616	33,866,400
Additions	4,932	334,975	37,925	-	352,863	59,974	790,669
Transfers	(26,789)	-	-	-	26,789	-	-
Disposals	(46,299)	-	(43,585)	-	(654,244)	(36,695)	(780,823)
At 31 August 2022	28,273,849	334,975	876,507	25,000	4,123,020	242,895	33,876,246
Depreciation							
At 1 September 2021	(6,902,224)		(852,235)		(3,607,547)	(183,317)	(11,545,323)
Eliminated on disposal	15,048		43,585		654,046	36,695	749,374
Charge for the year	(1,034,420)		(29,656)		(350,844)	(15,869)	(1,430,789)
At 31 August 2022	(7,921,596)		(838,306)		(3,304,345)	(162,491)	(12,226,738)
Net book value							
At 31 August 2021	21,439,780	-	29,931	25,000	790,065	36,301	22,321,077
At 31 August 2022	20,352,253	334,975	38,201	25,000	818,675	80,404	21,649,508

THE ALDENHAM FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

10 Fixed Asset Investments

	GROUP 2022 £	GROUP 2021 £	FOUNDATION 2022 £	FOUNDATION 2021 £
Investment in subsidiary – Aldenham Enterprises Ltd	-	-	100	100
Aldenham Schools Holdings (ASH)	-		100	100
Investment in AEG	350,000			-
Listed Investments:				
Market value at 1 September	2,831,253	1,556,695	2,831,253	1,556,695
Additions	1,000,000	1,000,000	1,000,000	1,000,000
Movement on valuation in year	(220,516)	274,558	(220,516)	274,558
Market value at 31 August	3,610,737	2,831,253	3,610,737	2,831,253
TOTAL	3,960,737	2,831,253	3,610,937	2,831,453
Historical cost of listed investments	2,927,644	1,927,644	2,927,644	1,927,644

The Foundation's investments are managed by Sarasin Investment Fund Limited. The funds are held in Alpha CIF for Endowments.

The Foundation owns 100% of Aldenham School Holdings who in turn have a 40% shareholding in Aldenham Education DMCC, based in Dubai. The investment was moved from an Intercompany debtor to investments during the year.

11 Debtors

	GROUP 2022 £	GROUP 2021 £	FOUNDATION 2022 £	FOUNDATION 2021 £
Fee and trade debtors	299,312	245,752	203,625	206,822
Other debtors	109,867	427,701	93,055	62,876
Prepayments	496,449	381,461	496,449	381,461
Due from subsidiary	-	-	499,184	432,076
	905,628	1,054,914	1,292,313	1,083,235

12 Creditors: Amounts falling due within one year

	GROUP	GROUP	FOUNDATI	FOUNDATION
	2022	2021	ON	2021
	£	£	£	£
Bank loans	440,607	440,607	440,607	440,607
Taxes and social security costs	236,659	213,867	236,659	21,053
Other creditors and accruals	976,451	1,383,788	971,092	1,379,693
Trade creditors	510,378	242,815	443,396	241,835
Refundable deposits	1,334,677	1,226,734	1,334,677	1,226,734
Fees in advance	1,175,214	1,194,302	1,175,214	1,194,302
Advance fee scheme	959,951	960,877	959,951	960,877
	<u>5,633,937</u>	<u>5,662,990</u>	<u>5,561,596</u>	<u>5,658,101</u>

Bank Loans

The bank loan is the capital element due within one year.

Refundable deposits

Deposits are placed when pupils join the school and credited against fees and disbursements for their last term.

Fees in advance

Fees in advance reflect advance payments of school fees for the forthcoming year, which are not part of the Advance Fee Scheme below.

Advance Fee Scheme

Parents may enter into a contract to pay to the school multiple years' fees in advance. The advance fee creditor represents the school's liability under the contracts, to be utilised in the forthcoming year. The movements in the year were:

Advance Fee Scheme - Group & Foundation (combined)

	2022	2021
	£	£
Balance at beginning of year	2,891,828	2,384,957
Monies deposited into scheme	762,603	1,492,942
Amounts utilised in payment of fees	(1,026,845)	(986,071)
Balance at the end of the year	<u>2,627,586</u>	<u>2,891,828</u>
Utilised within 1 year	959,951	960,877
Utilised within more than 1 year	1,667,635	1,930,951
	<u>2,627,586</u>	<u>2,891,828</u>

13 Creditors: Amounts falling due after more than one year

	GROUP 2022 £	GROUP 2021 £	FOUNDATION 2022 £	FOUNDATION 2021 £
Bank loans	5,801,929	6,168,501	5,801,929	6,168,501
Advance Fee Scheme	1,667,635	1,930,951	1,667,635	1,930,951
Other creditors and accruals		-		
	<u>7,469,564</u>	<u>8,099,452</u>	<u>7,469,564</u>	<u>8,099,452</u>
Bank loan maturity analysis				
Debt due in one year or less	440,607	440,607	440,607	440,667
In more than one year but not more than two years	440,607	440,607	440,607	440,667
In more than two years but not more than five years	1,321,821	1,321,821	1,321,821	1,321,821
In more than five years	4,039,501	4,406,073	4,039,501	4,406,073
	<u>6,242,536</u>	<u>6,609,108</u>	<u>6,242,536</u>	<u>6,609,108</u>

Bank loans

The bank loans are secured on the freehold land and buildings at the School. The loans outstanding at 31 August 2022 secured on Aldenham School represents 30.7% of the carrying value of the land and buildings of the school.

A new bank loan agreement was signed on the 29th of November 2019 to fund the build of the new Prep School. The loan is to be repaid over a 15-year period commencing September 2021. The rate agreed is 1.39% over base rate. The final amount of the total amount borrowed is £6,609,108 and with amortised interest the total commitment of the loan is £8,350,238 at today's rates. The loan can be repaid at any time without penalty. The interest element is written off as an expense in the SOFA, and the above refers to the capital element only.

Advance fee scheme

Parents may enter into a contract to pay to the school multiple years' fees in advance. The advance fee creditor represents the school's liability under the contracts, to be utilised in the forthcoming year. The movements in the year are detailed in note 11.

14 Pension and other post-retirement benefit commitments

The Foundation participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,330,639 (2021: £1,258,464) and at the year-end £157,444 (2021: £149,476) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions. On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024. Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

For employees not eligible for the Teachers' Pension scheme, the Foundation contributes to a direct contribution scheme run by AVIVA (the Norwich Union) and investing in AVIVA (Norwich Union Pension funds). The minimum employee contribution for those who have not opted out is 5% and the Foundation will match fund employee contributions at this level but up to a maximum of 6% contribution. During the year the Foundation contributed £143,650 (2021: £134,560) into the scheme and at the year-end there were no contributions remaining outstanding (2021: £19,314). These amounts include charges and liabilities relating to the Foundation's auto-enrolment arrangements that applied with effect from 1 April 2014.

15 Endowment funds

The permanent endowment fund is represented by the land and buildings detailed in part 1 of the Charity Commission Scheme sealed on 27 November 1995. The value of the fund at 31 August 2022 and 31 August 2021 was £1,695,739.

16 Restricted Funds

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

GROUP & FOUNDATION (Combined)

Fund	Balance at 1 Sept 2021 £	Income £	Expenditure £	Investment gains £	Balance at 31 August 2022 £
Rodney Fitzgerald Memorial	6,650	-	(6,561)		-
Jukes Fund	198,498	-	(17,973)	(16,674)	163,851
Aldenham School General Charitable Trust	-	129,446	(63,412)		66,035
Sundry Donations Received	-	-	-		-
Brewers Company General Charitable Trust-Annual Fund	24,131	18,000	(18,765)		23,366
Whitbread Fund	6,199	12,000	(12,000)		6,199
Richard Platt Foundation ASWMEF	17,339	15,967	(11,834)		21,472
Brewers Co. - Martineau's Trust for Prizes	-	9,000	(9,000)		-
Brewers Co. - Martineau's Trust for Scholarships	-	275	(275)		-
Brewers Co. - Martineau's- General	2,099	2,225	(3,595)		729
	14,762	6,000	(4,027)		16,735
	<u>269,588</u>	<u>192,913</u>	<u>(147,441)</u>	<u>(16,674)</u>	<u>298,386</u>

The Rodney Fitzgerald Memorial Fund reflects an interim distribution from the estate of a former pupil of the school. The funds were left to the school for the provision of bursaries for those with sporting abilities.

The Jukes Fund represents a legacy to be used for pupil scholarships and bursaries where the parents of existing pupils fall into financial difficulty (as a result of illness or redundancy, or for any other such reason which the Governors deem necessary).

The Brewers Bursary Fund represents an historical sum received from The Aldenham School General Charitable Trust which is to be used in providing pupil bursaries for larger or longer-term bursaries at the Headmaster's discretion.

The Brewer's Company, Martineau's Trust funds are restricted funds that are restricted for 3 different uses. The General fund is to be used in the Senior School and it has been agreed that it will benefit Martineau's Junior House.

The Whitbread Fund is used for 6th form bursaries for pupils, at the Headmaster's discretion, who would not be able to remain in the school to continue their education in the 6th form without financial support.

The Richard Platt Foundation fund is an endowed fund and the income is distributed to various beneficiaries, of which Aldenham School is one. It is a restricted fund that must be used in the senior school.

The Aldenham School War Memorial Educational Fund or "ASWMEF", was a fund set up at the end of World War 1, and is a fund used for bursaries.

17 Analysis of net assets between funds

Fund balances as 31 August 2022 are represented by:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
GROUP				
Tangible fixed assets	19,953,769	-	1,695,739	21,649,508
Investments	3,796,886	163,851	-	3,960,737
Other net current liabilities	(2,155,383)	136,305		(2,019,077)
Creditors: amounts falling due after more than one year	(7,469,564)			(7,469,564)
	<u>14,125,709</u>	<u>300,156</u>	<u>1,695,739</u>	<u>16,121,604</u>
FOUNDATION				
Tangible fixed assets	19,953,769		1,695,739	21,649,508
Investments	3,447,086	163,851	-	3,610,937
Other net current (liabilities)/ assets	(1,800,045)	136,305		(1,663,740)
Creditors: amounts falling due after more than one year	(7,469,564)			(7,469,564)
	<u>14,131,246</u>	<u>300,156</u>	<u>1,695,739</u>	<u>16,127,141</u>

18 Net cash inflow from operating activities

	2022 £	2021 £
Reconciliation to net incoming resources		
Operating Surplus	930,277	(403,728)
Investment income	(10)	(128)
Financing costs	156,520	81,536
Depreciation of tangible fixed assets	1,430,788	1,242,173
Loss on disposal of fixed assets	31,449	-
(Increase) / decrease in debtors	149,284	(19,675)
Increase in creditors	(292,366)	540,860
	<u>2,405,942</u>	<u>1,441,038</u>

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Commitments

The Charity has annual commitments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Expiry date:		
Within one year	90,815	84,475
Between two and five years	165,929	180,381
Over 5 years	-	-
	<u>256,744</u>	<u>264,856</u>

There is a capital commitments at the year end to complete the creating and development of the 4G Astro pitch at a cost of £160,000.

20 Related party transactions**The Board of Governors**

The Board of Governors of the Foundation did not receive any remuneration during the year, nor were they reimbursed expenses during the year.

There were no transactions with parties related to the Board of Governors during the year (2020: £0).

Aldenham School General Charitable Trust (“the Trust”)

The Trust is independent of the Foundation but is substantially under the same management. During the year Aldenham Foundation received donations of £176,934 (2021: £31,362) from the Trust which included the donations raised in the previous year for Vincent building (new Prep School).

Aldenham Enterprises Ltd

During the year there were intercompany transactions with Aldenham Enterprises Ltd amounting to £68,961 (2021 £26,750) for salary recharges and other intercompany items. In addition to this the annual profits of £82,915 have been accrued and included in the intercompany debtor balance at the year-end of £101,071 (2021 £79,172).

Aldenham Schools Holdings Ltd

During the year there were intercompany transactions of £5,732 and at year end the intercompany debtor balance was £358,112, which represents the initial loan to Aldenham Schools Holdings Ltd to fund their investment in the overseas Company Aldenham Education Group DMCC.

21 Subsidiaries of The Aldenham Foundation

Aldenham Enterprises Limited is incorporated in the United Kingdom (No. 01635965) and is a wholly owned trading subsidiary of The Aldenham Foundation.

Aldenham Schools Holdings Ltd, is a registered company in England, No. 11923888 (“ASH”) and is a wholly owned subsidiary of The Aldenham Foundation.

A summary of results for the year and financial position at 31 August 2022 is shown below.

	AEL		ASH	
	2022	2021	2022	2021
	£	£	£	£
Incoming resources	192,508	60,771	-	-
Operating expenditure	(108,950)	(47,761)	(5,232)	(2,358)
Gift aid donation to the Foundation	(83,235)	(13,124)		-
Result for year	323	(114)	(5,232)	(2,358)
Assets	214,065	86,363	350,622	350,272
Liabilities	(211,913)	(84,534)	(358,112)	(352,530)
	2,152	1,829	(7,490)	(2,258)
Called up Share Capital	100	100	100	100
Profit and Loss account	2,052	1,729	(7,590)	(2,358)
Total funds	2,152	1,829	(7,490)	(2,258)

The operating expenditure above includes intercompany transactions (see note 20) that are eliminated upon consolidation in the Statement of Financial Activities on page 18 and therefore the figures do not agree on the face of the SOFA.

ASH has a 40% shareholding in Aldenham Education DMCC, and £350,000 of the assets above reflects the investment in Aldenham Education DMCC.

22 Members' Liability

Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £100 each for the debts and liabilities contracted before they ceased to be a member.

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

23. Consolidated Statement of Financial Activities for the year ending 31st August 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
INCOME:					
School fees		15,944,233		15,944,233	15,726,308
Ancillary income		752,803		752,802	1,269,505
	3	16,697,036		16,697,035	16,995,813
Income from:					
Donations and legacies	2	8,063	89,213	97,276	107,796
Investments		128		128	12,570
Rents and lettings		9,643		9,643	16,163
Other activities	4	123,521		123,521	591,251
Other trading activities	21	60,771		60,771	134,430
		202,126	89,213	291,339	862,210
TOTAL INCOME		16,899,162	89,213	16,988,374	17,858,023
EXPENDITURE:					
Raising funds					
Costs of financing and raising funds		159,431		159,431	168,699
Trading expenditure	5/21	38,369		38,369	95,189
Charitable Activities					
Expenditure on education		17,053,936	140,366	17,194,302	16,777,951
TOTAL EXPENDITURE	5	17,251,736	140,366	17,392,102	17,041,839
Operating surplus/(deficit)		(352,575)	(51,153)	(403,728)	816,184
Net gains on investments	10	250,053	24,505	274,558	114,029
Net Income/(deficit)		(102,522)	(26,648)	(129,170)	930,213
Net movement in funds		(102,522)	(26,648)	(129,170)	930,213
Fund balances at 1 September 2020		13,549,038	1,991,975	15,541,013	14,610,800
FUND BALANCES AT 31 AUGUST 2021		13,446,516	1,965,327	15,411,843	15,541,013

Operations throughout both periods were from continuing activities.

Included within the balance brought forward on restricted funds is a permanent endowment of £1,695,739 (Note 14)

The notes on pages 22 to 38 form part of these financial statements.

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

24. Restricted funds 2021

GROUP & FOUNDATION (Combined)

Fund	Balance at 1 Sept 2020 £	Income £	Expenditure £	Investment gains £	Balance at 31 August 2021 £
Rodney Fitzgerald Memorial	56,306		(55,206)	5,460	6,560
Jukes Fund	196,392		(16,939)	19,045	198,498
Aldenham School General Charitable Trust	-	22,550	(22,550)		-
Sundry Donations Received	3,500	1,000	(4,500)		-
Brewers Company General Charitable Trust-Annual Fund	13,140	18,000	(7,009)		24,131
Whitbread Fund	-	12,000	(5,801)		6,199
Richard Platt Foundation	14,700	11,983	(9,344)		17,339
ASWMEF	-	12,000	(12,000)		-
Brewers Co. - Martineau's Trust for Prizes	-	405	(405)		-
Brewers Co. - Martineau's Trust for Scholarships	2,173	3,275	(3,349)		2,099
Brewers Co. - Martineau's- General	10,025	8,000	(3,263)		14,762
	296,236	89,213	(140,366)	24,505	269,588

25. Analysis of net assets between funds 2021

Fund balances as 31 August 2021 are represented by:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
GROUP				
Tangible fixed assets	20,625,338	-	1,695,739	22,321,077
Investments	2,626,195	205,058	-	2,831,253
Other net current liabilities	(1,705,566)	64,530	-	(1,641,035)
Creditors: amounts falling due after more than one year	(8,099,452)	-	-	(8,099,452)
	13,446,515	269,588	1,695,739	15,411,843
FOUNDATION				
Tangible fixed assets	20,625,338	-	1,695,739	22,321,077
Investments	2,626,395	205,058	-	2,831,453
Other net current (liabilities)/ assets	(1,705,037)	64,530	-	(1,640,605)
Creditors: amounts falling due after more than one year	(8,099,452)	-	-	(8,099,452)
	13,447,144	269,588	1,695,739	15,412,473

THE ALDENHAM FOUNDATION

England & Wales - Charity number 298140

Accounts

Company Registration No.
01847134
Charity Registration No. 298140

THE ALDENHAM FOUNDATION

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

THE ALDENHAM FOUNDATION

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THE ALDENHAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Governors/Directors The Directors of the company, who served during the year, and their committee duties, are as below. All are members of the Governing Body and Trustees of the Charity.

Committees						
Full Governing Body: Names	Finance & General Purposes	Education	Estates	Audit	Governance	Remuneration
Mr J T Barton (Chair) (Retired June 21)	○	○	○		●	●
Mrs S Altman (Chair) (Appointed June 21)	○	○	○	●	●	●
Mrs F Cuttell *****				●		
Mr A Day			☒			
Dr J Hawdon ***						
Mr A G Hellman	●					
Mr A Hunter (Appointed June 21)		●				
Mr J James-Crook		●	●			
Clr D Lambert *			●			
Ven Dr J Mainwaring *****		●				
Mr R Mashru (Resigned December 20)	●					
Mrs D Nicholes *** (Retired May 21)						
Mr J Neame (Upper Warden)						
Col M G C O'Dwyer (Retired November 21)					☒	
Mr Alan Phillips	●			☒		
Mr Chris Rees	●					
Mrs V Shah (Retired March 21)	●				●	
Ms H Simmons		●				
Mr T C Sligo-Young	☒					●
Mrs H Thomas (Appointed June 21)						
Mr D T Tidmarsh		☒			●	☒
Mr T F Wells			●			

☒ = Chair of that Committee

● = Member of Committee

○ = In attendance at the Committee meetings, but not a member

* Governor Responsible for Aldenham Prep School

** Local Authority Designated Governor

*** Safeguarding Designated Governor for the Foundation and Governor Responsible for St Hilda's School

**** Governor Responsible for S Hilda's School

***** Governor Responsible for Aldenham Senior School and Boarding

THE ALDENHAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION AS AT 31 AUGUST 2021

Secretary	K Mahon
Charity number	298140
Company number	01847134
Registered office/ Principal address	Aldenham School Elstree Herts WD6 3AJ
Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	National Westminster Bank Plc 72/74 High Street Watford Hertfordshire WD17 2GZ
Solicitors	Farrer & Co LLP 65-66 Lincoln's Inn Fields London WC2A 3LH Taylor Walton 28-44 Alma Street Luton Bedfordshire LU1 2PL
Contact details	Website: www.aldenham.com E-mail: enquiries@aldenham.com

Key Management Personnel (Foundation Leadership Group/Executives)

JC Fowler	Headmaster & Chief Executive Officer
AM Williams	Principal of Aldenham Senior School
VJ Gocher	Head of Aldenham Preparatory School
SJ Styles	Head of St Hilda's School
K Mahon	Bursar & Clerk to the Governors
S Toye	Director of Finance
P Dunstan	Business Development Director

**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The Governors of The Aldenham Foundation present their Annual Report for the year ended 31 August 2021 under the Charities Act 2011 and the Companies Act 2006, including a Strategic Report, together with the audited financial statements for the year.

DIRECTORS' REPORT

CONSTITUTION

Aldenham School, the oldest part of The Aldenham Foundation ("the Foundation"), was founded in 1597. The Foundation is constituted as a company limited by guarantee, without a share capital, registered in England, No. 01847134, and is registered with the Charity Commission under Charity No. 298140. Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member. The liability of the members is limited to £100 each for the debts and liabilities contracted before they ceased to be a member.

The members are:

- The Worshipful Company of Brewers
- The Clerk to the Worshipful Company of Brewers

The Foundation operates three schools known as Aldenham Senior School, Aldenham Prep School and St Hilda's School Bushey.

There is one Governing Body for the three Schools. Details of the members of the Governing Body, together with the Foundation's officers and principal advisers, are set out on pages 1 and 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The Foundation is governed by its Memorandum of Association and Articles of Association last amended on 21st July 2011.

Governing Body

The Foundation has a Board of up to 20 Governors of whom six are Representative Governors appointed by the Worshipful Company of Brewers, one is appointed by the Local Education Authority, one was appointed by St John's College and the others are Co-opted Governors appointed by the Board. The Master of St John's College has recently written to the Foundation to advise that the Council has come to the decision that the College will end the practice of nominating Fellows, or other members of the College to be appointed as governors at any school. As such, the Governance Committee has reviewed the on-going requirement and will seek authority to turn this appointment into a further Co-opted one during the next revision of the Articles of Association. Each Governor is appointed for an initial term of three years and may subsequently be reappointed by the Board for successive periods of three years.

New members of the Governing Body are appointed or elected on the basis of nominations based on the candidates' professional qualities, qualifications and experience. The Governors of the Foundation are the Directors of the Company and Trustees of the Charity. From this point forward they will be referred to as Governors.

Recruitment and training of Governors

New Governors are inducted into the workings of the Foundation and its schools, including Governing Body policy and procedures, at an induction specially organised for them by the Heads and Bursar.

The new Governors are also encouraged to attend specialist external courses on the role and responsibilities of charity trustees and other external and in-house trustee training and information courses designed to keep them informed and updated on current issues in the sector and on regulatory requirements.

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2021

Organisational management

The Governors are legally responsible for the overall management and control of the Foundation and its schools. Their role is to agree strategy, advise on and review the development of plans and monitor their execution by the Executive. The Governors decide ultimately how the Foundation's financial resources are deployed and hold the Executive to account while also acting as their critical friend.

Individual Governors hold a place on individual Committees as detailed below, to carry out the above, as well as ratifying policies where applicable, monitoring, safeguarding and discussing strategic and operational issues. The terms of reference for each Committee are summarised below:

- The Audit Committee keeps under review the Foundation's internal controls, is mainly responsible for the Foundation's relationship with the external auditor and oversees the production of the Annual Report and Accounts and performance of the external audit.
- The Education Committee has a monitoring and advisory role relating to the overall provision of education, pastoral care and safeguarding activities across the Foundation.
- The Estates Committee has a monitoring and advisory role relating to the Foundation's buildings, plant, grounds, gardens, roadways and security. They request financial approval from the Finance and General Purposes Committee of work that needs to be completed.
- The Finance & General Purposes Committee has a monitoring role relating to the overall financial and business activities of the Foundation, including budgeting, reviewing financial performance, investment, HR and Health and Safety. They also monitor the pay and conditions of all staff within the Aldenham Foundation and makes recommendations to the Full Governing Body about variations to these annually. The pay of the Foundation Leadership Group is decided by the Remuneration Committee.
- The Governance Committee keeps under review the Foundation's assessment and response to risk, monitors the governance offered to the Foundation schools by the various committees and advises the Board on any changes needed to the Board of Governors and how individual Governors are deployed.

The development and execution of strategic plans and operational management of the Aldenham Foundation is delegated to the Foundation Leadership Group (i.e., The Executive), consisting of the Heads of each school, and other key operational staff. They meet fortnightly to discuss and implement policy, strategy and development of the Foundation and significant operational issues. The day-to-day running of the three schools is delegated to the respective Heads, supported by their respective Senior Leadership Teams.

The Aldenham Foundation Board of Governors takes its governance responsibilities seriously and, as a large charity, aims to have a governance framework that is fit for purpose, compliant and efficient. The Board has established a solid foundation in governance in which all of its governors are clear about their roles and legal responsibilities, are committed to supporting the Foundation to deliver its objects most effectively for its beneficiaries' benefit, and contribute to the Aldenham 2027 Strategic Plan for continued improvement.

The Aldenham Foundation Governance Committee keeps the Charity Code of Governance under review and are minded that the Board of Governors meet a significant proportion of the recommended best practices for governance contained within the Code. During this reporting period, the Governance Committee commissioned an independent review of Board Effectiveness through the auspices of AGBIS. While no major points were highlighted, an action plan was created to address some minor points raised. The findings of the review and action plan were subsequently reviewed, discussed and adopted by the Full Governing Body.

Group structure and relationships

During the year there were three subsidiaries within the Foundation, these being:

- The Aldenham School Charity, a registered charity number 1057611("ASC");
- Aldenham Enterprises Ltd, a limited company registered in England No 01635965 ("AEL").
- Aldenham Schools Holdings Ltd, a registered company in England, No. 11923888 ("ASH")

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2021**

The Aldenham School Charity is now a dormant Company and owns the endowed land.

Aldenham Enterprises Ltd is a wholly owned non-charitable subsidiary of the Foundation whose annual profits are donated to the Foundation under the Gift Aid Scheme. The trading activities of AEL primarily comprise a franchised retail outlet and revenue from letting of the Aldenham Foundation schools' facilities when not in use by the schools.

Aldenham Schools Holdings Ltd is a wholly owned non-charitable subsidiary of the Foundation and was formed on the 3rd of April 2019 with a separate Board, consisting of members of the Foundation's Leadership Group, as well as two Governors. Its purpose is to monitor and manage the overseas activities of the Foundation.

Employment and remuneration policy

The Foundation is an equal opportunities employer. Full and fair consideration is given to job applications from all applicants, and the Foundation does not discriminate against anyone. Due consideration is given to the individual applicant's training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the Foundation.

Communication with employees continues through normal management channels in a variety of forms and also via an annual briefing to all staff of the Foundation by the Headmaster/CEO in September covering the Foundation's performance over the previous year and targets and aspirations for the new academic and financial year. All staff are appraised annually. The annual pay increase for all staff is agreed by the Full Governors and the remuneration of Key Management Personnel (Foundation Leadership Group) is agreed by the members of the Remuneration Committee during each year.

Investment policy, objectives and performance

The Governors' investment powers are governed by the Charity Commission Scheme of 1995 which requires that all sums belonging to the Foundation, other than sums needed for immediate working purposes, be invested in trust for the schools. The Governors' policy is to maintain income whilst preserving the real value of the endowed investments held in restricted funds. The Governors aim to maximise the total investment return they are able to achieve from the cash and investments the Schools hold, bearing in mind their planned expenditure and financing needs. The investment strategy and policy is monitored by the Finance and General Purposes (F&GP) Committee. Currently, any surplus cash held by the Foundation, in excess of that required for working capital, is available for investment. The intention is to protect the value of funds used for bursaries and scholarships in addition to any Fees In Advance funds received for fees in excess of two years.

Principal Risks and Risk management

The Governors have considered the major risks to which the Foundation and its subsidiaries are exposed. The Governors have ultimate responsibility for managing any risks faced by the Foundation.

The risk management process and the resulting Risk Report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high.

The events of 2020 had been a huge shock to the world as a whole and the reality of a worldwide pandemic had not been seen as a likely risk. The risk register has subsequently been updated to include such risks and the actions to take along with a review of the lessons learned from the pandemic.

The current areas that the Governors consider to be the principal risks are as follows:

- The ongoing effects of COVID-19 on the welfare of pupils and staff. With regards to pupils, the House system and Housemasters and Tutors continue to monitor pupils' wellbeing, supported by the respective Senior Management Teams and Pastoral Teams. With regards to staff, check-ins have been introduced via the on-line platform Appraisal and regular questionnaires are sent out to monitor staff wellbeing.
- The economic effect of the pandemic on parental ability to pay fees. The risk is being managed by credit control policies and bursarial support where necessary and affordable.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2021**

Principal Risks and Risk management (continued)

- **Affordability and non-payment of fees:** Full consideration is given to fee increases each year and any fee increases are therefore intended to meet expected cost increases whilst maintaining the educational provision provided by the Foundation. The surplus also needs to enable planning for the ongoing development of the Schools within it, whilst maintaining financial stability. It is not intended to increase fees for the coming year due to the financial impact of COVID-19 upon parents.
- The impact of interest rate rises on the cost of borrowing.
- Any impact of a change to opposition government with a manifesto promise of school fee VAT and taxation.
- **Safeguarding:** This is always deemed to be a principal risk due to the seriousness of any breach and the potential impact on pupils, reputation and confidence. Safeguarding is given the utmost consideration and a Governor, who is a professional Paediatrician, has been appointed to oversee compliance in the Foundation and to provide support and advice. There are Designated Safeguard Leads in each School who are responsible for keeping children safe in education. In addition, a "whole school" approach is taken to safeguarding so training is given to all staff and Governors.
- **Theft & Fraud:** The theft of data and attempts at financial fraud are deemed to be an area of principal risk due to the increasing number and sophistication of reported incidences in the wider business community. The Foundation seeks to adequately protect itself against such risk through comprehensive security measures, regular review and testing of these and through scrutiny of systems.
- **Health and Safety:** The health and safety of the Foundation's pupils and staff is a key area for risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the schools' sites, on trips and expeditions). The level and breadth of activity across the schools is extensive and the risks associated with this are minimised by ongoing risk assessments and management. A detailed COVID-19 risk assessment was completed by the Bursar and circulated to all parents, pupils and staff, and is published on the Schools' websites in the policy section of other information. This detailed risk assessment was completed by the Bursar and details each known risk identified and the mitigation measures taken. This is reviewed regularly and updated where necessary, especially following any Government announcement. The Health and Safety of the Foundation is the responsibility of all members of the school community but driven by the Bursar and his key teams and there is a designated Governor who takes an overview of this area.

The generic controls used by the Foundation to minimise all risks, including the above, are:

- Detailed terms of reference together with formal agendas for Committee and Board activity;
- Employment of qualified, key staff whose roles include consideration and minimisation of risk and use of specialist outside consultants where appropriate;
- Formal strategic development planning, reviewed by the relevant Committees and discussed annually at a special meeting attended by the Governors along with the senior management teams of the schools;
- Comprehensive budgeting and management accounting;
- Established organisational structures and lines of reporting;
- Formal written policies including clear authorisation and approval levels;
- Safeguarding procedures as required by law for the protection of the vulnerable;
- Regular review and monitoring by members of the Foundation Leadership Group and Committees.

The Governors are satisfied that for all major risks identified for the Foundation, appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that whilst systems can provide only reasonable, but not absolute assurance, that major risks have been managed. Detailed consideration of risk is delegated to the Governance Committee, which reports formally to the Governors at each meeting. The production and maintenance of the Risk Register is delegated to the Bursar.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Mission statement

The Foundation's mission is to provide the necessary education and appropriate training to enable pupils to develop their potential as individuals, and thereby to help ensure that when they leave they will be confident members of the larger society and effective contributors to it.

Charitable Objects

The Foundation's Objects, as set out in the Memorandum of Association, are to promote and provide for the advancement of education of children and students in the United Kingdom and elsewhere, such education to be consistent with the doctrines of the Church of England. In furtherance of these Objects for the public benefit the Foundation has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects. The Governors are mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection they have monitored closely the Public Benefit guidance available from the Charity Commission and also its supplementary website guidance on fee-charging.

Intended impact

Within its charitable Objects, the Foundation's intention is to provide a first-class education through strong academic tuition and by developing broader skills that help every pupil to realise his or her potential to the full. This involves emphasis on the co-curriculum through cerebral, sporting, artistic, team building and social skills. This policy builds self-confidence and life skills in the pupils and inculcates a desire to learn and a willingness to contribute to the wider community whilst at school and in later life.

Aims

The Foundation's aims remain:

- to offer all pupils a range of opportunities so that they can achieve to the best of their ability within a framework of shared values and standards;
- to value and nurture pupils as individuals, giving them a sense of their own self-worth and of the value of service to others, thus preparing them for life beyond school;
- to continue to operate the Aldenham Senior School as a day and boarding community with strong links both locally and further afield, and to seek to increase the numbers of pupils who can benefit from boarding;
- to continue to operate the Aldenham Prep School and St Hilda's School as day schools, in which there are strong and active partnerships with parents and with the local community around the two schools;
- to continue to make its facilities available for the wider use of the community.

Primary objectives

The primary objectives of the Foundation to fulfil these aims are:

- to provide a stimulating learning environment in which pupils can develop their academic potential to the full;
- to provide a happy and secure pastoral environment in which pupils can learn to live together and thus foster a sense of community, co-education, respect for one another and good citizenship;
- to provide pupils with the opportunity to take advantage of a breadth of extra-curricular activities in order to develop positively all aspects of their character;

THE ALDENHAM FOUNDATION

GOVERNORS' REPORT (Continued) FOR THE YEAR ENDED 31 AUGUST 2021

Primary objectives (continued)

- to provide pupils with the opportunity to take decisions based on their own judgment and to communicate those decisions appropriately and effectively;
- to provide financial support to enable children whose parents are unable to afford the full fees to benefit from the education and opportunities offered;
- to provide a clear, simple and effective management structure capable of taking timely decisions and allocating necessary resources appropriately;
- to provide the necessary administrative and logistic framework to meet the needs of members of staff and pupils alike;
- to maintain and improve facilities which will enable these objectives to be achieved and which can also be applied for the wider benefit of the outside community.

The aims and objectives set for the Foundation's subsidiaries are to facilitate the achievement of the Foundation's aims and objectives as above.

Principal activity

The Foundation's principal activity, as specified in the Memorandum of Association is the advancement of education of children and students in the United Kingdom and elsewhere, such education to be consistent with the doctrines of the Church of England and, in this, the Foundation has again had a successful year with 954 pupils being educated in the Foundation's schools. This is a decrease over 2020 and is due to less children attending nursery. This is, in the main, due to parents being reticent to send their youngest children into the settings whilst COVID caused uncertainty.

Public benefit

The Governance Committee give due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011 to ensure that they are compliant and are offering as much as they can to the wider community.

The Foundation remains committed to the aim of providing public benefit, and details below the activities that took place during the year:

Bursaries

- The awarding of bursaries to parents is a measurable means of providing public benefit. The Governors consider bursaries, awarded to those whose parents would not otherwise be able to afford the fees, as being very important, but not to the exclusion of the much wider benefit that the Foundation provides within the community. Those pupils who attend our schools and who receive financial support contribute to the school community in a variety of ways, and so the benefit is not purely to these pupils but to the whole Foundation and, in some cases, to the wider community. In 2020/21 the Foundation awarded means-tested awards based on a sliding scale according to financial circumstances totalling £743k to 76 pupils.
- In addition to allocations of support from its fee income, there are specific bursary funds established from legacies provided by former pupils, specific funds created from Foundation reserves and annual support from funds held by other organisations associated with the Foundation.

Other activities

Other activities were impacted by COVID-19 and the closure of the school facilities in the Lent term, however they are listed below as these would have taken place in a "normal" year:

- The Foundation has partnered local maintained schools and provided support for local community organisations through pupil and staff involvement, and by use by the community of Foundation facilities and equipment.
- Letting of the grounds and facilities to local clubs and organisations. Some of these lettings are below market rate or free of charge. These were impacted by COVID-19 this year.
- Free use of St Hilda's hall for use for a local mother and toddler group. This was impacted by COVID-19 this year.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2021**

Public Benefit (continued)

- Use of Aldenham Chapel by other local schools.
- Use of Aldenham minibuses by local community groups and sports teams.
- Members of the local community use Aldenham land for walking groups.
- We cooperate with local charities and educational bodies in our ongoing endeavours to widen public access to the schooling we provide, to optimise the use of our cultural and sporting facilities and to awaken in our pupils an awareness of the social context of the all-round education they receive at the Foundation's schools.
- The Senior School partners a local maintained school to provide a Combined Cadet Force for the mutual benefit of both schools.
- Pupils and staff of the Foundation continue to provide support for a range of local and national charities through fundraising and Aldenham School has maintained its support of a community in Malawi through its Ripple Africa initiative which involves a group of 6th Form students travelling to Malawi each year to take part in community projects there. Unfortunately, due to COVID-19 this did again not take place this year.
- Staff and pupils support the PHAB Charity and hosts a weekend each year for children with physical and mental disability, allowing them access to the facilities and resources. Unfortunately, due to COVID-19 this did again not take place this year.
- Across the Foundation and prior to lock-down a total of £8,900 was raised for several different Charities.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

The School year of 2020-21 was one that was in many ways even more affected than the previous year by the COVID pandemic. Even though the School year began and finished in relatively normal fashion with all pupils in School there were many “bumps in the road” along the way and it was a very strange year for education. It was also the year which had the greater impact in financial terms on the Aldenham Foundation and which required a more measured approach to spending, whilst needing to complete the major capital projects committed to prior to the pandemic.

The reality of the education that children received during the school year was that it was highly effective in academic terms, but effectively limited in all other ways. At Aldenham Foundation schools we value the high-level involvement of pupils, staff and parents in all aspects of the Schools’ lives, yet this was not possible in these 12 months. The major restrictions which were put in place by Government regulations, included some which entirely limited our ability to undertake this sort of extracurricular activity which is so important to the development of young people in our Schools.

The restriction on pupils operating outside their year group “bubbles” meant that there was no normal interaction between pupils of different year groups and ages in both informal and formal ways as would be usual for us. In particular our highly effective House structure is one which depends upon the blending together of pupils of different year groups – in the Junior Houses between Y7 & Y8 pupils, and in the Senior Houses with pupils from Y9 through to Y13. Such interactions were not possible, but we did manage to open the new Woodrow’s House for 80 pupils in Y7 and Y8 as scheduled on the 1st September 2021. Their new housemistress brought valued experience as an Assistant Housemistress in the other Junior House which allowed this new development to work well.

The restrictions upon travel meant that there was no opportunity for pupils to travel for educational and sporting trips to other points around the UK and indeed across the globe as would be normal. However, inventive solutions were found to some of these problems with DofE Award expeditions taking place as day walks without overnight stays and the Annual Battlefields trip for every Y9 pupil having to be replaced by a virtual event from within the School Chapel rather than being at Tyne Cot or on Vimy Ridge.

The restrictions upon visitors to the School meant that there was almost no possibility of inter school sports fixtures taking place which severely curtailed the opportunity for competitive activity for many pupils. Whilst we maintained a full programme of training and preparation in all sports, there is an inevitable lack of intensity when no matches are in sight. It also led to the total exclusion of all parents from the site and hence all opportunities for parents to engage with their children’s sports and cultural performances were lost, as were the many invaluable opportunities for social interaction between parents and staff that occur on such occasions.

Nonetheless the parental body remained positive and cheerful in their support of their children and the introduction of online parental consultation evenings and some upgraded regular communications were much appreciated. Much of this stemmed from the fact that during the period of total school closure from early January till early March, our Schools demonstrated a high level of sophistication in their online teaching and support of pupils which was well received.

In the previous academic year, the Senior School had already made good provision for all their pupils under the specifically named Aldenhome programme focussing on Microsoft Teams and delivering a full programme of lessons. By this academic year, we had established a similarly effective programme for the younger pupils at prep school ages, whose level of need for parental support had led to a more uncertain pattern of provision in 2020. In this we were certainly not out of line with many other school groups dealing with different aged pupils with differing levels of independent working capacity at the start of the pandemic.

The Schools were once again closed in January 2021 in line with Government instruction and for the period January to March 2021 pupils of all ages from Reception upwards were offered a good number of live lessons each day with additional tutorial sessions and the presentation of other familiar parts of the School programme including PE sessions, Chapel services and Assemblies. In our view this allowed almost all pupils the opportunity to make excellent progress in their academic studies and upon their return to School on March 8 we were able to see that our pupils were not suffering from a deficit on academic progress, although the younger pupils demonstrated the by-products of a lack of social interaction and engagement with other children and adults.

During this period we were fortunate that the School community as a whole was not significantly affected by COVID cases, although anxiety about infections amongst some support staff led to a review of our homeworking arrangements for anyone who could operate in this way. Our staff team showed a remarkable degree of resilience and flexibility in equal measure which allowed the sense of a community to be preserved even in these dark months of School closure.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2021**

ACHIEVEMENTS AND PERFORMANCE – Continued

It also made the return to School in early spring a particularly joyous one with much to be thankful for. This was also the moment for us to open our entirely new Aldenham Prep School – Vincent House – to pupils and staff with the demolition of the old facility taking place just before the reopening. There can have been very few pupils in any setting who will have had the happy experience of walking into a brand new building on March 8, and this quickly proved to be a much admired and highly effective space for our Aldenham Prep School with their own School Hall, Science Lab, Dining Hall and many exciting outdoor areas in a very well planned and cohesive design. The completion of most of the work during the pandemic during lockdowns was a remarkable achievement, but it did mean that the contribution from appeal funding for this project was lower than anticipated.

We also took the opportunity of upgrading the Science labs over the summer period. This work of restyling and modernising the ten very appropriately sized labs to the best modern standards has been very well received, not least by the many students who aim to study Science and Engineering subjects at university. Very pleasingly the proportion of girls choosing such subjects – around a third – is identical to that for boys.

In terms of those pupils in Years 11 and 13 who were unable to sit public examinations in the normal way, we were pleased to be able to support our pupils with realistic Teacher Assessed Grades which were endorsed as confirmed final grades in the summer. This was a very demanding process, but one where our excellent level of regular academic monitoring and record keeping allowed us to provide superbly justified evidence based judgements. The results for the year were slightly higher than normal, but very much in line with the upscaling seen in other schools, thus taking a seriously responsible attitude to this important process.

At A Level we saw a total of 54% of grades awarded at A*/A Level, 73% at A* to B and a 99.6% pass rate overall. Of the 80 students in our Year 13 group, 97% were admitted to their first or second choice university with a very small number electing to take a gap year or go straight into work. We were delighted that 55% of those going to university chose to study at Russell Group universities with others heading not only to other universities around the country, but also to the USA. We saw Aldenham students beginning studies in almost every top university including Bath, Bristol, Cambridge, Cardiff, Durham, Edinburgh, Exeter, KCL, Lancaster, Leeds, Loughborough, Manchester, Nottingham, Sheffield, Southampton and UCL. There were some very significant individual achievements including 7 students who gained A* grades in each of their A Levels.

There were similarly strong results at GCSE with almost half of all the GCSEs graded at level 7-9 and over 90% at level 5 or above. 12 pupils gained 10 or more 7-9 grades and every one of these students has remained at Aldenham to study for their A Levels.

Both prep schools were able to see their academic achievements recognised with the award of 16 scholarships for St Hilda's girls and 8 for Aldenham Prep School. These extraordinary high figures from single form entry prep schools demonstrate the excellent work that our teachers achieve in their classes, whilst maintaining as with all Aldenham Foundation Schools a genuine commitment to all-round education in their ethos and programmes.

As a result of the January to March lockdown we were able to reduce costs which included the total closure of the Nursery. All cost savings were passed back to parents by means of a reduced fee in the Summer Term 2021 which was seen as acceptable to all.

Therefore, despite a most challenging period the Aldenham Foundation was able to end the year in a strong position and with excellent prospects for future years. In fact, despite the pandemic and the inability of parents to view the School, we saw the largest ever intake of pupils accept places for starting in Y7 from September 2021 and the registrations for entry in 2022 are up by 30% year on year. The strong commitment to following through the clear goals set out in the Aldenham 2027 Strategic Plan remains in place, and we are cautiously confident that it will not need to be significantly altered despite the global pandemic.

As part of this plan the Foundation has continued its work on the development of international schools through its subsidiary, Aldenham Schools Holdings (ASH) who are partners in Aldenham Education Group (AEG) operating from Dubai. The initial plans for the first overseas school were delayed but we have now seen good progress towards prospects in both the Middle East and South-East Asia. It is believed that the good working relationships established with our overseas partners through this phase should enable good progress to be made over the next 12 months towards these projects reaching fruition.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2021**

ACHIEVEMENTS AND PERFORMANCE – Continued

The Governors were involved in many aspects of the Foundation's activities during the period under review. As well as their usual functions of overseeing the strategy of the Foundation and the implementation of the Foundation's aims, the Governors have been substantially involved in ensuring that the reaction of the Foundation and the individual Schools to the Coronavirus pandemic has been carefully considered, appropriate, and measured. The relationship between the Govern and the Foundation's senior executive team, very ably led by CEO James Fowler, continues to be very positive and constructive.

The Chair of Governors, Trevor Barton, stood down after six years in Summer 2021 and the Governors were unanimous in appointing Mrs Sarah Altman, a former parent who is currently Chair of the Finance and General Purposes Committee to succeed him.

James Fowler will retire from his post after 16 years in Summer 2022 and the Governors were able to complete the appointment of his successor, Mrs Alexandra Hems, currently Head of St George's School in Edinburgh during the Summer Term.

The Governors are extremely grateful for the hard work, diligence, care, common sense and resilience shown by the senior executive team, the Heads of the individual Schools, the teachers, all other staff and the pupils during a period that has been challenging but that has also demonstrated vividly the qualities of the Aldenham Foundation and has given great confidence for the future.

Fundraising

Fundraising for the School is carried out by Aldenham School General Charitable Trust. The focus for 2020-21 was to fundraise for Vincent House (new Prep School). There has also been continued progress made this year in the Foundation's work of raising voluntary funding for other Charities. This is undertaken by the Charity Committee whose members are pupils from the School. Across the Foundation, a total of £8,900 was raised for several different Charities. There are no professional fundraising organisations used and so no monitoring processes are required. The school has not subscribed to the Fundraising Regulator, but adheres to the Code of Fundraising Practice when undertaking fundraising activity. The school takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the School's approach to fundraising activity.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2021**

FINANCIAL REVIEW

Results for the year

The operating deficit, before investment gains, was £403,727 (2020: surplus £816,184), which translates into an operating cash outflow of £1,111,006 and a decrease in fund balances of £129,169 (2020: increase £930,213) at the year end. This deficit was due to the impact of COVID upon the year, resulting in reduced boarding, no fee increases and the closure of the nurseries during the Lent term. As we had to close the schools the previous summer, there were maintenance and development works that were not carried out and it was decided to complete some of these during the current year to ensure the level of facilities were maintained and so not to impact further on the experience of the pupils.

The Foundation's funding came from cash generated from fees and the fees in advance scheme that the Foundation operates. Of the cash flow generated, £42,848 repaid the remaining bank loan and £5,515,955 financed the new Prep building and the science block refurb, which have been capitalised in line with the accounting policies and are therefore not reflected in the Statement of Financial Activities on page 20. The final element of the loan to fund the Prep School build was drawn to fund the build amounting to £4,088,168.

The interests of the company's employees

In relation to employee engagement, the Headmaster/CEO carries out termly updates to all staff. Weekly staff briefings are held in each school for all staff and minutes issued. Clear and frequent communication with staff has been essential, during the lent lockdown when most staff were working remotely. Staff who had been furloughed in January to March 2021 were contacted by their own line management and HR via calls. Staff were kept regularly informed by the Headmaster/CEO by regular email communication and weekly newsletters continued to be sent to parents and staff.

The Governors receive regular reports on staff matters through the respective Heads' termly reports and all Governors conduct visits to school where opportunity is made for direct staff engagement.

All staff were involved in the early stages of the strategic plan development, and all are updated on the plan and priorities at the start of each academic year.

The Foundation has complied with the UK's Equality Act 2010 that require the publication of information on the gender pay gap for UK employees annually. The latest report is available on the website.

Reserves Policy

It is the Governors' policy not to accumulate and retain funds but to spend, wisely, the available cash on maintenance, and on enhancement of the Foundation school's facilities. Such enhancements usually involve significant capital sums and are therefore normally only undertaken as and when funds on a sufficient scale, built up over a number of years, become available. This policy means the Foundation does not hold a large reserve for any length of time. Moreover, as the fees are paid in advance and the short-term flow of income and expenditure is relatively predictable, the Foundation does not, as a matter of policy, hold reserves to cover say a whole term's operating costs.

The Foundation's total reserves of £15,411,843 at the year-end included £1,965,327 restricted funds and £13,446,516 unrestricted funds. Included in the reserves is a permanent endowment fund of £1,695,739, which is subject to specific conditions by donors that the capital must be maintained by the Charity.

The Foundation has no free reserves at the balance sheet date due to the investment of funds in tangible fixed assets, largely buildings for use within the Foundation. However, the Governors regularly examine the Foundation cash flows alongside the development plans for the future and are satisfied that they are adequate for the purpose of meeting its working capital requirements, by careful management of short-term liquid reserves, and that they will also cover strategic capital expenditure when complimented with an appropriate amount of loan finance. This has been reviewed in light of the pandemic and given the current climate the Governors are satisfied with the level of reserves held, however this will continue to be reviewed at F&GP meetings.

**GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2021**

FUTURE PLANS

Despite the pandemic, the future plans for the Foundation continue to be the expansion of the Senior School over future years so that it can become a more significant contributor to education in its locality, and to generate surplus funds that allow the continued improvement of facilities.

The strategy document "Aldenham 2027" details the basis and plans for expansion and vision of the future.

The detailed key objectives of the strategy are as follows:

1. To deliver a holistic education which supports the academic and personal progress of all children in its schools.
2. To increase the number of pupils in the Senior School to 650 without changing the ethos of the School.
3. To increase the proportion of girls in the Senior School to at least 40% of pupils.
4. To generate expanded and improved facilities for the enlarged Senior School.
5. To create a new purpose-built facility for the whole Aldenham Prep School on the school site and increase its popularity amongst local parents.
6. To maintain the strong positioning of St Hilda's School as a high performing all girls prep school with improved facilities on its existing site.
7. To consider opportunities for the Aldenham Foundation to expand its operation by the addition of further schools or other institutions.
8. To make sure that the schools of the Aldenham Foundation are as well embedded as possible in their local communities through partnership and other links.
9. To ensure that the financial position of the Aldenham Foundation is secured for the long term.
10. To create extra revenue for the Foundation in a way which can ensure that the strategic goals are achieved and the financial success of the Foundation is assured.

The Governors and Leadership team will be driving forward the strategy to strengthen the Foundation in the years to come, especially in light of current economic and political uncertainty and threats to the Independent Schools sector.

With reference to objective 5 above, the build of the new Aldenham Prep School was completed early in 2021 and pupils moved into the building once the school reopened in March 2021.

Annually, specific objectives for The Foundation Leadership Group are defined that support the key objectives above and reflect changes to the political or social environment, however the above underpin the direction of the Foundation.

With reference to objective 10, as per the Strategic Report above, the Foundation has formed Aldenham Schools Holdings and plans to invest funds into the identification and creation of new schools overseas, with the aim of generating additional non-fee income into the Foundation. Due to the pandemic, the plans for new schools opening have been delayed, however the Foundation is committed to such projects and continues to monitor developments.

Going Concern

In light of the current climate and the pandemic, further scenario forecasts were produced by The Foundation Leadership Team and reviewed by F&GP. Several scenarios were considered, and the Governors are satisfied that the revised budget and cashflow produced reflects the most likely outcome for the current year. The Governors are also satisfied that if there was to be a further lockdown for schools then the Governors believe that the Foundation has adequate financial resources to weather this.

The financial projections, have taken into consideration the current economic climate and global pandemic and its potential impact on the various sources of income and planned expenditure. The scenarios were reviewed to forecast the impact on cash flow and contingencies have been built into budgets for the ongoing uncertainty of the pandemic. The Governors are confident that the Foundation has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the Foundation's ability to continue. The accounts have therefore been prepared on the basis that the Foundation is a going concern.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The members of the Governing Body (who are also the Directors of the charitable company for the purpose of company law) are responsible for preparing the Annual Report and the financial statements for each financial year in accordance with applicable law and FRS102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

Under company law the Governing Body members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governing Body members are required to:

- select the most 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 the applicable Financial Reporting Standard has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The members of the Governing Body are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Governing Body of The Aldenham Foundation, including, in their capacity as company directors, the Strategic Report contained therein, and signed on its behalf by:



Sarah Altman

Chair of Governing Body

Dated: 14 December 2021

THE ALDENHAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM FOUNDATION

Opinion

We have audited the financial statements of the Aldenham Foundation ('the charitable company') and its subsidiaries ('the group') for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2021 and of the group's 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM FOUNDATION

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and Safety legislation, Taxation legislation and Employment legislation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ALDENHAM FOUNDATION

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

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

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

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

Use of our report

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



Andrew Thomas
Senior Statutory Auditor
For and on behalf of

Crowe U.K. LLP
Statutory Auditor
London

Date: 18 January 2022

THE ALDENHAM FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021
(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
INCOME:					
School fees		15,944,233		15,944,233	15,726,308
Ancillary income		752,803		752,802	1,269,505
	3	16,697,036		16,697,035	16,995,813
Income from:					
Donations and legacies	2	8,063	89,213	97,276	107,796
Investments		128		128	12,570
Rents and lettings		9,643		9,643	16,163
Other activities	4	123,521		123,521	591,251
Other trading activities	21	60,771		60,771	134,430
		202,126	89,213	291,339	862,210
TOTAL INCOME		16,899,162	89,213	16,988,374	17,858,023
EXPENDITURE:					
Raising funds					
Costs of financing and raising funds		159,431		159,431	168,699
Trading expenditure	5/21	38,369		38,369	95,189
Charitable Activities					
Expenditure on education		17,053,936	140,366	17,194,302	16,777,951
TOTAL EXPENDITURE	5	17,251,736	140,366	17,392,102	17,041,839
Operating surplus/(deficit)		(352,575)	(51,153)	(403,728)	816,184
Net gains on investments	10	250,053	24,505	274,558	114,029
Net Income/(deficit)		(102,522)	(26,648)	(129,170)	930,213
Net movement in funds		(102,522)	(26,648)	(129,170)	930,213
Fund balances at 1 September 2020		13,549,038	1,991,975	15,541,013	14,610,800
FUND BALANCES AT 31 AUGUST 2021		13,446,516	1,965,327	15,411,843	15,541,013

Operations throughout both periods were from continuing activities.

Included within the balance brought forward on restricted funds is a permanent endowment of £1,695,739 (Note 14)

The notes on pages 22 to 38 form part of these financial statements.

THE ALDENHAM FOUNDATION

CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2021

	Notes	GROUP 2021 £	GROUP 2020 £	FOUNDATION 2021 £	FOUNDATION 2020 £
Fixed assets					
Tangible assets	9	22,321,077	18,047,295	22,321,077	18,047,058
Investments	10	2,831,253	1,556,695	2,831,453	1,556,795
		<u>25,152,330</u>	<u>19,603,990</u>	<u>25,152,530</u>	<u>19,603,853</u>
Current assets					
Debtors	11	1,054,914	1,037,453	1,083,235	1,074,578
Cash at bank and in hand		2,967,041	4,078,047	2,934,261	4,018,892
		<u>4,021,955</u>	<u>5,115,500</u>	<u>4,017,496</u>	<u>5,093,470</u>
Creditors: amounts falling due within one year	12	(5,662,990)	(5,350,081)	(5,658,101)	(5,329,757)
Net current liabilities		<u>(1,641,035)</u>	<u>(234,581)</u>	<u>(1,640,605)</u>	<u>(236,287)</u>
Total assets less current liabilities		<u>23,511,295</u>	<u>19,369,409</u>	<u>23,511,925</u>	<u>19,367,566</u>
Creditors: amounts falling due after more than one year	13	(8,099,452)	(3,828,396)	(8,099,452)	(3,828,396)
NET ASSETS		<u>15,411,843</u>	<u>15,541,013</u>	<u>15,412,473</u>	<u>15,539,170</u>
Endowment funds	15	1,695,739	1,695,739	1,695,739	1,695,739
Restricted funds	16	269,588	296,236	269,588	296,236
Total restricted funds		<u>1,965,327</u>	<u>1,991,975</u>	<u>1,965,327</u>	<u>1,991,975</u>
Unrestricted funds					
General funds	17	13,446,516	13,549,038	13,447,146	13,547,195
Total unrestricted funds		<u>13,446,516</u>	<u>13,549,038</u>	<u>13,447,146</u>	<u>13,547,195</u>
TOTAL FUNDS	17	<u>15,411,843</u>	<u>15,541,013</u>	<u>15,412,473</u>	<u>15,539,170</u>

The notes on pages 22 to 38 form part of these financial statements.

The result of the parent charity for the year ended 31 August 2021 was a deficit of £129,580 (2020: £969,058).

The accounts were approved by the Board of Governors on the 14th December 2021



S Altman
Governor



D Tidmarsh
Governor

The accompanying notes form an integral part of these financial statements.

THE ALDENHAM FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
Net cash inflow from operating activities	18	1,441,038	1,113,861
Cash flows from investing activities:			
Investment income		128	12,570
Payments to acquire tangible fixed assets		(5,515,956)	(3,756,791)
Payments to acquire investments		(1,000,000)	-
Financing costs		(81,536)	(97,418)
Net cash used in investing activities		(6,597,364)	(3,841,639)
Cash flows from financing activities:			
Repayment of long-term bank loan		(42,848)	(244,885)
New bank loan for Prep School		4,088,168	2,520,940
Net cash used in financing activities		4,045,320	2,276,055
Change in cash and cash equivalents in the reporting period		(1,111,006)	(451,723)
Cash and cash equivalents at the beginning of reporting period		4,078,047	4,529,770
Cash and cash equivalents at the end of reporting period		2,967,041	4,078,047

The notes on pages 22 to 38 form part of these financial statements.

The Aldenham Foundation is constituted as a company limited by guarantee, without a share capital, registered in England, No. 01847134, and is registered with the Charity Commission under Charity No. 298140. The Foundation's principal activity is the advancement of education of children and students in the United Kingdom and elsewhere such education to be consistent with the doctrines of the Church of England.

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention 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).

The governors have given due regard to the guidance on public benefit issued by the Charity Commission.

In light of the current climate and the pandemic, further scenario forecasts were produced by The Foundation Leadership Team and reviewed by F&GP. Several scenarios were considered, and the Governors are satisfied that the revised budget and cashflow produced reflects the most likely outcome for the current year. The Governors are also satisfied that if there was to be a further lockdown for schools then the Governors believe that the Foundation has adequate financial resources to weather this. The financial projections have taken into consideration the current economic climate and global pandemic and its potential impact on the various sources of income and planned expenditure. The scenarios were reviewed to forecast the impact on cash flow and contingencies have been built into budgets for the ongoing uncertainty of the pandemic. The Governors are confident that the Foundation has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the Foundation's ability to continue. The accounts have therefore been prepared on the basis that the Foundation is a going concern.

Basis of consolidation

The group financial statements consolidate the results of The Aldenham Foundation and the Foundation's subsidiaries, Aldenham Enterprises Limited and Aldenham Schools Holdings Ltd.

No separate Statement of Financial Activities of the Foundation has been presented, as permitted by s406 of the Companies Act 2006. The gross income of the Foundation was £17,610,630 (2020: £17,161,712). The movement in funds (net income) of the Foundation was minus £129,169 (2020: £930,213).

1.2 Income

School fees are accounted for in the period in which the service is provided. Fees receivable are before deduction for bursaries and scholarships granted by the school. Fee income received in advance is deferred.

Voluntary income, including donations, gifts and legacies are recognised when there is entitlement, probability of receipt and if the amount can be measured with sufficient reliability. Such income is only deferred when either the donor specifies that the grant or donation can only be used in a future accounting period, or if the donor has imposed conditions that must be met before the charity has unconditional entitlement.

Investment income and other incoming resources are recognised on a receivable basis.

Government grants are recognised on the performance model, when the School has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme has been recognised in the period to which the underlying furloughed staff costs relate to.

1.3 Expenditure

Resources expended are recognised in the period in which they are incurred with liabilities being recognised where there is a legal or constructive obligation to pay.

Resources expended are allocated to a particular activity where the costs relate directly to that activity. Resources expended have been allocated on the basis indicated below:

1.3 Expenditure (Continued)

- Charitable activities: These are costs directly attributable to the operation of the school.
- Governance costs: These include the cost of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the charitable activity. This includes such items as external audit and costs associated with constitutional and statutory requirements.
- Raising funds include all direct fundraising expenditure associated with running the development office.
- Support costs: These include all the costs relating to the management, administration and running the central functions of the school.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	not depreciated
Freehold buildings	up to 50 years
Sports pitch and equipment	4-10 years
Fixtures, fittings and equipment	3-10 years
Motor vehicles	4 years

All expenditure over £5,000, or £500 for IT costs, is identified as a new tangible fixed asset or as an improvement to an existing tangible fixed asset and is capitalised. Where on review an impairment of a fixed asset is identified, the value of the fixed asset is reduced or eliminated in line with the review. All tangible fixed assets are regarded as operational assets.

1.5 Stock

Stock is carried at the lower of cost and net realisable value.

1.6 Leasing

Rentals payable under operating leases are charged against income 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.

1.7 Investments

Fixed asset investments are stated at market value.

Any gain or loss on revaluation or on disposal of fixed asset investments is taken to the Statement of Financial Activities.

1.8 Pensions

The Aldenham Foundation, along with many other schools, contributes to the defined benefit scheme operated by the Government Teachers Pension Agency and known as the Teachers' Pension Scheme. The Teachers' Pension Scheme is a multi-employer scheme as defined in the transitional arrangements of FRS102 and accordingly, the schools are required to treat the scheme as a defined contribution scheme.

The regular cost of providing retirement pensions and related benefits is charged to the Statement of Financial Activities over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the Statement of Financial Activities and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

The Aldenham Foundation also contributes to one externally invested defined contribution scheme for staff who are not eligible for the Teachers' Pension scheme and the pension costs charged to the statement of financial activities represent the contributions payable by the charity during the year. In addition, The Aldenham Foundation contributes to personal pension schemes for two employees pre-dating the introduction of the school's own defined contribution scheme.

1.9 Accumulated Funds

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity. Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

The Governors may designate monies held by the charity for specific purposes, particularly when building up funds for investment by the charity into further educational facilities and projects and additional bursarial funds, in order to have resources available to provide assistance to those who would otherwise be unable to attend the school.

Unrestricted funds are school fees, donations and other incoming resources received or generated for charitable purposes.

1.10 Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value and based upon market valuation at that date. Financial assets held at amortised cost comprise cash at bank and in hand, together with parent and other debtors.

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 all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

The value of financial assets held at fair value at year end totalled £2,831,253 (2020 £1,556,695).

1.11 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the accounting policies, the Governors are required to make judgements, 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.

Redundancy costs (termination benefits) are recognised as an immediate cost and charged to the SOFA on a demonstrable commitment to termination, with provision for future redundancy costs measured at a best estimate of the expenditure that would be required to settle the obligation at the reporting date.

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

2 Donations and Legacies

Donations received during the year were:

Name of donor	Unrestricted	Restricted	Total £ 2021	Total £ 2020
Whitbread Fund	-	12,000	12,000	12,000
Richard Platt Foundation	-	11,983	11,983	22,069
ASWMEF	-	12,000	12,000	13,500
Martineau's Trust	-	11,680	11,680	11,680
Brewers Company	-	18,000	18,000	18,000
GCT	8,063	22,550	30,613	26,967
Other donations and gifts	-	1,000	1,000	3,580
	<u>8,063</u>	<u>89,213</u>	<u>97,276</u>	<u>107,796</u>

3 School Fees and Ancillary Income

	2021 £	2020 £
The Foundation's fee income comprised the following:		
Gross fees (Net of Fee Reduction due to COVID-19)	17,487,982	17,030,748
Less: Bursaries and scholarships	<u>(1,666,397)</u>	<u>(1,435,404)</u>
	15,821,585	15,595,344
Add back: Bursaries paid for by Restricted funds	<u>122,648</u>	<u>130,964</u>
	<u>15,944,233</u>	<u>15,726,308</u>

The ancillary income of £752,803 includes recharges of coach transport, instrumental lessons, after and before school activities and educational trips and events. The costs relating to ancillary income are included in educational activities, other and staff costs, below.

The number of pupils (not FTE in the nursery) educated across the Foundation is given below:

	Average 2021	Average 2020
Aldenham Nursery	18	23
Aldenham Prep	147	146
Aldenham Senior	<u>636</u>	<u>633</u>
Total Aldenham pupils	801	802
St Hilda's Nursery	37	54
St Hilda's Prep	<u>116</u>	<u>128</u>
	153	182
TOTAL FOUNDATION	954	984

4 Other Activities

The income from other activities included the furlough income received of £123,521 (2020 £474,821).

THE ALDENHAM FOUNDATION

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

5 Expenditure

5a	Staff costs	Other costs	Depreciation	Total 2021	Total 2020
	£	£	£	£	£
Charitable Activities					
Educational activities	8,402,710	1,495,316	416,395	10,314,421	10,487,967
Welfare (including catering)	252,611	1,266,593	-	1,519,204	1,286,113
Premises	752,900	1,594,123	,846,999	3,194,022	2,929,960
Support costs of schooling	1,385,815	640,474	-	2,026,289	1,925,342
Grants, awards and funded resources (Note 5b)	-	140,366	-	140,366	148,569
	<u>10,794,036</u>	<u>5,136,872</u>	<u>1,263,394</u>	<u>17,194,302</u>	<u>16,777,951</u>
Trading expenditure	18,688	19,818	237	38,743	95,189
Development office	52,749	25,146	-	77,895	71,282
Bank loan interest and charges	-	81,536	-	81,536	97,417
	<u>71,437</u>	<u>126,500</u>	<u>237</u>	<u>198,174</u>	<u>263,888</u>
Total Expenditure	<u>10,865,473</u>	<u>5,263,372</u>	<u>1,263,631</u>	<u>17,392,476</u>	<u>17,041,839</u>

5b Grants, awards and funded resources	Total 2021	Total 2020
From Restricted resources:	£	£
Bursaries and scholarships	122,648	130,964
Prizes	405	-
Direct teaching resources (funded by Aldenham General Charitable Trust)	17,313	17,605
	<u>140,366</u>	<u>148,569</u>

6 Support Costs of Schooling	2021	2020
	£	£
Salaries	1,272,168	1,251,298
Staff recruitment, travel and training	21,294	7,493
Communications and network	36,223	62,020
Telephone, postage, printing, stationery	93,921	93,827
Miscellaneous administration costs	452,932	365,626
Governance costs	149,751	145,078
	<u>2,026,289</u>	<u>1,925,342</u>

7 Operating Profit

This is arrived at after charging the following:

	2021	2020
Depreciation	1,263,631	1,225,983
Operating lease expenses	70,971	64,559
Fees payable to the company's auditor for audit fees	40,200	37,670
Fees payable to the company's auditor for other services	12,485	5,262
Furlough income	<u>(123,521)</u>	<u>(474,821)</u>
	<u>1,263,766</u>	<u>858,653</u>

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Teaching staff	158	162
Fundraising and publicity	3	3
Management and support staff	87	90
	<u>248</u>	<u>255</u>

Employment costs

	2021	2020
	£	£
Wages and salaries	8,258,428	8,263,619
Social security costs	865,319	844,360
Other pension costs	1,394,298	1,355,678
	<u>10,518,045</u>	<u>10,463,657</u>
Payments made to peripatetic and temporary staff working at the school	196,586	206,256
Other staff costs	150,842	64,726
	<u>10,865,473</u>	<u>10,734,639</u>

The number of employees whose annual taxable emoluments were £60,000 or more were:

	2021	2020
£60,000 - £70,000	8	6
£70,000- £80,000	3	3
£80,000- £90,000	2	2
£90,000- £100,000	0	1
£100,000- £110,000	1	1
£110,000- £120,000	1	0
£170,000-£180,000	0	0
£180,000-£190,000	1	1

The aggregate amount of total employee salary and benefits for the Key Management Personnel/Foundation's Leadership Group (FLG) was £950k (2020: £924k). The FLG have other teaching and support responsibilities.

All but 2 (2019: 2) of these employees are members of the defined benefit pension scheme. Those not included are members of the defined contribution pension scheme and employer payments of £10,348 (2020: £9,435) were made on their behalf.

During the year there were redundancy and settlement payments made which amounted to £58,982 (2020 £2,566). £10,000 of this amount was outstanding at the year end.

THE ALDENHAM FOUNDATION

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

9 Tangible Fixed Assets

GROUP	Land and buildings £	Assets in the course of construction £	Sports pitch and equipment £	Library £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost							
At 1 September 2020	19,199,014	3,918,372	882,167	25,000	4,147,047	219,616	28,391,216
Additions	1,300,032	3,924,587			312,794		5,537,413
Transfers	7,842,959	(7,842,959)					-
Disposals					(21,457)		(21,457)
At 31 August 2021	28,342,005	-	882,167	25,000	4,438,384	219,616	33,907,172
Depreciation							
At 1 September 2020	(6,053,315)		(822,888)		(3,300,469)	(167,247)	(10,343,919)
Eliminated on disposal					21,457		21,457
Charge for the year	(848,909)		(29,347)		(369,308)	(16,068)	(1,263,632)
At 31 August 2021	(6,902,224)		(852,236)		(3,648,319)	(183,317)	(11,586,095)
Net book value							
At 31 August 2020	13,145,695	3,918,372	59,278	25,000	846,581	52,369	18,047,295
At 31 August 2021	21,439,781	-	29,932	25,000	790,065	36,299	22,321,077
FOUNDATION							
Cost							
At 1 September 2020	19,199,014	3,918,372	882,167	25,000	4,106,275	219,616	28,350,444
Additions	1,300,032	3,924,587			312,794		5,537,413
Transfers	7,842,959	(7,842,959)					
Disposals					(21,457)		(21,457)
At 31 August 2021	28,342,004		882,167	25,000	4,397,612	219,616	33,866,400
Depreciation							
At 1 September 2020	(6,053,315)		(822,889)		(3,259,935)	(167,247)	(10,303,386)
Eliminated on disposal					21,457		21,457
Charge for the year	(848,909)		(29,347)		(369,069)	(16,068)	(1,263,393)
At 31 August 2021	(6,902,224)		(852,235)		(3,607,547)	(183,317)	(11,545,323)
Net book value							
At 31 August 2020	13,145,695	3,918,372	59,278	25,000	846,340	52,369	18,047,058
At 31 August 2021	21,439,780		29,931	25,000	790,065	36,301	22,321,077

THE ALDENHAM FOUNDATION

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

10 Fixed Asset Investments

	GROUP 2021 £	GROUP 2020 £	FOUNDATION 2021 £	FOUNDATION 2020 £
Investment in subsidiary – Aldenham Enterprises Ltd	-	-	100	100
Aldenham Schools Holdings (ASH)	-		100	100
Listed Investments:				
Market value at 1 September	1,556,695	1,442,666	1,556,695	1,442,666
Additions	1,000,000		1,000,000	
Movement on valuation in year	274,558	114,029	274,558	114,029
Market value at 31 August	<u>2,831,253</u>	<u>1,556,695</u>	<u>2,831,453</u>	<u>1,556,695</u>
Historical cost of listed investments	<u>1,927,644</u>	<u>927,644</u>	<u>1,927,644</u>	<u>927,644</u>

The Foundation's investments are managed by Sarasin Investment Fund Limited. The funds are held in Alpha CIF for Endowments and in Alpha CIF for Income and Reserves.

The Foundation owns 100% of Aldenham School Holdings who in turn have a 40% shareholding in Aldenham Education DMCC, based in Dubai.

11 Debtors

	GROUP 2021 £	GROUP 2020 £	FOUNDATION 2021 £	FOUNDATION 2020 £
Fee and trade debtors	245,752	118,582	206,822	75,873
Other debtors	427,701	469,780	62,876	119,780
Prepayments	381,461	449,091	381,461	449,091
Due from subsidiary	-	-	432,076	429,834
	<u>1,054,914</u>	<u>1,037,453</u>	<u>1,083,235</u>	<u>1,074,578</u>

THE ALDENHAM FOUNDATION

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

12 Creditors: Amounts falling due within one year

	GROUP 2021 £	GROUP 2020 £	FOUNDATION 2021 £	FOUNDATION 2020 £
Bank loans	440,607	224,773	440,607	224,773
Taxes and social security costs	213,867	238,210	214,053	238,412
Other creditors and accruals	1,383,788	630,258	1,379,693	613,267
Trade creditors	242,815	890,080	241,835	886,545
Refundable deposits	1,226,734	1,263,596	1,226,734	1,263,596
Fees in advance	1,194,302	1,207,589	1,194,302	1,207,589
Advance fee scheme	960,877	895,575	960,877	895,575
	<u>5,662,990</u>	<u>5,350,081</u>	<u>5,658,101</u>	<u>5,329,757</u>

Refundable deposits

Deposits are placed when pupils join the school and credited against fees and disbursements for their last term.

Fees in advance

Fees in advance reflect advance payments of school fees for the forthcoming year, which are not part of the Advance Fee Scheme below.

Advance Fee Scheme

Parents may enter into a contract to pay to the school multiple years' fees in advance. The advance fee creditor represents the school's liability under the contracts, to be utilised in the forthcoming year. The movements in the year were:

Advance Fee Scheme - Group & Foundation (combined)

	2021 £	2020 £
Balance at beginning of year	2,384,957	2,516,822
Monies deposited into scheme	1,492,942	875,704
Amounts utilised in payment of fees	(986,071)	(1,007,569)
Balance at the end of the year	<u>2,891,828</u>	<u>2,384,957</u>
Utilised within 1 year	960,877	895,576
Utilised within more than 1 year	1,930,951	1,489,381
	<u>2,891,828</u>	<u>2,384,957</u>

13 Creditors: Amounts falling due after more than one year

	GROUP 2021	GROUP 2020	FOUNDATION 2021	FOUNDATION 2020
	£	£	£	£
Bank loans	6,168,501	2,339,015	6,168,501	2,339,015
Advance Fee Scheme	1,930,951	1,489,381	1,930,951	1,489,381
Other creditors and accruals		-		-
	<u>8,099,452</u>	<u>3,828,396</u>	<u>8,099,452</u>	<u>3,828,396</u>
Bank loan maturity analysis				
Debt due in one year or less	440,667	224,772	440,667	224,772
In more than one year but not more than two years	440,607	545,774	440,667	545,774
In more than two years but not more than five years	1,321,821	1,637,321	1,321,821	1,637,321
In more than five years	4,406,073	155,920	4,406,073	155,920
	<u>6,609,108</u>	<u>2,563,787</u>	<u>6,609,108</u>	<u>2,563,787</u>

Bank loans

The bank loans are secured on the freehold land and buildings at the School. The loans outstanding at 31 August 2021 secured on Aldenham School represents 23.3% of the carrying value of the land and buildings of the school.

A new bank loan agreement was signed on the 29th of November 2019 to fund the build of the new Prep School. The loan is to be repaid over a 15 year period commencing any time up to 24 months after the first amount is drawn. The first amount was drawn on the 14th February 2020 and the final one in July 2021. The rate agreed is 1.39% over base rate. The final amount of the total amount borrowed is £6,609,108 and with amortised interest the total commitment of the loan is £7,378,342 at today's rates. The loan can be repaid at any time without penalty. The interest element is written off as an expense in the SOFA, and the above refers to the capital element only.

Advance fee scheme

Parents may enter into a contract to pay to the school multiple years' fees in advance. The advance fee creditor represents the school's liability under the contracts, to be utilised in the forthcoming year. The movements in the year are detailed in note 11.

14 Pension and other post-retirement benefit commitments

The Foundation participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,258,464 (2020: £1,220,889) and at the year-end £149,476 (2020: £148,147) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied Government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. Government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on the 16th of July 2020, and closed to responses on the 11th of October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on the 24th of June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to responses on the 19th of August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions, the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

For employees not eligible for the Teachers' Pension scheme, the Foundation contributes to a direct contribution scheme run by AVIVA (the Norwich Union) and investing in AVIVA (Norwich Union Pension funds). The minimum employee contribution for those who have not opted out is 5% and the Foundation will match fund employee contributions at this level but up to a maximum of 6% contribution. During the year the Foundation contributed £134,560 (2020: £137,660) into the scheme and at the year-end contributions of £19,314 (2020: £20,296) remained outstanding. These amounts include charges and liabilities relating to the Foundation's auto-enrolment arrangements that applied with effect from 1 April 2014.

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

15 Endowment funds

The permanent endowment fund is represented by the land and buildings detailed in part 1 of the Charity Commission Scheme sealed on 27 November 1995. The value of the fund at 31 August 2021 and 31 August 2020 was £1,695,739.

16 Restricted Funds

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

GROUP & FOUNDATION (Combined)

Fund	Balance at 1 Sept 2020 £	Income £	Expenditure £	Investment gains £	Balance at 31 August 2021 £
Rodney Fitzgerald Memorial	56,306		(55,206)	5,460	6,560
Jukes Fund	196,392		(16,939)	19,045	198,498
Aldenham School General Charitable Trust	-	22,550	(22,550)		-
Sundry Donations Received	3,500	1,000	(4,500)		-
Brewers Company General Charitable Trust-Annual Fund	13,140	18,000	(7,009)		24,131
Whitbread Fund	-	12,000	(5,801)		6,199
Richard Platt Foundation	14,700	11,983	(9,344)		17,339
ASWMEF	-	12,000	(12,000)		-
Brewers Co. - Martineau's Trust for Prizes	-	405	(405)		-
Brewers Co. - Martineau's Trust for Scholarships	2,173	3,275	(3,349)		2,099
Brewers Co. - Martineau's-General	10,025	8,000	(3,263)		14,762
	296,236	89,213	(140,366)	24,505	269,588

The Rodney Fitzgerald Memorial Fund reflects an interim distribution from the estate of a former pupil of the school. The funds were left to the school for the provision of bursaries for those with sporting abilities.

The Jukes Fund represents a legacy to be used for pupil scholarships and bursaries where the parents of existing pupils fall into financial difficulty (as a result of illness or redundancy, or for any other such reason which the Governors deem necessary).

The Brewers Bursary Fund represents an historical sum received from The Aldenham School General Charitable Trust which is to be used in providing pupil bursaries for larger or longer-term bursaries at the Headmaster's discretion.

The Brewer's Company, Martineau's Trust funds are restricted funds that are restricted for 3 different uses. The General fund is to be used in the Senior School and it has been agreed that it will benefit Martineau's Junior House.

The Whitbread Fund is used for 6th form bursaries for pupils, at the Headmaster's discretion, who would not be able to remain in the school to continue their education in the 6th form without financial support.

The Richard Platt Foundation fund is an endowed fund and the income is distributed to various beneficiaries, of which Aldenham School is one. It is a restricted fund that must be used in the senior school.

The Aldenham School War Memorial Educational Fund or "ASWMEF", was a fund set up at the end of World War 1, and is a fund used for bursaries.

THE ALDENHAM FOUNDATION

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

17 Analysis of net assets between funds

Fund balances as 31 August 2021 are represented by:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
GROUP				
Tangible fixed assets	20,625,338	-	1,695,739	22,321,077
Investments	2,626,195	205,058	-	2,831,253
Other net current liabilities	(1,705,566)	64,530	-	(1,641,035)
Creditors: amounts falling due after more than one year	(8,099,452)	-	-	(8,099,452)
	<u>13,446,515</u>	<u>269,588</u>	<u>1,695,739</u>	<u>15,411,843</u>
FOUNDATION				
Tangible fixed assets	20,625,338	-	1,695,739	22,321,077
Investments	2,626,395	205,058	-	2,831,453
Other net current (liabilities)/ assets	(1,705,037)	64,530	-	(1,640,605)
Creditors: amounts falling due after more than one year	(8,099,452)	-	-	(8,099,452)
	<u>13,447,144</u>	<u>269,588</u>	<u>1,695,739</u>	<u>15,412,473</u>

18 Net cash inflow from operating activities

	2021 £	2020 £
Reconciliation to net incoming resources		
Operating Surplus	(403,728)	816,184
Investment income	(128)	(12,570)
Financing costs	81,536	97,417
(Increase) / decrease in stocks	-	-
Depreciation of tangible fixed assets	1,242,173	1,225,983
Loss on disposal of fixed assets	-	-
(Increase) / decrease in debtors	(19,675)	(129,564)
Increase in creditors	540,860	(883,589)
	<u>1,441,038</u>	<u>1,113,861</u>

19 Commitments

The Charity has annual commitments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Expiry date:		
Within one year	84,475	55,492
Between two and five years	180,381	112,673
Over 5 years	-	1,548
	<u>264,856</u>	<u>169,713</u>

There are no other capital commitments at the year end.

20 Related party transactions

The Board of Governors

The Board of Governors of the Foundation did not receive any remuneration during the year, nor were they reimbursed expenses during the year.

There were no transactions with parties related to the Board of Governors during the year (2020: £0).

Aldenham School General Charitable Trust (“the Trust”)

The Trust is independent of the Foundation but is substantially under the same management. During the year Aldenham Foundation received donations of £31,362 (2020: £24,250) from the Trust.

Aldenham Enterprises Ltd

During the year there were intercompany transactions with Aldenham Enterprises Ltd amounting to £26,750 (2020 £85,531) for salary recharges and other intercompany items. In addition to this the annual profits of £13,124 have been accrued and included in the intercompany debtor balance at the year-end of £79,172 (2020 £79,834).

Aldenham Schools Holdings Ltd

During the year there were intercompany transactions of £2,530 and at year end the intercompany debtor balance was £352,530.

THE ALDENHAM FOUNDATION

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

21 Subsidiaries of The Aldenham Foundation

Aldenham Enterprises Limited is incorporated in the United Kingdom (No. 01635965) and is a wholly owned trading subsidiary of The Aldenham Foundation.

Aldenham Schools Holdings Ltd, is a registered company in England, No. 11923888 (“ASH”) and is a wholly owned subsidiary of The Aldenham Foundation.

A summary of results for the year and financial position at 31 August 2021 is shown below.

	AEL		ASH	
	2021	2020	2021	2020
	£	£	£	£
Incoming resources	60,771	134,430	-	
Operating expenditure	(47,761)	(106,939)	2,358	
Gift aid donation to the Foundation	(13,124)	(25,888)	-	
Result for year	<u>(114)</u>	<u>1,603</u>	<u>(2,358)</u>	
Assets	86,363	102,101	350,272	350,150
Liabilities	<u>(84,534)</u>	<u>(100,158)</u>	<u>(352,530)</u>	<u>(350,050)</u>
	<u>1,829</u>	<u>1,943</u>	<u>(2,258)</u>	<u>100</u>
Called up Share Capital	100	100	100	100
Profit and Loss account	<u>1,729</u>	<u>1,843</u>	<u>(2,358)</u>	<u>-</u>
Total funds	<u>1,829</u>	<u>1,943</u>	<u>(2,258)</u>	<u>100</u>

The operating expenditure above includes intercompany transactions (see note 20) that are eliminated upon consolidation in the Statement of Financial Activities on page 18 and therefore the figures do not agree on the face of the SOFA.

ASH has a 40% shareholding in Aldenham Education DMCC, and £350,000 of the assets above reflects a loan to this company for working capital, to be repaid once profits are generated in Aldenham Education DMCC.

22 Members' Liability

Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £100 each for the debts and liabilities contracted before they ceased to be a member.

23. Consolidated Statement of Financial Activities for the year ending 31st August 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
INCOME:					
School fees		15,726,308	-	15,726,308	16,301,850
Ancillary income		1,269,505	-	1,269,505	1,637,068
	3	<u>16,995,813</u>	<u>-</u>	<u>16,995,813</u>	<u>17,938,918</u>
Income from:					
Donations and legacies	2	80	107,716	107,796	172,574
Investments		12,570	-	12,570	15,091
Rents and lettings		16,163	-	16,163	38,273
Other activities	4	591,251	-	591,251	1,411
Other trading activities	21	134,430	-	134,430	353,098
		<u>754,494</u>	<u>107,716</u>	<u>862,210</u>	<u>580,447</u>
TOTAL INCOME		<u>17,750,307</u>	<u>107,716</u>	<u>17,858,023</u>	<u>18,519,365</u>
EXPENDITURE:					
Raising funds					
Costs of financing and raising funds		168,699	-	168,699	100,398
Trading expenditure	5/21	95,189	-	95,189	233,052
Charitable Activities					
Expenditure on education		16,629,382	148,569	16,777,951	17,417,048
TOTAL EXPENDITURE	5	<u>16,893,270</u>	<u>148,569</u>	<u>17,041,839</u>	<u>17,750,498</u>
Operating surplus/(deficit)		857,037	(40,853)	816,184	768,867
Net gains on investments	10	90,721	23,308	114,029	100,234
Net Income/(deficit)		<u>947,758</u>	<u>(17,545)</u>	<u>930,213</u>	<u>869,101</u>
Net movement in funds		<u>947,758</u>	<u>(17,545)</u>	<u>930,213</u>	<u>869,101</u>
Fund balances at 1 September 2019		12,601,281	2,009,519	14,610,800	13,741,699
FUND BALANCES AT 31 AUGUST 2020		<u>13,549,039</u>	<u>1,991,974</u>	<u>15,541,013</u>	<u>14,610,800</u>

THE ALDENHAM FOUNDATION

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

24. Restricted funds 2020

GROUP & FOUNDATION (Combined)

Fund	Balance at 1 Sept 2019 £	Income £	Expenditure £	Investment gains £	Balance at 31 August 2020 £
Rodney Fitzgerald Memorial	96,194	-	(47,491)	7,603	56,306
Jukes Fund	198,696		(18,010)	15,705	196,392
Aldenham School General Charitable Trust	-	26,967	(26,967)	-	-
Sundry Donations Received	-	3,500			3,500
Brewers Company General Charitable Trust-Annual Fund	5,565	18,000	(10,426)	-	13,140
Whitbread Fund	-	12,000	(12,000)	-	-
Richard Platt Foundation	5,956	22,069	(13,325)	-	14,700
ASWMEF	-	13,500	(13,500)	-	-
Brewers Co. - Martineau's Trust for Prizes	-	405	(405)	-	-
Brewers Co. - Martineau's Trust for Scholarships	2,110	3,275	(3,213)	-	2,173
Brewers Co. - Martineau's- General	5,258	8,000	(3,233)	-	10,025
	313,780	107,716	(148,569)	23,308	296,236

25. Analysis of net assets between funds 2020

Fund balances as 31 August 2020 are represented by:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
GROUP				
Tangible fixed assets	16,351,556	-	1,695,739	18,047,295
Investments	1,303,997	252,698	-	1,556,695
Other net current liabilities	(278,119)	43,538	-	(234,481)
Creditors: amounts falling due after more than one year	(3,828,396)	-	-	(3,828,396)
	13,548,938	296,236	1,695,739	15,541,013
FOUNDATION				
Tangible fixed assets	16,351,319	-	1,695,739	18,047,058
Investments	1,304,097	252,698	-	1,556,795
Other net current (liabilities)/ assets	(279,828)	43,538		(236,287)
Creditors: amounts falling due after more than one year	(3,828,396)	-	-	(3,828,396)
	13,547,195	296,236	1,695,739	15,539,169