

# BEDALES SCHOOL

England & Wales · Charity number 307332

## Details

---

**Status** Registered

**Legal form** Charitable company

**Company number** [00276785](#)

**Registered** 1966-08-11

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

## Contact

---

**Address** Bedales School  
Church Road  
Steep  
Petersfield  
GU32 2DG

**Phone** 01730300100

**Email** [bursar@bedales.org.uk](mailto:bursar@bedales.org.uk)

**Website** [www.bedales.org.uk](http://www.bedales.org.uk)

## Activities

---

**Objects:** TO PROVIDE EDUCATION AND TRAINING AND IN PARTICULAR (BUT WITHOUT LIMITATION TO THE GENERALITY OF THE FOREGOING) BY CARRYING ON A SCHOOL IN OR NEAR PETERSFIELD.

**Activities:** The education and training of children and young persons of both sexes.

## Classification

---

- **How:** Other Charitable Activities
- **What:** Education/training
- **Who:** Children/young People

## Geography

---

- Hampshire

## Finances

| Period end | Income      | Expenditure | Assets      | Employees |
|------------|-------------|-------------|-------------|-----------|
| 2025-08-31 | £24,752,037 | £24,158,044 | £26,981,083 | 388       |
| 2024-08-31 | £23,463,905 | £23,002,809 | £26,205,090 | 401       |
| 2023-08-31 | £22,385,775 | £21,534,291 | £25,584,994 | 382       |
| 2022-08-31 | £20,475,677 | £19,827,349 | £24,565,510 | 374       |
| 2021-08-31 | £19,373,212 | £18,245,716 | £21,108,182 | 362       |

## Trustees

| Name                          | Role  | Appointed  |
|-------------------------------|-------|------------|
| <b>STEPHEN ANTHONY NOKES</b>  | Chair | 2021-06-11 |
| Claudia Isobel Arney          |       | 2019-02-04 |
| Edward IMPEY                  |       | 2022-11-25 |
| Edward John Rees              |       | 2020-02-12 |
| Isabella Mary Anneliese MYERS |       | 2023-02-09 |
| JESSICA BOYD                  |       | 2021-04-13 |
| Jason Matthew STANLEY         |       | 2025-09-30 |
| LUCY KATHERINE HOLMES         |       | 2025-12-08 |
| Philippe Marc Marie Mazas     |       | 2026-03-26 |
| RICHARD BENEDICT LEWIS        |       | 2024-06-07 |
| STEPHEN ROBERT LEHEC          |       | 2022-10-10 |
| Thomas Nicholas Hall          |       | 2025-02-25 |

---

# Accounts

---

**Charity Registration No. 307332**

**Company Registration No. 00276785 (England and Wales)**

**BEDALES SCHOOL**  
**(A company limited by guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

**Principal Address and Registered Office**  
**Bedales School, Church Road, Steep, Petersfield, Hampshire, GU32 2DG**

**Website**  
**[www.bedales.org.uk](http://www.bedales.org.uk)**

# BEDALES SCHOOL

## LEGAL AND ADMINISTRATIVE INFORMATION

---

### Governors

|                                           |           |
|-------------------------------------------|-----------|
| S A Nokes (Chair)                         | (1,2,6,7) |
| C I Arney                                 | (2,6,7)   |
| J Boyd                                    | (4)       |
| C L Bradbury                              | (3)       |
| F Grey                                    | (1)       |
| T N Hall (Appointed 25 February 2025)     | (2,7)     |
| E A Impey                                 | (2)       |
| O R Jonathan                              | (2,5,7)   |
| S R Lehec                                 | (1)       |
| R B Lewis                                 | (2,7)     |
| I M A Myers                               | (1)       |
| E J Rees                                  | (1)       |
| J M Stanley (Appointed 30 September 2025) | (1,3)     |
| J M Hanson (Resigned 6 December 2024)     | (2,7)     |

### Membership of Governing Body Committees and Specific Responsibilities

|                            |                                  |                  |
|----------------------------|----------------------------------|------------------|
| (1) Education and Pastoral | (2) Finance and General Purposes | (3) Safeguarding |
| (4) Staff Liaison          | (5) Strategic Risk               | (6) Nominations  |
| (7) Remuneration           |                                  |                  |

|                         |             |           |
|-------------------------|-------------|-----------|
| Head of Bedales Schools | W Goldsmith | (1,2,3,4) |
|-------------------------|-------------|-----------|

|                                                   |                  |             |
|---------------------------------------------------|------------------|-------------|
| <b>Bursar and Clerk to the Board of Governors</b> | R D L Lushington | (1,2,3,4,5) |
|---------------------------------------------------|------------------|-------------|

|                                                     |           |         |
|-----------------------------------------------------|-----------|---------|
| <b>Head of Bedales Preparatory School, Dunhurst</b> | C Kirkham | (1,2,3) |
|-----------------------------------------------------|-----------|---------|

|                                                         |          |     |
|---------------------------------------------------------|----------|-----|
| <b>Head of Bedales Pre-Preparatory School, Dunannie</b> | F M Read | (1) |
|---------------------------------------------------------|----------|-----|

|                                                           |                 |       |
|-----------------------------------------------------------|-----------------|-------|
| <b>Other Current Members of Governing Body Committees</b> | N Blanchard     | (2)   |
|                                                           | B W A Cairns    | (1)   |
|                                                           | K M Fulford     | (2,3) |
|                                                           | A K Kerr        | (1)   |
|                                                           | R T Reynolds    | (2)   |
|                                                           | A Simmons (DSL) | (3)   |
|                                                           | P A Thackrey    | (1,3) |
|                                                           | G F B Thompson  | (1,3) |
|                                                           | A R Wiggins     | (1)   |

|                |          |
|----------------|----------|
| Company number | 00276785 |
|----------------|----------|

|                   |                                                                   |
|-------------------|-------------------------------------------------------------------|
| Registered office | Church Road<br>Steep<br>Petersfield<br>United Kingdom<br>GU32 2DG |
|-------------------|-------------------------------------------------------------------|

---

# BEDALES SCHOOL

## LEGAL AND ADMINISTRATIVE INFORMATION

---

### Professional Advisors

#### Auditor

Azets Audit Services Limited  
Ashcombe Court  
Woolsack Way  
Godalming  
United Kingdom  
GU7 1LQ

#### Bankers

National Westminster Bank PLC  
77 High Street  
Godalming  
Surrey  
GU7 1AR

#### Insurance Brokers

Marsh  
Capital House  
1-5 Perrymount Road  
Haywards Heath  
West Sussex  
RH16 3SY

#### Solicitors

Veale Wasborough Vizards  
Orchard Court  
Orchard Lane  
Bristol  
United Kingdom  
BS1 5WS

Farrer & Co  
66 Lincoln's Inn Fields  
London  
United Kingdom  
WC2A 3LH

---

# BEDALES SCHOOL

## CONTENTS

---

|                                   | <b>Page</b> |
|-----------------------------------|-------------|
| Governing Body report             | 1 - 14      |
| Independent auditor's report      | 15 - 17     |
| Statement of financial activities | 18 - 19     |
| Balance sheet                     | 20          |
| Statement of cash flows           | 21          |
| Notes to the financial statements | 22 - 42     |

---

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

***FOR THE YEAR ENDED 31 AUGUST 2025***

---

### **Introduction**

The Board of Governors present their Annual Report and audited financial statements of Bedales School ("the Charity", "the School" or "Bedales") for the year ended 31 August 2025.

The Board of Governors confirms that the financial statements comply with the Charity's governing document, with current statutory requirements, with applicable accounting standards in the United Kingdom, with the Charities Statement of Recommended Practice (The Charities SORP (FRS102)) and the Charities Act 2011.

### **Objectives and activities**

The objectives of the Charity are to provide education and training in particular by carrying on a School in or near Petersfield. As such, the School promotes, sustains and increases individual and collective knowledge and understanding in the specific area of study, skills and expertise. The Powers of the Charity are set out in the Articles of Association adopted on 25 October 2012; the articles are reviewed annually and remain appropriate. The Governors give consideration to the Charity Commission's guidance on public benefit when setting objectives and formulating plans.

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

### **Purpose of the School**

Bedales is inspiring a new generation of critical-thinkers, creators and leaders by cultivating a community of life long learners through its innovative, intellectually challenging curriculum. The School's founding principle 'work of each for weal of all', centred on authentic working relationships, develops excellence in the individual whilst appreciating their central role in shaping society on every level.

### **Bedales Vision and Strategy**

The 10-year strategy was formally launched in September 2023, aiming, by 2033, for the School to be a fully realised community of learners, where:

- Students and staff are excited about the unique and precious experience of living and learning together, cultivating a lifelong love of intellectual endeavour, self-development and achievement.
- The young people in our care take advantage of developments in technology, neuroscience and psychology to develop positive physical and mental health skills that will stay with them for life.
- We understand the importance of identity and collective responsibility and learn to contribute positively to our world in a variety of ways.
- We learn, often through lived experience, of our place in the natural world and the importance of human accountability for the environment in all aspects of how we live and learn.

John Badley, in his *Memories and Reflections* (1955), wrote that 'education has a twofold purpose: it can be thought of as directed to the personal development of the individual, or to their contribution to the community of which they are a member.' Badley's views, as one of the founding leaders of the School, are as important to us today as they were when the School was set up in 1893 as they remind us that Bedales is a School built on profoundly communitarian principles. The individual work of students or staff must, according to the School motto, be taken in the context of their impact on 'all' - whether that be fellow students, the local community, the environment or the world. We aim to be true to the School's traditions while ensuring they remain relevant for the next decade.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2025***

---

The 21st century is a time which challenges educational norms more than ever: climate change is arguably one of the biggest challenges that will impact us all, especially the generations to come; technological innovation democratises knowledge and learning like never before; Artificial Intelligence opens up opportunities within learning and future pathways, undermining so many assumptions about the world of work; in addition, technology allows for much greater communication between people (and machines) but likewise creates greater chances for misinformation, division and mental health problems, particularly in the young; and we have a much greater understanding of the need for us to strive for more diverse, representative and balanced communities. In response to these challenges, we want to be a place where the coeducational and communitarian heritage of the School is constantly being reimagined for these new and emerging realities.

### **GROUP STRUCTURE**

#### **Status and Administration**

Bedales School is a Public Benefit Entity registered as a charity in England and Wales, number 307332. Its registered company number is 276785. The School is governed by its Memorandum and Articles of Association last amended in August 2012; the Board of Governors ensure that the Articles of Association remain current by reviewing them annually. The Governors confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Connected Charities**

The School has a wholly owned subsidiary, Bedales Services Limited (BSL), formerly responsible for non-charitable operations but now non trading/dormant.

The Bedales Grants Trust Fund, founded in 1927, charity number 1036179, provides funds to the School to help in the provision of bursaries to enable students to come to the school who would otherwise not be able to. During the year, the Bedales Grants Trust Fund granted £228,973 to Bedales School.

The John Badley Foundation, founded in 2010, charity number 1138332, was set up to support and promote the activities of the School and advance the education of its students. It does so by granting funds to the School to help with the funding of 100% bursaries, but also by granting funds to assist in major capital improvements. During the year, the John Badley Foundation provided a total grant of £622,387 to Bedales School.

#### **Governors**

The Governors act both as Trustees and Directors and have overall responsibility for matters in relation to the Charity. A Governor nominations sub-committee proposes any new Governors for the full Board to appoint.

Governors may be elected at any general meeting and may stay in office until the conclusion of the annual general meeting in the eighth calendar year following the year of their election. Under special circumstances a Governor may be asked to serve an additional term of up to 4 years and a Governor can be re-elected after retirement.

The Governors determine the general policy of the School, and the Board of Governors meets at least three times in each academic year. The day-to-day management of the School is delegated to the Head of Bedales School and the Bursar. The Governors' principal responsibilities are to:

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2025***

---

- Ensure that the School is run in accordance with its charitable objects and that all the functions of the School are authorised by the Powers, as set out in the Articles of Association and by Charity Law;
- Act in the best interests of the School and current and future beneficiaries at all times;
- Appoint the Head and the Bursar and advise on the appointment of Deputy Heads and the Heads of Prep and Pre-prep as necessary;
- In consultation with the Head and his management team, set the strategy and policies by which the School will be run;
- Approve the financial reinvestment plan in accordance with the aim of maintaining and developing the School;
- Control finance by approving realistic budgets and longer-term plans and by monitoring these documents;
- Ensure the effective and efficient administration of the School and its resources, striving for best practice in good governance;
- Ensure that the School is compliant with appropriate statutory and advisory regulations and aims for best practice in this area;
- Understand risk management and legal compliance and be satisfied that there are appropriate measures in place to reduce risk and achieve compliance;
- Ensure competent professional advice is taken when necessary;
- Appoint a Chair and Vice Chair; and
- Review and approve the terms of reference of its committees and appoint members to those committees.

### **Organisational Management**

The sub committees of the Board and the Governors with special responsibilities are listed on the Legal and Administrative page. The Finance & General Purposes Committee is chaired by O R Jonathan, and the Education and Pastoral Committee is chaired by F Grey. In addition to these committees: C L Bradbury has special responsibility for Safeguarding and will be handing over to J Stanley; J Boyd is the Governor Representative on the Staff Liaison Group; O R Jonathan has responsibility for Strategic Risk; and C Arney oversees Nominations of potential new governors. There is a Remuneration Committee, which meets when there is a need beyond that covered by the Finance & General Purposes Committee.

The key management personnel include the Governors, who are not paid, and full members of the Whole School Senior Team who for the year are: The Head of Bedales School; the Bursar and Clerk to the Governors; The External Relations Director; the Head of Bedales Prep; and the Director of HR. The pay and remuneration of the key management personnel is considered, as required, by the Governors' Remuneration Committee in view of the market rates for each post and the performance of the individuals fulfilling the roles. The Committee considers recommendations from the Head.

### **Recruitment and Training of Governors**

A Governors' nominations committee has been set up to recommend and oversee the appointment of Governors. It meets when necessary to plan the future membership of Governors in light of likely retirements. The Governors have a wealth of experience and many have been professionally trained through their employers; it is vital that the Board of Governors as a whole covers the full spectrum of specialisms that are required to oversee the School and the appointment of new Governors is carefully managed to ensure that this requirement is met; there is a clear succession plan. Any training gaps are filled by making the most of opportunities provided by the Association of Governing Bodies of Independent Schools (AGBIS) and other organisations. The Governors receive an update on Safeguarding and Child Protection at each Board meeting and carried out an annual review of Safeguarding at the June Board meeting. All Governors complete annual Safeguarding training and Governors appointed during the year complete an induction process which includes Safeguarding training.

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2025**

---

### PRIORITIES FOR THE YEAR

#### Strategic Goals 2023 - 2033

Our priorities are based around the four key strands of the 10-year strategy: learning; living; community; and environment.

#### *Learning*

Bedales offers a bold and innovative learning journey that nurtures intellectual curiosity, personal agency and creative thinking.

In 2024/25, Learning priorities focused on curriculum coherence, digital innovation, sustainability, pedagogy, and enriched learning environments. Key initiatives have included developing new Bedales Assessed Courses in the Sciences and Modern Languages as part of further innovation in the Senior curriculum. There has also been a focus on the Whole School learning journey, investigating digital portfolios, integrating AI guidance, and embedding sustainability learning. A Bedales pedagogical approach is being defined through staff collaboration and student feedback. Creative indoor and outdoor spaces are being developed to enhance experiential learning. Libraries and archives have evolved into a unified information service. Leadership and staff development have been strengthened through coaching, self-evaluation, and alignment with the ISI framework, ensuring a joined-up educational experience from Nursery to Sixth Form.

The 2025 ISI Inspection report recognised the importance of the outdoor work programme in which students' Knowledge and skills are broadened considerably. Students were seen to develop vocational skills such as animal husbandry, ironmongery and carpentry. They steward the School's farm and manage the produce that the outdoor curriculum creates. The outdoor work programme was recognised to contribute substantially to student's preparation for life after school and has a highly beneficial impact on them.

#### *Living*

Bedales is a nurturing and inclusive home where students live with joy, purpose and connection. In 2024/25 through the Living strand, the School prioritised wellbeing, physical activity, and community service. A refreshed Whole School wellbeing curriculum monitors student wellbeing and provides inclusive support spaces. Staff wellbeing was supported through new initiatives, targeted training, and access to student wellbeing resources. Sport is seeing as important part of student wellbeing and the provision for has been enhanced through facility upgrades which have boosted engagement. There has been a focus on 'Bedales Service' becoming a weekly a whole-school commitment, giving students the opportunity for additional experiences outside of the classroom.

#### *Community*

Driven by a mission to broaden access and deepen impact, Bedales is a values-led community that connects and inspires. The 2024/25 Community strand work focused on diversity, partnerships, fundraising, and changes to the marketing approach. Recruitment and admissions practices have been enhanced to foster a more diverse community, with increased data tracking and inclusive strategies. Fundraising efforts focussed on supporting expanded bursary provision and improved sports and music facilities. The school has also developed a proposal for a Bedales Centre for Innovative Education for discussion with potential funders. Marketing adopted a values-based approach, developing a new website to amplify Bedales' ethos to increase engagement and admissions interest across the School.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2025***

---

### *Environment*

Bedales leads by example in creating an inspiring, sustainable school that encourages environmental responsibility. With a clear desire to achieve net zero by 2045, the School is investing in clean energy, greener transport and responsible procurement. In 2024/25, buildings have been upgraded with new windows, roofs, and insulation, while solar panels were installed to boost renewable energy use. A new waste provider enabled full recycling and composting, with student engagement through presentations and improved disposal systems. The School expanded its electric vehicle fleet, installed charging points, and adopted rechargeable equipment to reduce emissions. Sustainability was embedded in trip planning and the curriculum, with students actively involved in growing, cooking, and learning about food and environmental impact, fostering a culture of ecological responsibility.

### **FINANCIAL INSTRUMENTS**

The Charity's principal financial instruments comprise bank balances, other debtors, other creditors and bank loans. The main purpose of these instruments is to finance the Charity's operations.

The nature of the financial instruments used by the Charity is such that their market value does not fluctuate as a result of changes in market prices. The Charity's approach to managing other risks applicable to the financial instruments concerned is shown on the next page.

The interest rate on bank loans is variable. The Governors regularly consider the potential impact of changes in interest rates and the actions that would need to be taken if any changes were likely to occur. The bank loans are secured by charges over some of the School's property and repayment terms are linked to those secured assets. Other debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding. Other creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due. The Governors also consider credit interest on cash balances and this is actively managed to secure interest.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2025***

---

### **STRATEGIC REPORT**

The narrative under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Governors to present a strategic report. Further information is provided to supplement this requirement.

### **ACHIEVEMENTS AND PERFORMANCE**

Total student numbers continued to be strong: Bedales Senior 476, Bedales Prep 209 and Bedales Pre-prep 84 (total students across the Whole School 769). The School's discipline over costs has been strong and the governors are very conscious of the need to contain fee increases to no more than is necessary. The School's finances are in a robust position as a result and this will help with managing the continuing uncertain challenges of the current economic and political climate and in particular since the imposition of VAT on school fees.

Following the release of A Level results, Bedales students celebrated after securing offers from some of the most prestigious educational and artistic institutions globally.

32% of grades achieved by Bedales students were A\*- A, with 18% of students achieving the equivalent of at least three A grades, nine of whom had previously attended Bedales Prep school.

In 2025, Bedales students progressed to some of the most demanding courses at universities featured in the top 100 of the QS World University Rankings, including:

- University of Oxford – History of Art; Biochemistry; Biology
- King's College, London – Neuroscience; Liberal Arts; Culture, Media & Creative Studies
- University of Edinburgh – Cognitive Science; Religious Studies & English Literature; Interdisciplinary Futures
- University of Manchester – Architecture; Drama & Film Studies; Aerospace Engineering
- University of British Columbia, Vancouver, Canada – Biology
- University of Bristol – Physics; Neuroscience; Liberal Arts; Law; Modern Languages
- University of Western Australia - Business and Commerce
- University of Southampton – Mathematics with Statistics; Marine Biology with Oceanography
- Durham University – Accounting; History; Physics & Astronomy; Geography

Members of the 2024 cohort who applied though this year's cycle also took up places at QS Top 100 universities including:

- University College, London – English; Comparative Literature
- University of Edinburgh – Social Anthropology & Politics; History of Art & English Literature
- University of Southampton – Chemistry
- Durham University – Modern Languages & Cultures; Business & Management

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2025***

---

Bedales' strong reputation in the performing arts continues this year, with three students gaining prestigious offers to study Music at Leeds Conservatoire and another to study Music at Goldsmiths. Bedales students also took up places to study: Acting at the prestigious Royal Welsh College of Music & Drama; a Foundation Course in Acting at RADA; Theatre & Production Technology at the Liverpool Institute for Performing Arts; and Dance courses at Trinity Laban Conservatoire of Music and Dance and the University of East London.

A number of students opted to continue their art and design education, pursuing Art Foundation courses at Kingston University and the University of the Arts, London. Other Bedales students joined undergraduate art and design courses including:

- University of the Arts, London – Fashion Design Technology; Fashion Styling & Production; Costume for Theatre & Screen
- University for the Creative Arts – Illustration
- Glasgow School of Art - Fashion Design
- Kingston University - Product & Furniture Design
- KLC School of Design - Interior Design

International study continues to be popular with Bedales students. Further to the courses highlighted above, other offers included places at Ithaca College, New York to study Biology and Universidad de Navarra, Spain to read Chemistry.

### **SUPPORTING OTHERS**

Bedales has a long history of supporting others in need, including refugees, whether it be the School's partnership with the Rural Refugee Network (RRN) charity, offering places to Syrian and Afghan refugees on fully funded bursaries through their GCSEs and A Levels or, further back, when Bedales welcomed an influx of Jewish students escaping Germany in the 1930s.

To broaden the School's ability to offer bursary support and to further supplement the support provided by the Bedales Grants Trust Fund ("BGTF"), which was founded in 1927, Bedales established the John Badley Foundation ("JBF") in 2010. One of the two aims of the JBF is to further support to the School with its bursary programme and in particular to support the provision of 100% bursaries. The School's bursary programme aims to change the lives of individuals who face disadvantage by providing a stable and inspiring education at Bedales Senior and Bedales Prep. By offering fully funded bursaries to children who could not otherwise have been able to consider an independent school education, the trajectories of these young people are being radically transformed. Those supported under the school's full bursary programme have included refugees fleeing wars, as well as students from the UK.

### **Fee Support 2024-25**

Each year the School allocates a proportion of its gross fee income for bursary support. The BGTF and JBF provide grants to the School to help in this mission. The long-term aim is to increase this total bursary support and continue to widen access to the School. The School also works with other charities to reach those in need, including Royal Springboard and Buttle UK. Below is a summary of the support provided in 2024-25:

- Bursary Support £1.58m
- Bursary support as % of gross fee income 6.16%
- Exhibition and scholarship support £0.16m
- Total fee support as % of gross fee income 6.81%
- Number of students benefitting from fee support was 93, of which 28 had support of over 75%

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2025**

---

|           | <b>Total Bursaries</b> |
|-----------|------------------------|
| 100%      | 18                     |
| 75-99%    | 10                     |
| 50-74%    | 27                     |
| 25-49%    | 23                     |
| Below 25% | 15                     |

The School community has been well placed to continue supporting families from Ukraine in 2024/25 with five students spread across Bedales Prep and Senior. Supporting others is at the heart of the Bedales curriculum. Global Perspectives (GP) is taught as a distinct subject across the whole School, from Pre-prep to Senior, culminating in one of Bedales' most popular Bedales Assessed Courses (BACs) and Global Perspectives Sixth Form course. The focus of GP is twofold – equipping students with critical 21st century skills and providing them with a unique insight into global issues. Activism and community service are at the heart of the BAC – students are led to becoming social entrepreneurs through groundbreaking project work which requires them to make an actual change, be that within our own community, nationally or globally. GA students regularly lead assemblies and discussions, teach lessons in Bedales Prep and Pre-prep, as well as other local schools and are responsible for organising major fundraising and community events. An enrichment course in Social Entrepreneurship and Innovation for the Sixth Form aims to continue and expand these efforts further in the coming years.

Bedales Senior, Prep and Pre-prep run a number of fundraising events and activities throughout the year. For example, Bedales Prep and Pre-prep collected and delivered donations to the Petersfield Food Bank as part of Harvest Festival and Bedales Senior dedicated a day of fundraising to support the John Badley Foundation

### Sharing facilities

The programme of Bedales Events invites local people and schools to Bedales for poetry, music, drama, dance and more.

The School has partnerships with local state schools, groups and initiatives, and every opportunity is taken to share our facilities for wider benefit. This year, local organisations have benefitted from highly subsidised or free use of Bedales resources, including:

- Steep Primary School for weekly swimming classes
- Bohunt School – for its annual summer production in the Bedales Theatre
- Hosting curriculum 'taster' events at Bedales Senior and Prep Schools for local primary school children
- Host meetings of East Hampshire Primary School Heads
- Free use of school minibuses for local primary schools and charities to access activities
- Edward Thomas Fellowship Group - hosting annual meetings
- Petersfield Youth Theatre – Summer camps, workshops and Assembly Hall for production
- Steep Village – hosting of annual Flower Show
- Hampshire County Cricket – use of the Memorial Pitch for matches and training

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2025***

---

### **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The financial performance of Bedales School was good and after the difficult COVID years there is clear evidence of recovery with strong fee income and tight management of costs enabling a healthy level of reinvestment in the fabric of the School to ensure that it is maintained and improved in line with strategic plans.

There has been a change in focus to ensure that reinvestment relies less on loans and debt levels therefore remain relatively low. Current debt has been streamlined in 2024 and the revolving credit facility cancelled; the lower repayments and elimination of non-utilisation fees have continued to ensure greater sums available for reinvestment each year.

The net income for the year amounted to £24,742,037 (2024: £23,463,905). Additions to fixed assets during the year are outlined in note 13 of the accounts. These amounted to £1,961,158 (2024: £3,436,415) and consisted mainly of refurbishing the sports hall, replacing the roofs on the global studies building and much of the prep school, replacing the windows of prep music rooms, the day common room and the ICT/Finance building. New EV charging was installed and the main water pumps were replaced. The tennis courts were resurfaced and repainted and a new warm up court was installed.

A total of £1,556,713 was provided in the form of means tested bursaries, scholarships and free music lessons; this total included grants from the Bedales Grants Trust Fund, the John Badley Foundation, Rank Foundation and Royal National Children's Springboard Foundation.

### **Policy on reserves**

The School's assets are sufficient to meet its obligations and are all held for use by the School. The unrestricted School funds are being held to finance current and future capital projects.

At 31 August 2025, the total funds of the School were £26,981,083 (2024: £26,205,090). Of these £31,869 (2024: £36,032) are restricted funds. Of the remaining reserves, £34,234,034 (2024: £34,232,954) is represented by tangible fixed assets. Therefore, the School has currently allocated all of its free reserves, supplemented by borrowings, on fixed assets.

The School has a 10 year plan which sets out its expected expenditure on fixed assets which will continue to improve the facilities of the School. This plan is managed in detail over the first 5 years with expenditure approved by the Board for the first 2 years.

The School believes that it is able to operate without free reserves and wishes to continue upgrading the facilities of the School through steady surpluses supplemented by borrowings.

Based on an actuarial valuation as at 31 August 2025, the School has a funding surplus of £2,075,000 (2024: 357,000) calculated under FRS 102 in respect of the School's defined benefit pension scheme for support staff. In accordance with FRS 102, this surplus has not been recognised in these financial statements (see note 21 for more information). The Governors believe that this notional funding calculation, which can vary between surplus and deficit according to the assumptions made at the year end, does not have a significant effect on the School's cash flow in the short term and that in the longer term its effects are sustainable out of future income.

The reserves policy of the School is reviewed on an annual basis by the Governors.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2025***

---

### **Fundraising**

In 2024/25 the focus for fundraising activities has been to raise funds for the John Badley Foundation so that it can provide the School with support for both bursaries and capital projects at the School and to continue to grow its endowment fund. The School's Director of Development works with colleagues, volunteer parents and alumni to create and manage the fundraising programme, which overall in 2024/25 raised £412,670 for full bursary and other support to the School, via the JBF. An additional £5,937 was donated to the Bedales Grants Trust Fund, and £4,900 was donated to Bedales School during the year.

The School is very appreciative of members of the wider School community for their generous support of its fundraising activities which included live events and individual approaches. Donors choose a variety of ways to support the School and its connected charities, including through single donations, purchasing merchandise, offering raffle prizes, regular donations, donating works of art, and making legacy commitments.

There were no complaints received during the year relating to the School's fundraising activities. The School has robust policies in place regarding vulnerable people and treating donors fairly.

### **STRATEGIC RISK**

The governing body is responsible for the identification and management of risks. The major risks to which the School is exposed, as identified by the Governors, have been reviewed and systems and procedures established to manage those risks. Detailed examination of the risks and establishment of controls to mitigate them is delegated to the Whole School Senior Team and the process is overseen by the lead Governor for Strategic Risk in close liaison with the Finance & General Purposes Committee. A formal review of the risk management processes is undertaken annually at the March Board meeting. The focus is primarily on where risk is either increasing or decreasing and this then allows for the direction of resources, accordingly.

The principal risks to which the School is exposed include:

#### **The Political and Economic Environment:**

The Board of Governors regularly considers the political environment and how this impacts the School. The impact of the imposition of VAT on school fees and removal of charitable business rate relief for independent schools from 1 April 2025 has had significant impact on the School and its parents. In addition, there are further concerns about changes that might be introduced in the Autumn Statement by the Chancellor.

Whilst Bedales is co-educational, provides for boarding and day students, is in a good location, attracts international students and continues to provide a distinctive and different education, it is far from being protected from the political and economic challenges.

The Government's policy to increase employers' national insurance has affected the staff employed by the School and, who rely on it for their family income. The Employment Rights Bill presents a further potential concern to the School as an employer of many people.

There are however further headwinds. Economic growth has remained slow, which is also adding pressure on parents who rely on income from their businesses. Inflation has remained higher than targets. The wider global political environment continues to be unsettled and more so than it was one year ago. Business and consumer confidence is low. Political and economic risks are outside of the control of the Governors, but the possible impact of these is considered to be significant and is regularly reviewed by the Finance and General Purposes Committee with further possible mitigation taken as appropriate and where possible.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2025***

---

### **Competitive Market**

The market in which the School operates is highly competitive and developments in education are monitored to ensure that students always receive an excellent, holistic, and varied educational experience in the School. Bedales sets out to be different, preserving this difference is vital to its continuing success. The ten-year strategy seeks to reinforce this difference. The 2025 ISI Inspection recognised this difference and stated that “the outdoor work curriculum contributes substantially to pupils preparation for life after school and has highly beneficial impact on pupils. This is a significant strength to the school.” Maintenance of strong student numbers in all three schools is imperative and a strong and target focussed External Relations team markets the School effectively. Further work in this area will continue to be needed as the size of the market becomes smaller. The student numbers in 2024/25 were the highest the school has seen and had the government not levied new taxes, the School would likely have grown to become larger still.

### **Safe Environment**

The School strives to ensure that all staff and students are able to work in a safe and supportive environment. Being able to operate a safe school is essential and all possible measures are taken to keep staff and students safe. Active monitoring of student wellbeing and welfare is undertaken by the pastoral care and Designated Safeguarding Lead team. Safeguarding procedures are tightly managed with clear policies and procedures in place supplemented by appropriate training for staff and strong safer recruitment practices. These were all examined in the 2025 ISI inspection and found to be compliant.

Appropriate employment policies and procedures are in place under the management of the Bursar and the Director of Human Resources. Monitoring of staff wellbeing is carried out by the Director of Human Resources with input from staff representatives. Health and Safety procedures are clear and under regular review by the Health and Safety Manager, who with the Head of Estates and Facilities, reports monthly to the Bursar. There are separate Health and Safety committees for: the Senior School; the Support Staff; and one covering the Prep and Pre-prep schools. The Health and Safety Strategy and Policy Committee chaired by the Head of Bedales Schools sets the strategy for Health and Safety in the School.

### **Compliance**

The School operates in a highly regulated sector and the Whole School Senior Team ensures that the School is up to date with legal and regulatory requirements. School or individual membership of bodies, being either the constituent associations of the Independent Schools Council or other professional bodies, also ensure that it has access to up-to-date information and support. The 2025 ISI inspection confirmed compliance in all areas including Leadership and Management.

### **Legal & Financial**

The School operates in a litigious environment and appoints appropriate professional legal advisors and purchases insurance using specialist brokers, such that it can address requirements and meet potential challenges. Specialist Employment law advice is sought as appropriate and is linked to employment indemnity insurance. Azets as the School's auditors provided excellent support during the year and have been instrumental in ensuring that the complexities of recently imposed VAT accounting are overcome and regulatory requirements achieved.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2025***

---

### **Risk Controls**

The School plans strategically; having regard for risk. The Whole School Senior Team provide the Governing Body with regular reports which include details of principal strategic objectives in line with the ten-year plan and the activity being undertaken to achieve those objectives. The School also records significant achievements and updates the Governing Body on short-term plans.

Key controls used by the School to help mitigate risk and uncertainties include:

- Annual assessment of strategic risk by the Board of Governors;
- Formal agendas and minutes for all meetings of the governing body and committees;
- Terms of reference for all committees;
- Comprehensive strategic planning, financial forecasting, budgeting and management accounting;
- Established and identifiable organisational structures and reporting lines which are regularly reviewed;
- Comprehensive formal written policies;
- Clear authorisation limits and anti-fraud measures;
- Vetting procedures, as required by law, for protection of children and the vulnerable;
- Comprehensive crisis management procedures involving Governors right from the outset; and
- External legal and specialist advice.

### **BEDALES AS AN EMPLOYER**

#### **An Employer of Choice**

Bedales is first and foremost a community and as such the staff are central to this; it is vital that there is a sense of belonging in the staff of the School and that they feel valued for their contribution. Working for Bedales should bring pleasure and a sense of purpose, built on strong friendships and a shared belief in learning and developing one's talents. The experiences that the School provides for the students when at Bedales translates directly to the experiences that the School can offer its staff as they too spend time in our community. Above all, the School believes in the 'Work of Each for the Weal of All'. This applies to staff and students as they are educated through 'Head, Hand and Heart'.

#### **Equality, Diversity and Inclusion**

The School is an equal opportunity employer and is determined to ensure that no applicant or employee receives less favourable treatment on the grounds of race, gender, age, disability, religion, belief, sexual orientation, marital status, or is disadvantaged by conditions or requirements which cannot be shown to be justifiable. As a large organisation, the School, publishes its Gender Pay Gap report each year.

#### **Consultation and Employee Voice**

Consultation with staff is central to the Bedales ethos as a community and the School aims to take the views of its employees into account when decisions are made that are likely to affect their interests. The Staff Liaison Group is the School's body of elected representatives and provides a route for consultation and for employee voice direct to senior management and Governors through the Governor representative on the Group. The School also has two consultative groups one for teaching staff and another for support staff. These aim to consider training, development and well-being of our staff and address any concerns affecting each of the constituencies.

The Staff are made aware of the financial performance of the School and are able to talk to the Bursar about its performance at any time. The work undertaken in 2022/23 to redefine the vision and strategy for the School for the next 10 years involved consultation groups and a wide range of the School's staff.

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2025**

The School encourages a questioning staff body that has the opportunity to contribute to strategic thinking about the future and provides as many routes as possible for this. The Staff can participate in surveys and their feedback is welcomed. There are opportunities for staff to suggest improvements and their help in finding better ways to meet requirements or find efficiencies is actively encouraged.

### SUSTAINABILITY AND CARBON REPORTING

The School is committed to reducing the impact that its operation has on the environment and takes this responsibility very seriously. The School engaged The Carbon Trust to help in this work by identifying the emissions for the School in terms of tCO<sub>2</sub>e for the Scopes 1 and 2 to provide a baseline from which to work and monitor progress towards achieving our aim of reaching net zero. This is now calculated each year using the relevant conversion factors.

To inform work and enable planning for changes, FY18/19 is used as the baseline for data and for tracking progress.

The School's emissions baseline data is as follows:

|                                                                                | <b>Baseline Year (18/19)</b><br><b>tCO<sub>2</sub>e</b> | <b>2024/25</b><br><b>tCO<sub>2</sub>e</b> |
|--------------------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------|
| Scope 1                                                                        | 1,425                                                   | 1,219                                     |
| Scope 2                                                                        | 490                                                     | 0                                         |
| TOTAL                                                                          | 1,915                                                   | 1,219                                     |
| Intensity Ratio<br>(Scope 1 and 2 emissions per<br>student or member of staff) | 1.71                                                    | 1.05                                      |

### Meeting our Sustainability Objectives

The above figures do not include offsetting from the School's estate, which cannot currently be considered in the measurements, in line with government guidance. This work has involved students who are very much part of the sustainability goals, not just in terms of net zero but also in preserving and enhancing the biodiversity of the estate.

The School purchases all electricity from certified 100% renewable sources. It continues to seek to both reduce electricity consumption, and increase generation opportunities through Solar PVs and other possible technologies. The size of the Solar PV installation has double during the year. Scope 1 emissions are those that the School wishes to reduce as a priority and is making good progress by using less and moving away from oil where it can; the intensity ratio has been reduced by 0.02 over that in 2023/24. It will take time, significant financial resources and available technology to reach the goals. Bedales is set in a remote location and one that is not supplied by natural gas. All heating is therefore provided using oil and LPG and electrical heating is currently not feasible for many of the buildings.

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2025**

---

An important priority is to improve the thermal efficiency of our buildings to enable other forms of heating in the longer term. This primarily means replacing windows and roofs and installing further insulation. Many improvements have been made during the year and further planned in 2025/26 and beyond. The School seeks to reduce energy consumption wherever it can and work to change remaining lighting to LEDs will continue. All building refurbishments will be to the latest building regulation standards for sustainability as a minimum.

The long-term aim is to reach carbon net zero including Scope 3 emissions by 2045, but the first sustainability target will be to achieve net zero under scopes 1 and 2. The School was confident of achieving this goal with commitment from all those who are part of our community. However, the School's goal relied on Government investment in new technology, but as this investment has slowed the School's goals have had to change. Further, the key requirement for financial resource to reinvest in sustainability has been significantly challenged by the imposition of VAT; the likelihood of the School reaching its stated sustainability aim may, in consequence be reduced.

### Statement of Governing body responsibilities

The Governors, who are also the directors of Bedales School for the purpose of company law and the Trustees for the purpose of Charity law, are responsible for preparing the Governing Body Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- In preparing these financial statements, the Governors are required to:
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Governing body report, including the strategic report, was approved by the Board of Governors.



**S A Nokes (Chair)**

Dated: 15th December 2025

# BEDALES SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF BEDALES SCHOOL

---

### Opinion

We have audited the financial statements of Bedales School (the 'Charity') for the year ended 31 August 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 FRS 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 Charity's affairs as at 31 August 2025 and of its incoming resources and application of resources, 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 Charity in accordance with the ethical requirements that are relevant to our audit of 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 Governing body'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 Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 course of 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.

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

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

- the information given in the financial statements is inconsistent in any material respect with the Governing body report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# **BEDALES SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF BEDALES SCHOOL**

---

### **Responsibilities of Governors**

As explained more fully in the statement of Governing body responsibilities, the Governors, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under Chapter 3 of Part 16 of the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# BEDALES SCHOOL

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF BEDALES SCHOOL

---

### 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 design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Charity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the Charity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the Charity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the Charity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### Use of our report

This report is made solely to the Charity's Governors, 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 Charity's Governors those matters we are required to state to them in an auditors' 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 Charity and the Charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.



**Alex Temlett CA ACA CTA (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services Limited**

18 December 2025  
.....

**Chartered Accountants**  
**Statutory Auditor**

Azets Audit Services Limited  
Ashcombe Court

United Kingdom  
GU7 1LQ

# BEDALES SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

|                                                                                     |       | Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total             |
|-------------------------------------------------------------------------------------|-------|-----------------------|--------------------|---------------------|-----------------------------|--------------------|---------------------|-------------------|
|                                                                                     |       | 2025                  | 2025               | 2025                | 2025                        | 2024               | 2024                | 2024              |
|                                                                                     | Notes | £                     | £                  | £                   | £                           | £                  | £                   | £                 |
| <b><u>Income and endowments from:</u></b>                                           |       |                       |                    |                     |                             |                    |                     |                   |
| Donations and legacies                                                              | 3     | 12,087                | -                  | -                   | 12,087                      | -                  | -                   | -                 |
| Income from charitable activities                                                   | 4     | 24,116,639            | -                  | -                   | 24,116,639                  | 22,955,681         | 120                 | 22,955,801        |
| Other income                                                                        | 5     | 623,311               | -                  | -                   | 623,311                     | 508,104            | -                   | 508,104           |
| <b>Total income</b>                                                                 |       | <b>24,752,037</b>     | <b>-</b>           | <b>-</b>            | <b>24,752,037</b>           | <b>23,463,785</b>  | <b>120</b>          | <b>23,463,905</b> |
| <b><u>Expenditure on:</u></b>                                                       |       |                       |                    |                     |                             |                    |                     |                   |
| Expenditure on charitable activities                                                | 6     | 23,522,489            | 182,000            | 4,163               | 23,708,652                  | 22,474,310         | 159,000             | 22,635,683        |
| Other Expenditure                                                                   | 11    | 449,392               | -                  | -                   | 449,392                     | 367,126            | -                   | 367,126           |
| <b>Total resources expended</b>                                                     |       | <b>23,971,881</b>     | <b>182,000</b>     | <b>4,163</b>        | <b>24,158,044</b>           | <b>22,841,436</b>  | <b>159,000</b>      | <b>23,002,809</b> |
| <b>Net income/(expenditure) for the year/<br/>Net incoming/(outgoing) resources</b> |       | <b>780,156</b>        | <b>(182,000)</b>   | <b>(4,163)</b>      | <b>593,993</b>              | <b>622,349</b>     | <b>(159,000)</b>    | <b>(2,253)</b>    |
|                                                                                     |       |                       |                    |                     |                             |                    |                     | <b>461,096</b>    |

# BEDALES SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 AUGUST 2025**

|                                                                                     | Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total      |
|-------------------------------------------------------------------------------------|-----------------------|--------------------|---------------------|-----------------------------|--------------------|---------------------|------------|
|                                                                                     | 2025<br>£             | 2025<br>£          | 2025<br>£           | 2025<br>£                   | 2024<br>£          | 2024<br>£           | 2024<br>£  |
| <b>Net income/(expenditure) for the year/<br/>Net incoming/(outgoing) resources</b> | 780,156               | (182,000)          | (4,163)             | 593,993                     | 622,349            | (159,000)           | 461,096    |
| <b>Other recognised gains and losses</b>                                            |                       |                    |                     |                             |                    |                     |            |
| Actuarial gain on defined benefit pension schemes                                   | -                     | 182,000            | -                   | 182,000                     | -                  | 159,000             | 159,000    |
| <b>Net movement in funds</b>                                                        | 780,156               | -                  | (4,163)             | 775,993                     | 622,349            | (2,253)             | 620,096    |
| Fund balances at 1 September 2024                                                   | 26,169,058            | -                  | 36,032              | 26,205,090                  | 25,546,709         | 38,285              | 25,584,994 |
| <b>Fund balances at 31 August 2025</b>                                              | 26,949,214            | -                  | 31,869              | 26,981,083                  | 26,169,058         | 36,032              | 26,205,090 |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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

The funds breakdowns for the current and comparative period are shown in notes 23 and 24.

# BEDALES SCHOOL

## BALANCE SHEET

AS AT 31 AUGUST 2025

|                                                                | Notes | 2025<br>£          | £                  | 2024<br>£           | £                  |
|----------------------------------------------------------------|-------|--------------------|--------------------|---------------------|--------------------|
| <b>Fixed assets</b>                                            |       |                    |                    |                     |                    |
| Tangible assets                                                | 13    | 34,234,034         |                    | 34,232,954          |                    |
| Investments                                                    | 14    |                    | 2                  |                     | 2                  |
|                                                                |       |                    | <u>34,234,036</u>  |                     | <u>34,232,956</u>  |
| <b>Current assets</b>                                          |       |                    |                    |                     |                    |
| Stocks                                                         | 16    | 22,274             |                    | 23,545              |                    |
| Debtors                                                        | 17    | 2,036,230          |                    | 6,386,322           |                    |
| Cash at bank and in hand                                       |       | 3,366,847          |                    | 6,987,219           |                    |
|                                                                |       | <u>5,425,351</u>   |                    | <u>13,397,086</u>   |                    |
| <b>Creditors: amounts falling due within one year</b>          | 19    | <u>(7,322,691)</u> |                    | <u>(13,921,941)</u> |                    |
| Net current liabilities                                        |       |                    | <u>(1,897,340)</u> |                     | <u>(524,855)</u>   |
| <b>Total assets less current liabilities</b>                   |       |                    | 32,336,696         |                     | 33,708,101         |
| <b>Creditors: amounts falling due after more than one year</b> | 20    |                    | <u>(5,355,613)</u> |                     | <u>(7,503,011)</u> |
| <b>Net assets excluding pension deficit/surplus</b>            |       |                    | 26,981,083         |                     | 26,205,090         |
| <b>Defined benefit pension liability</b>                       | 21    |                    | -                  |                     | -                  |
| <b>Net assets including pension deficit/surplus</b>            |       |                    | <u>26,981,083</u>  |                     | <u>26,205,090</u>  |
| <b>Income funds</b>                                            |       |                    |                    |                     |                    |
| Restricted funds                                               | 27    |                    | 31,869             |                     | 36,032             |
| <u>Unrestricted funds</u>                                      |       |                    |                    |                     |                    |
| General                                                        | 25    | <u>26,949,214</u>  |                    | <u>26,169,058</u>   |                    |
|                                                                |       |                    | <u>26,949,214</u>  |                     | <u>26,169,058</u>  |
|                                                                |       |                    | <u>26,981,083</u>  |                     | <u>26,205,090</u>  |

The financial statements were approved by the Governors, and authorised for issue, on 15th December and signed on their behalf by:



S A Nokes (Chair)  
Chairman

Company Registration No. 00276785

# BEDALES SCHOOL

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2025**

|                                                       | Notes | 2025<br>£   | £           | 2024<br>£   | £           |
|-------------------------------------------------------|-------|-------------|-------------|-------------|-------------|
| <b>Cash flows from operating activities</b>           |       |             |             |             |             |
| Cash (absorbed by)/generated from operations          | 23    |             | (1,247,611) |             | 7,341,334   |
| <b>Investing activities</b>                           |       |             |             |             |             |
| Purchase of tangible fixed assets                     |       | (1,961,158) |             | (3,436,415) |             |
| Proceeds on disposal of tangible fixed assets         |       | 47,049      |             | -           |             |
| Interest receivable                                   |       | 115,862     |             | 75,018      |             |
| Interest payable                                      |       | (334,514)   |             | (357,714)   |             |
| Net cash used in investing activities                 |       |             | (2,132,761) |             | (3,719,111) |
| <b>Financing activities</b>                           |       |             |             |             |             |
| Repayment of bank loans                               |       | (240,000)   |             | (240,000)   |             |
| Net cash used in financing activities                 |       |             | (240,000)   |             | (240,000)   |
| Net (decrease)/increase in cash and cash equivalents  |       |             | (3,620,372) |             | 3,382,223   |
| <b>Cash and cash equivalents at beginning of year</b> |       |             | 6,987,219   |             | 3,608,826   |
| <b>Cash and cash equivalents at end of year</b>       |       |             | 3,366,847   |             | 6,987,219   |

# BEDALES SCHOOL

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

---

### 1 Accounting policies

#### Summary of significant accounting policies and key accounting estimate

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

#### Statement of compliance

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

#### 1.1 Accounting convention

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

#### 1.2 Consolidated accounts exemption

The charity has taken advantage of the exemption under section 402 and 405 of the Companies Act 2006 to exclude the results of its subsidiary, Bedales Services Limited, from these financial statements on the basis that the subsidiary's results are immaterial for the purposes of these financial statements.

#### 1.3 Going concern

The Governors consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the Charity. The Board has paid particular attention to the ongoing effects of the introduction of VAT on school fees and the loss of charitable business rate relief. It has also closely monitored continuing slow global economic growth and inflationary pressures, but remains confident that sufficient funding is in place and there are adequate resources to service its liabilities as they fall due.

#### 1.4 Income and endowments

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

#### 1.5 Fees

Fees receivable are accounted for in the period in which the service is provided and are stated after deducting allowances, scholarships and other remissions allowed by the School, but include contributions received from bursaries and other trusts.

#### 1.6 Donations

Donations receivable for the general purposes of the School are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds.

#### 1.7 Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

---

### 1 Accounting policies

(Continued)

#### 1.8 Rent receivable and interest receivable

Rent receivable, bank and other interest are accounted for as they accrue and over the period to which they relate.

#### 1.9 Expenditure

Resources expended are accounted for on an accruals basis. Expenditure is allocated to expense headings on a direct basis except for:

- Depreciation on buildings which is apportioned according to area taken up and central costs which are apportioned on the basis of the Governors' estimate of time spent on the relevant functions; and

- Support costs not directly attributable to particular functional activity categories, which are apportioned over the relevant categories on the basis of the Governors' estimates of the amounts attributable to that activity in the period, either by reference to staff time or space occupied, as appropriate.

The irrecoverable element of VAT is included within the item of expense to which it relates, as far as is practicable, or otherwise under the most appropriate heading.

Governance costs are included in support costs and comprise the costs of running the School, including strategic planning for its future development, auditors' remuneration, certain legal costs and all costs of complying with constitutional and statutory requirements, such as Board meetings and preparing statutory financial statements.

Payments in relation to the termination of employment are recognised when the relevant decision-making process has been completed and communicated to all affected parties.

Costs incurred in trading activities that raise funds are classified separately.

#### 1.10 Tangible fixed assets

Tangible fixed assets are included at cost. Expenditure on items of furniture, equipment and computer equipment since 1 September 1973 is written down to nil over three periods on the basis of 33 1/3% per annum straight line. Major catering equipment and furniture is written down to nil over 15 years. Small items of expenditure and short life assets are charged directly to the Statement of Financial Activities.

Depreciation is provided on tangible fixed assets (charged the month after purchase) so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

|                       |                                  |
|-----------------------|----------------------------------|
| Buildings             | 2-10% per annum straight line    |
| Fixtures and fittings | 6.67% per annum straight line    |
| IT Equipment          | 6.67-25% per annum straight line |
| Motor vehicles        | 10-25% per annum straight line   |
| Equipment             | 10-20% per annum straight line   |

Freehold land and assets in the course of construction are not depreciated.

The anticipated average useful economic life of buildings is estimated by reference to 1 September 1981 (date of commencement of depreciation policy) or date of expenditure since that date.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

---

### 1 Accounting policies

(Continued)

#### 1.11 Taxation

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

#### 1.12 Leased assets

Where assets are financed by leasing arrangements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation of the relevant assets is charged to the Statement of Financial Activities.

#### 1.13 Lease payments

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the Statement of Financial Activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital portion reduces the amounts payable to the lessor. All other leases are treated as operating leases. The annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

#### 1.14 Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

#### 1.15 Debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### 1.16 Cash and cash equivalents

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

#### 1.17 Creditors

Short term creditors are recognised initially at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transactions costs, and are subsequently measured at amortised cost using the effective interest method.

#### 1.18 Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

---

### 1 Accounting policies

(Continued)

#### 1.19 Pension costs

The School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the Governors by the Scheme Administrator. For the purposes of complying with the relevant accounting standards, the Teachers' Pension Scheme is accounted for as a defined contribution scheme, in accordance with FRS 102, as the School is not responsible for or entitled to receive benefit for any surplus or deficit on the scheme. Contributions are charged to the Statement of Financial Activities in the period which they become payable.

The School also operates a Group Personal Pension Plan for the support staff which is a defined contribution scheme and contributions are accounted for as a charge to the Statement of Financial Activities in the period to which they relate.

The School also contributes to a defined benefit pension scheme for support staff. The scheme is no longer open to new staff. Rates are set by the scheme actuary and advised to the School by the scheme administrator. This scheme is accounted for in accordance with FRS 102: Retirement Benefits, with the annually calculated notional surplus (to the extent that the School is expected to benefit through future reductions in contributions or refunds) or deficit on the funding of the scheme shown as a designated fund entitled "Pension Reserve", which is deducted from unrestricted funds on the balance sheet. Current service costs, curtailments, settlement gains and losses, net financial returns and actuarial gains and losses are included in the Statement of Financial Activities in the period to which they relate.

Changes in the assets and liabilities of the scheme in the period are disclosed and allocated as follows:

Changes relating to current or past service costs and gains and losses on settlements and curtailments, and pension finance costs arising from changes in the net of the interest costs and expected return on assets, are allocated to the relevant activity heading based on staff costs of employees within the scheme. Pension finance income arising from similar changes is recognised as an incoming resource. Actuarial gains and losses arising are recognised as other recognised gains and losses. The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation.

Details of the scheme assets and liabilities, and major assumptions are shown in note 19.

#### 1.20 Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

#### 1.21 Fund structure

Unrestricted funds are those available to further the School's charitable objectives at the discretion of the Governors

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the Governors.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions

#### 1.22 Financial instruments

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the instrument is measured at the present value of the future receipts discounted at a market rate of interest.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 1 Accounting policies

(Continued)

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the instrument is measured at the present value of the future receipts discounted at a market rate of interest.

### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key areas subject to judgement and estimation are as follows:

#### Pension scheme accounting

Judgement is applied when selecting the assumptions forming the basis of the School's defined benefit pension scheme valuation.

#### Fixed asset depreciation

Judgement is applied when assigning anticipated average useful economic lives to the fixed assets of the School. Management consider the useful economic life of an asset basis in the year of acquisition to determine a suitable category.

#### Bad debt provision

Judgement is applied when assessing the expected amounts to be received from outstanding term fees. Each individual debtor balance is reviewed and a provision is recognised based on a considered expectation of the proportion of the debt that may not be recovered.

### 3 Donations and legacies

|                     | Unrestricted<br>funds<br>2025<br>£ | Restricted<br>funds<br>2025<br>£ | Total<br>2025<br>£ | Total<br>2024<br>£ |
|---------------------|------------------------------------|----------------------------------|--------------------|--------------------|
| Donations and gifts | 12,087                             | -                                | 12,087             | -                  |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 4 Income from charitable activities

|                                                                    | Unrestricted<br>funds<br>2025<br>£ | Restricted<br>funds<br>2025<br>£ | Total<br>2025<br>£ | Total<br>2024<br>£ |
|--------------------------------------------------------------------|------------------------------------|----------------------------------|--------------------|--------------------|
| Gross fees                                                         | 25,653,963                         | -                                | 25,653,963         | 24,410,938         |
| Extra lessons income                                               | 1,365,446                          | -                                | 1,365,446          | 1,240,158          |
| Registration fees                                                  | 47,010                             | -                                | 47,010             | 61,600             |
| The John Badley Foundation bursaries                               | 110,791                            | -                                | 110,791            | 301,436            |
| Bedales Grant Trust Fund bursaries                                 | 78,473                             | -                                | 78,473             | 236,807            |
| Less: Total scholarships, bursaries, other<br>remissions and costs | (3,139,044)                        | -                                | (3,139,044)        | (3,295,138)        |
|                                                                    | <u>24,116,639</u>                  | <u>-</u>                         | <u>24,116,639</u>  | <u>22,955,801</u>  |
| Analysis by fund                                                   |                                    |                                  |                    |                    |
| Unrestricted funds                                                 | 24,116,639                         | -                                | 24,116,639         | 22,955,681         |
| Restricted funds                                                   | -                                  | -                                | -                  | 120                |
|                                                                    | <u>-</u>                           | <u>-</u>                         | <u>-</u>           | <u>120</u>         |

### 5 Other income

|                                               | Unrestricted<br>funds<br>2025<br>£ | Unrestricted<br>funds<br>2024<br>£ |
|-----------------------------------------------|------------------------------------|------------------------------------|
| Net gain on disposal of tangible fixed assets | 9,495                              | -                                  |
| Other income                                  | 22,385                             | 571                                |
| Interest receivable                           | 115,862                            | 75,018                             |
| Rental income                                 | 475,569                            | 432,515                            |
|                                               | <u>623,311</u>                     | <u>508,104</u>                     |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 6 Expenditure on charitable activities

|                                                    | Unrestricted<br>funds<br>2025<br>£ | Pension<br>reserve<br>2025<br>£ | Restricted<br>funds<br>2025<br>£ | Total<br>2025<br>£ | Unrestricted<br>funds<br>2024<br>£ | Pension<br>reserve<br>2024<br>£ | Restricted<br>funds<br>2024<br>£ | Total<br>2024<br>£ |
|----------------------------------------------------|------------------------------------|---------------------------------|----------------------------------|--------------------|------------------------------------|---------------------------------|----------------------------------|--------------------|
| Teaching costs                                     | 16,416,325                         | -                               | -                                | 16,416,325         | 15,865,956                         | -                               | -                                | 15,865,956         |
| Depreciation, amortisation and other similar costs | 1,922,525                          | -                               | -                                | 1,922,525          | 1,739,990                          | -                               | -                                | 1,739,990          |
| Premises                                           | 3,332,752                          | -                               | -                                | 3,332,752          | 3,378,991                          | -                               | -                                | 3,378,991          |
| Support costs                                      | 1,789,736                          | 182,000                         | 4,163                            | 1,975,899          | 1,414,630                          | 159,000                         | 2,373                            | 1,576,003          |
| Welfare                                            | 61,151                             | -                               | -                                | 61,151             | 74,743                             | -                               | -                                | 74,743             |
|                                                    | 23,522,489                         | 182,000                         | 4,163                            | 23,708,652         | 22,474,310                         | 159,000                         | 2,373                            | 22,635,683         |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 7 Analysis of support costs

#### Support costs allocated to charitable activities

|                        | Printing,<br>postage and<br>stationery | Marketing and<br>communications | Information<br>technology | Staff costs | Professional<br>fees |
|------------------------|----------------------------------------|---------------------------------|---------------------------|-------------|----------------------|
|                        | £                                      | £                               | £                         | £           | £                    |
| School operating costs | 93,878                                 | 244,381                         | 327,378                   | 112,820     | 93,553               |
|                        |                                        |                                 |                           |             |                      |
|                        | <b>Premises costs</b>                  | <b>Other support<br/>costs</b>  | <b>Total 2025</b>         |             |                      |
|                        | £                                      | £                               | £                         |             |                      |
| School operating costs | 589,569                                | 328,157                         | 1,789,736                 |             |                      |

### 8 Net movement in funds

**2025**  
£

**2024**  
£

Net movement in funds is stated after charging/(crediting)

|                                                                                           |           |           |
|-------------------------------------------------------------------------------------------|-----------|-----------|
| Fees payable to the company's auditor for the audit of the company's financial statements | 21,800    | 20,950    |
| Depreciation of owned tangible fixed assets                                               | 1,922,525 | 1,739,990 |
| (Profit)/loss on disposal of tangible fixed assets                                        | (9,495)   | 1,988     |
| Pension scheme actuarial losses/(gains)                                                   | 539,000   | 163,000   |
| Other pension scheme movements                                                            | 41,000    | 61,000    |
| Pension contributions to defined benefit pension schemes                                  | 223,000   | 220,000   |

### 9 Governors' remuneration and expenses

No remuneration or benefits were provided to any Governor during the period, other than the School purchasing Governors' indemnity insurance to provide cover of up to £5,000,000. The premium was part of the public liability premium and is not separately identified.

Travel and accommodation expenses to and from meetings of £369 (2024: £922) in relation to 3 Governors (2024: 3) were reimbursed to the Governors during the period. No other payments were made to any Governors.

### 10 Employees

The average monthly number of employees (including senior management team) during the year was:

|          | <b>2025</b><br><b>Number</b> | <b>2024</b><br><b>Number</b> |
|----------|------------------------------|------------------------------|
| Teaching | 168                          | 160                          |
| Support  | 220                          | 241                          |
|          |                              |                              |
| Total    | 388                          | 401                          |

The staff full time equivalents in the year were 290 (2024: 303).

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 10 Employees

(Continued)

| Employment costs      | 2025<br>£         | 2024<br>£         |
|-----------------------|-------------------|-------------------|
| Wages and salaries    | 12,775,976        | 12,599,598        |
| Social security costs | 1,388,698         | 1,241,608         |
| Other pension costs   | 2,251,651         | 2,024,750         |
|                       | <u>16,416,325</u> | <u>15,865,956</u> |

The number of employees whose annual remuneration was more than £60,000 is as follows:

|                     | 2025<br>Number | 2024<br>Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000   | 24             | 20             |
| £70,001 - £80,000   | 9              | 5              |
| £80,001 - £90,000   | 2              | 1              |
| £90,001 - £100,000  | 1              | -              |
| £100,001 - £110,000 | -              | 2              |
| £130,001 - £140,000 | -              | 1              |
| £140,001 - £150,000 | 1              | 1              |
| £150,001 - £160,000 | 1              | -              |
|                     | <u>1</u>       | <u>-</u>       |

All of the higher paid employees are either in the Teachers' Pension Scheme, the School's Defined Benefit Pension Scheme or the School's Defined Contribution Pension Scheme.

#### Key management personnel

The key management roles in the School for the period were the Governors, who are not paid, the Head, Bedales School, the Bursar and Clerk to the Governors, Director of External Relations, the Head of Prep School and the Head of Pre-prep School. Their total emoluments including employer's pension contributions and employer's national insurance contributions were £784,733 (2024: £730,260).

### 11 Other Expenditure

|                                               | Unrestricted<br>funds<br>2025 | Unrestricted<br>funds<br>2024 |
|-----------------------------------------------|-------------------------------|-------------------------------|
| Net loss on disposal of tangible fixed assets | -                             | 1,988                         |
| Bank loan interest                            | 276,263                       | 311,996                       |
| Bank charges                                  | 11,701                        | 28,877                        |
| Net bad debt provision (write-back)/charge    | 103,177                       | (21,453)                      |
| Financing costs                               | 58,251                        | 45,718                        |
|                                               | <u>449,392</u>                | <u>367,126</u>                |

# **BEDALES SCHOOL**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** ***FOR THE YEAR ENDED 31 AUGUST 2025***

---

### **12 Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 13 Tangible fixed assets

|                                    | Freehold Land | Buildings  | Assets under construction | Fixtures and fittings | IT Equipment | Motor vehicles | Equipment | Total      |
|------------------------------------|---------------|------------|---------------------------|-----------------------|--------------|----------------|-----------|------------|
|                                    | £             | £          | £                         | £                     | £            | £              | £         | £          |
| <b>Cost</b>                        |               |            |                           |                       |              |                |           |            |
| At 1 September 2024                | 15,489        | 54,859,157 | 34,977                    | 207,100               | 2,682,302    | 522,470        | 1,007,868 | 59,329,363 |
| Additions                          | -             | 1,586,626  | 16,978                    | -                     | 175,869      | 25,995         | 155,690   | 1,961,158  |
| Disposals                          | -             | -          | (32,349)                  | (107,207)             | (274,394)    | (34,696)       | -         | (448,646)  |
| At 31 August 2025                  | 15,489        | 56,445,783 | 19,606                    | 99,893                | 2,583,777    | 513,769        | 1,163,558 | 60,841,875 |
| <b>Depreciation and impairment</b> |               |            |                           |                       |              |                |           |            |
| At 1 September 2024                | -             | 21,569,079 | -                         | 206,728               | 2,114,217    | 427,459        | 778,925   | 25,096,408 |
| Depreciation charged in the year   | -             | 1,527,148  | -                         | 42                    | 281,632      | 36,937         | 76,766    | 1,922,525  |
| Eliminated in respect of disposals | -             | -          | -                         | (107,207)             | (274,394)    | (29,491)       | -         | (411,092)  |
| At 31 August 2025                  | -             | 23,096,227 | -                         | 99,563                | 2,121,455    | 434,905        | 855,691   | 26,607,841 |
| <b>Carrying amount</b>             |               |            |                           |                       |              |                |           |            |
| At 31 August 2025                  | 15,489        | 33,349,556 | 19,606                    | 330                   | 462,322      | 78,864         | 307,867   | 34,234,034 |
| At 31 August 2024                  | 15,489        | 33,290,078 | 34,977                    | 372                   | 568,085      | 95,011         | 228,942   | 34,232,954 |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 14 Fixed asset investments

|                                      |              |                   | Other<br>investments<br>£ |
|--------------------------------------|--------------|-------------------|---------------------------|
| <b>Cost or valuation</b>             |              |                   |                           |
| At 1 September 2024 & 31 August 2025 |              |                   | 2                         |
| <b>Carrying amount</b>               |              |                   |                           |
| At 31 August 2025                    |              |                   | 2                         |
| At 31 August 2024                    |              |                   | 2                         |
|                                      |              |                   |                           |
| Other investments comprise:          | <b>Notes</b> | <b>2025<br/>£</b> | <b>2024<br/>£</b>         |
| Investments in subsidiaries          | <b>15</b>    | 2                 | 2                         |

### 15 Subsidiaries

Details of the Charity's subsidiaries at 31 August 2025 are as follows:

| Name of undertaking      | Registered office                                                    | Nature of business | Class of shares held | % Held |          |
|--------------------------|----------------------------------------------------------------------|--------------------|----------------------|--------|----------|
|                          |                                                                      |                    |                      | Direct | Indirect |
| Bedales Services Limited | Bedales School, Church Road, Steep, Petersfield, Hampshire, GU32 2DG | Non-trading        | Ordinary             | 100.00 |          |

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

| Name of undertaking      | Profit/(Loss) | Capital and Reserves |
|--------------------------|---------------|----------------------|
|                          | £             | £                    |
| Bedales Services Limited | -             | (16,860)             |

### 16 Stocks

|                                     | <b>2025<br/>£</b> | <b>2024<br/>£</b> |
|-------------------------------------|-------------------|-------------------|
| Finished goods and goods for resale | 22,274            | 23,545            |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 17 Debtors

|                                             | 2025<br>£        | 2024<br>£        |
|---------------------------------------------|------------------|------------------|
| <b>Amounts falling due within one year:</b> |                  |                  |
| Trade debtors                               | 1,394,042        | 6,050,182        |
| Amounts owed by fellow group undertakings   | 8,040            | 8,040            |
| Other debtors                               | 373,866          | 109,115          |
| Prepayments                                 | 260,282          | 218,985          |
|                                             | <u>2,036,230</u> | <u>6,386,322</u> |

### 18 Loans and overdrafts

|                         | 2025<br>£        | 2024<br>£        |
|-------------------------|------------------|------------------|
| Bank loans              | <u>4,140,000</u> | <u>4,380,000</u> |
| Payable within one year | 240,000          | 240,000          |
| Payable after one year  | <u>3,900,000</u> | <u>4,140,000</u> |

The bank loans are secured on certain of the freehold premises of the School. Interest is charged at 1.74% above base rate on the loan which is repayable in 2042.

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

|                                    | Notes | 2025<br>£        | 2024<br>£         |
|------------------------------------|-------|------------------|-------------------|
| Bank loans                         | 18    | 240,000          | 240,000           |
| Other taxation and social security |       | 317,186          | 282,145           |
| Trade creditors                    |       | 504,225          | 286,613           |
| Fees received in advance           |       | 2,997,188        | 9,084,274         |
| Fees in advance scheme             |       | 1,444,603        | 1,540,281         |
| Entrance deposits                  |       | 1,282,113        | 1,208,520         |
| Other creditors                    |       | 239,593          | 1,101,332         |
| Accruals and deferred income       |       | 297,783          | 178,776           |
|                                    |       | <u>7,322,691</u> | <u>13,921,941</u> |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

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

(Continued)

#### Fees in advance scheme

Parents may enter into a contract to pay the school tuition fees in advance. The money may be returned subject to specific conditions. Assuming pupils remain in the school, the fees in advance will be applied as follows:

|                   | 2025             | 2024             |
|-------------------|------------------|------------------|
|                   | £                | £                |
| Within one year   | 1,444,603        | 1,540,281        |
| One to two years  | 834,858          | 1,421,475        |
| Two to five years | 620,755          | 1,667,627        |
| After five years  | -                | 273,909          |
|                   | <u>2,900,216</u> | <u>4,903,292</u> |

### 20 Creditors: amounts falling due after more than one year

|                        | Notes | 2025             | 2024             |
|------------------------|-------|------------------|------------------|
|                        |       | £                | £                |
| Bank loans             | 18    | 3,900,000        | 4,140,000        |
| Fees in advance scheme |       | 1,455,613        | 3,363,011        |
|                        |       | <u>5,355,613</u> | <u>7,503,011</u> |

### 21 Retirement benefit schemes

#### Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

---

### 21 Retirement benefit schemes

(Continued)

#### Defined benefit schemes

##### Teachers' Pension Agency

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge accrued at the year-end in respect of contributions to this scheme was £102,321 (2024 - £118,178).

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 resulted in the employers' contribution rate increasing 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%.

The TPS is now closed to new entrant teachers. These teachers will be automatically enrolled into the Aviva Pension Trust for Independent Schools (APTIS) defined contribution pension scheme.

In previous years, we have disclosed that the 31 March 2016 Actuarial Valuation of the TPS, or subsequent valuations, may be subject to change following a remedy being reached to the Court of Appeal's judgment in the McCloud / Sargeant case that the transitional provisions of the implementation of the 2015 reforms to Public Service Pensions, including the TPS, gave rise to unlawful age discrimination. Whilst the remedy has now been determined by the Government, the effect of this on the School's contributions to the TPS, including whether any additional or catch-up contributions are required, is still unknown. Accordingly, until notification of changed / additional contributions is received from the TPS and discussed and agreed with the School, no provision for any additional past benefit pension costs in respect of the TPS is included in these financial statements.

##### Hampshire Pension Fund ("the fund")

The figures below relate to the funded liabilities within the Fund which is part of the Local Government Pension Scheme (the "LGPS"). The funded nature of the LGPS requires the Employer and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 21 Retirement benefit schemes

(Continued)

#### Key assumptions

|                                                  | 2025<br>% | 2024<br>% |
|--------------------------------------------------|-----------|-----------|
| Discount rate                                    | 6.0       | 5.0       |
| Expected rate of increase of pensions in payment | 2.7       | 2.7       |
| Expected rate of salary increases                | 3.7       | 3.7       |
| Expected rate of inflation (CPI)                 | 2.7       | 2.7       |

#### Mortality assumptions

The assumed life expectations on retirement at age 65 are:

|                      | 2025<br>Years | 2024<br>Years |
|----------------------|---------------|---------------|
| Retiring today       |               |               |
| - Males              | 22            | 22            |
| - Females            | 25            | 25            |
| Retiring in 20 years |               |               |
| - Males              | 23            | 23            |
| - Females            | 26            | 26            |

Amounts recognised in the profit and loss account:

|                                                   | 2025<br>£ | 2024<br>£ |
|---------------------------------------------------|-----------|-----------|
| Current service cost                              | 62,000    | 65,000    |
| Net interest on defined benefit (asset)/liability | (21,000)  | (4,000)   |
| Total costs                                       | 41,000    | 61,000    |

Amounts taken to other comprehensive income:

|                                                   | 2025<br>£   | 2024<br>£ |
|---------------------------------------------------|-------------|-----------|
| Actual return on scheme assets                    | (644,000)   | (892,000) |
| Less: calculated interest element                 | 548,000     | 548,000   |
| Return on scheme assets excluding interest income | (96,000)    | (344,000) |
| Actuarial changes related to obligations          | (1,440,000) | 150,000   |
| Restriction of defined benefit pension surplus    | 2,075,000   | 357,000   |
| Total costs                                       | 539,000     | 163,000   |

The actuarial valuation on which the defined benefit pension surplus/deficit is based produced a surplus of £2,075k (2024 - £357k). Under accounting standards, a surplus can only be recognised if the School has the ability to reduce contributions to the pension scheme in the future or claim refunds through the scheme. On the basis that this may not be possible, the Governors believe that the surplus should be restricted to £Nil.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 21 Retirement benefit schemes

(Continued)

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

|                                              | 2025<br>£                   | 2024<br>£                   |
|----------------------------------------------|-----------------------------|-----------------------------|
| Present value of defined benefit obligations | 9,519,000                   | 10,856,000                  |
| Fair value of plan assets                    | (11,594,000)                | (11,213,000)                |
|                                              | <u>(2,075,000)</u>          | <u>(357,000)</u>            |
| Surplus in scheme                            | (2,075,000)                 | (357,000)                   |
| Restriction on scheme assets                 | 2,075,000                   | 357,000                     |
|                                              | <u>                    </u> | <u>                    </u> |
| Total liability recognised                   | -                           | -                           |
|                                              | <u>                    </u> | <u>                    </u> |

Movements in the present value of defined benefit obligations:

|                                   | 2025<br>£                   |
|-----------------------------------|-----------------------------|
| Liabilities at 1 September 2024   | 10,856,000                  |
| Current service cost              | 62,000                      |
| Benefits paid                     | (508,000)                   |
| Contributions from scheme members | 22,000                      |
| Actuarial gains and losses        | (1,440,000)                 |
| Interest cost                     | 527,000                     |
|                                   | <u>                    </u> |
| At 31 August 2025                 | 9,519,000                   |
|                                   | <u>                    </u> |

The defined benefit obligations arise from plans funded as follows:

|                                     | 2025<br>£                   |
|-------------------------------------|-----------------------------|
| Wholly unfunded obligations         | -                           |
| Wholly or partly funded obligations | 9,519,000                   |
|                                     | <u>                    </u> |
|                                     | 9,519,000                   |
|                                     | <u>                    </u> |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 21 Retirement benefit schemes

(Continued)

Movements in the fair value of plan assets:

|                                                                    | 2025<br>£        |
|--------------------------------------------------------------------|------------------|
| Fair value of assets at 1 September 2024                           | 11,213,000       |
| Interest income                                                    | 548,000          |
| Return on plan assets (excluding amounts included in net interest) | 96,000           |
| Benefits paid                                                      | (508,000)        |
| Contributions by the employer to defined benefit pension schemes   | 223,000          |
| Contributions by scheme members                                    | 22,000           |
|                                                                    | <hr/>            |
| At 31 August 2025                                                  | 11,594,000 <hr/> |

The actual return on plan assets was £644,000 (2024 - £892,000).

The fair value of plan assets at the reporting period end was as follows:

|                    | 2025<br>£  | 2024<br>£        |
|--------------------|------------|------------------|
| Equity instruments | 4,290,000  | 4,261,000        |
| Debt instruments   | 6,261,000  | 6,167,000        |
| Property           | 1,043,000  | 785,000          |
|                    | <hr/>      | <hr/>            |
|                    | 11,594,000 | 11,213,000 <hr/> |

### 22 Capital commitments

At 31 August 2025 the Charity had no capital commitments which were not provided for in the financial statements (2024: £nil)

### 23 Cash generated from operations

|                                                          | 2025<br>£          | 2024<br>£              |
|----------------------------------------------------------|--------------------|------------------------|
| Surplus for the year                                     | 593,993            | 461,096                |
| Adjustments for:                                         |                    |                        |
| Interest receivable                                      | (115,862)          | (75,018)               |
| Interest payable                                         | 334,514            | 357,714                |
| (Gain)/loss on disposal of tangible fixed assets         | (9,495)            | 1,988                  |
| Depreciation and impairment of tangible fixed assets     | 1,922,525          | 1,739,990              |
| Difference between pension charge and cash contributions | 182,000            | 163,000                |
| Movements in working capital:                            |                    |                        |
| Decrease/(increase) in stocks                            | 1,271              | (234)                  |
| Decrease/(increase) in debtors                           | 4,350,091          | (270,982)              |
| (Decrease)/increase in creditors                         | (8,506,648)        | 4,963,780              |
|                                                          | <hr/>              | <hr/>                  |
| <b>Cash (absorbed by)/generated from operations</b>      | <b>(1,247,611)</b> | <b>7,341,334</b> <hr/> |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 24 Analysis of net assets between funds

|                                                     | Unrestricted<br>funds<br>2025<br>£ | Pension<br>reserve<br>2025<br>£ | Restricted<br>funds<br>2025<br>£ | Total Unrestricted<br>funds<br>2025<br>£ | Pension<br>reserve<br>2024<br>£ | Restricted<br>funds<br>2024<br>£ | Total<br>2024<br>£ |
|-----------------------------------------------------|------------------------------------|---------------------------------|----------------------------------|------------------------------------------|---------------------------------|----------------------------------|--------------------|
| Fund balances at 31 August 2025 are represented by: |                                    |                                 |                                  |                                          |                                 |                                  |                    |
| Tangible assets                                     | 34,234,036                         | -                               | -                                | 34,234,036                               | -                               | -                                | 34,232,956         |
| Net current liabilities                             | (1,929,209)                        | -                               | 31,869                           | (1,897,340)                              | -                               | 36,032                           | (524,855)          |
| Long term liabilities                               | (5,355,613)                        | -                               | -                                | (5,355,613)                              | -                               | -                                | (7,503,011)        |
|                                                     | <u>26,949,214</u>                  | <u>-</u>                        | <u>31,869</u>                    | <u>26,981,083</u>                        | <u>-</u>                        | <u>36,032</u>                    | <u>26,205,090</u>  |

#### 25 Unrestricted funds

The income funds of the charity include the following unrestricted funds which have no restrictions:

|                 | Movement in funds                      |                            |                            |                          | Movement in funds                      |                            |                            |                          |                                      |
|-----------------|----------------------------------------|----------------------------|----------------------------|--------------------------|----------------------------------------|----------------------------|----------------------------|--------------------------|--------------------------------------|
|                 | Balance at<br>1 September<br>2023<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Balance at<br>1 September<br>2024<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Balance at<br>31 August<br>2025<br>£ |
| General         | 25,546,709                             | 23,463,785                 | (22,841,436)               | -                        | 26,169,058                             | 24,752,037                 | (23,971,881)               | -                        | 26,949,214                           |
| Pension reserve | -                                      | -                          | (159,000)                  | 159,000                  | -                                      | -                          | (182,000)                  | 182,000                  | -                                    |
|                 | <u>25,546,709</u>                      | <u>23,463,785</u>          | <u>(23,000,436)</u>        | <u>159,000</u>           | <u>26,169,058</u>                      | <u>24,752,037</u>          | <u>(24,153,881)</u>        | <u>182,000</u>           | <u>26,949,214</u>                    |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 26 Contingent assets

The sale of a small parcel of land was completed for a consideration of £305,000 in December 1998. In addition, the School will receive 75% of the development value should development permission be granted to the purchaser. It is not practicable to make an estimate of the 75% of future development value.

### 27 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

|                         | Movement in funds                 |                       |                       |                                   |                       |                                 |
|-------------------------|-----------------------------------|-----------------------|-----------------------|-----------------------------------|-----------------------|---------------------------------|
|                         | Balance at<br>1 September<br>2023 | Incoming<br>resources | Resources<br>expended | Balance at<br>1 September<br>2024 | Resources<br>expended | Balance at<br>31 August<br>2025 |
|                         | £                                 | £                     | £                     | £                                 | £                     | £                               |
| Kadian Observatory Fund | 11,969                            | -                     | (200)                 | 11,769                            | (200)                 | 11,569                          |
| Digital Library Fund    | 26,316                            | 120                   | (2,173)               | 24,263                            | (3,963)               | 20,300                          |
|                         | <u>38,285</u>                     | <u>120</u>            | <u>(2,373)</u>        | <u>36,032</u>                     | <u>(4,163)</u>        | <u>31,869</u>                   |

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

The Kadian Observatory Fund has been set up for the maintenance of the new observatory, to provide for an annual Kadian Harding Science and Technology prize and to provide a guest speaker for the annual astronomy lecture.

The Digital Library Fund has been set up to digitize old Bedales archives.

### 28 Related party transactions

#### Transactions with connected charities

The Bedales Grant Trust Fund, charity number 1036179, was set up to provide support for the education of pupils at Bedales School. During the period, the School received donations from the fund of £228,973 (2024: 236,807) towards the provision of bursaries.

The John Badley Foundation, charity number 1138332, was set up to advance the education of pupils at the School. During the period, the School received donations from the fund of £324,507 (2024: £301,436) towards the provision of bursaries and the provision of new development projects.

#### Transactions with Governors and key management

No Governors (2024: one Governor) and two members of key management (2024: two members of key management), of which details of the relevant roles can be found in note 10, have children at the School that paid normal fees and received no bursaries or scholarships.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 29 Analysis of changes in net debt

|                                            | At 1 September<br>2024<br>£ | Cash flows<br>£    | At 31 August<br>2025<br>£ |
|--------------------------------------------|-----------------------------|--------------------|---------------------------|
| Cash at bank and in hand                   | 6,987,219                   | (3,620,372)        | 3,366,847                 |
| Loans falling due within one year          | (240,000)                   | -                  | (240,000)                 |
| Loans falling due after more than one year | (4,140,000)                 | 240,000            | (3,900,000)               |
|                                            | <u>2,607,219</u>            | <u>(3,380,372)</u> | <u>(773,153)</u>          |

---

# Accounts

---

**Charity Registration No. 307332**

**Company Registration No. 00276785 (England and Wales)**

**BEDALES SCHOOL**  
**(A company limited by guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Principal Address and Registered Office**  
**Bedales School, Church Road, Steep, Petersfield, Hampshire, GU32 2DG**

**Website**  
**[www.bedales.org.uk](http://www.bedales.org.uk)**

# BEDALES SCHOOL

## LEGAL AND ADMINISTRATIVE INFORMATION

---

### Governors

|                                   |           |
|-----------------------------------|-----------|
| S A Nokes (Chair)                 | (1,2,6,7) |
| C I Arney                         | (2,7)     |
| J Boyd                            | (4)       |
| C L Bradbury                      | (3)       |
| F Grey                            | (1)       |
| J M Hanson                        | (2,7)     |
| E A Impey                         | (2)       |
| O R Jonathan                      | (2,5,7)   |
| S R Lehec                         | (1)       |
| R B Lewis (Appointed 7 June 2024) | (2)       |
| I M A Myers                       | (1)       |
| E J Rees                          | (1)       |

### Membership of Governing Body Committees and Specific Responsibilities

|                   |                                  |                  |
|-------------------|----------------------------------|------------------|
| (1) Education     | (2) Finance and General Purposes | (3) Safeguarding |
| (4) Staff Liaison | (5) Strategic Risk               | (6) Nominations  |
| (7) Remuneration  |                                  |                  |

|                                |             |           |
|--------------------------------|-------------|-----------|
| <b>Head of Bedales Schools</b> | W Goldsmith | (1,2,3,4) |
|--------------------------------|-------------|-----------|

|                                                                           |                  |             |
|---------------------------------------------------------------------------|------------------|-------------|
| <b>Bursar and Clerk to the Board of Governors (and Company Secretary)</b> | R D L Lushington | (1,2,3,4,5) |
|---------------------------------------------------------------------------|------------------|-------------|

|                                                     |          |       |
|-----------------------------------------------------|----------|-------|
| <b>Head of Bedales Preparatory School, Dunhurst</b> | C R Baty | (1,2) |
|-----------------------------------------------------|----------|-------|

|                                                         |          |     |
|---------------------------------------------------------|----------|-----|
| <b>Head of Bedales Pre-Preparatory School, Dunannie</b> | F M Read | (1) |
|---------------------------------------------------------|----------|-----|

|                                                           |                 |        |
|-----------------------------------------------------------|-----------------|--------|
| <b>Other Current Members of Governing Body Committees</b> | N Blanchard     | (2)    |
|                                                           | B Cairns        | (1)    |
|                                                           | K Fulford       | (2,3)  |
|                                                           | A Kerr          | (1)    |
|                                                           | R T Reynolds    | (2)    |
|                                                           | A Simmons (DSL) | (3)    |
|                                                           | P A Thackrey    | (1, 3) |
|                                                           | G Thompson      | (1,3)  |
|                                                           | A R Wiggins     | (1)    |

|                       |          |
|-----------------------|----------|
| <b>Company number</b> | 00276785 |
|-----------------------|----------|

|                          |                                                                   |
|--------------------------|-------------------------------------------------------------------|
| <b>Registered office</b> | Church Road<br>Steep<br>Petersfield<br>United Kingdom<br>GU32 2DG |
|--------------------------|-------------------------------------------------------------------|

---

# BEDALES SCHOOL

## LEGAL AND ADMINISTRATIVE INFORMATION

---

### Professional Advisors

#### Auditor

Azets Audit Services Limited  
Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
United Kingdom  
GU7 1LQ

#### Bankers

National Westminster Bank PLC  
77 High Street  
Godalming  
Surrey  
GU7 1AR

#### Insurance Brokers

Marsh  
Capital House  
1-5 Perrymount Road  
Haywards Heath  
West Sussex  
RH16 3SY

#### Solicitors

Veale Wasborough Vizards  
Orchard Court  
Orchard Lane  
Bristol  
United Kingdom  
BS1 5WS

Farrer & Co  
66 Lincoln's Inn Fields  
London  
United Kingdom  
WC2A 3LH

---

# BEDALES SCHOOL

## CONTENTS

---

|                                   | <b>Page</b> |
|-----------------------------------|-------------|
| Governing Body report             | 1 - 13      |
| Independent auditor's report      | 14 - 16     |
| Statement of financial activities | 17 - 18     |
| Balance sheet                     | 19          |
| Statement of cash flows           | 20          |
| Notes to the financial statements | 21 - 40     |

---

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

**FOR THE YEAR ENDED 31 AUGUST 2024**

---

### Introduction

The Board of Governors present their Annual Report and audited financial statements of Bedales School ("the Charity", "the School" or "Bedales") for the year ended 31 August 2024.

The Board of Governors confirms that the financial statements comply with the Charity's governing document, with current statutory requirements, with applicable accounting standards in the United Kingdom, with the Charities Statement of Recommended Practice (The Charities SORP (FRS102)) and the Charities Act 2011.

### Objectives and activities

The objectives of the Charity are to provide education and training in particular by carrying on a School in or near Petersfield. As such, the School promotes, sustains and increases individual and collective knowledge and understanding in the specific area of study, skills and expertise. The Powers of the Charity are set out in the Articles of Association adopted on 25 October 2012. The Governors give consideration to the Charity Commission's guidance on public benefit when setting objectives and formulating plans.

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

### Purpose of the School

Bedales is inspiring a new generation of critical-thinkers, creators and leaders by cultivating a community of life long learners through its innovative, intellectually challenging curriculum. The School's founding principle 'work of each for weal of all', centred on authentic working relationships, develops excellence in the individual whilst appreciating their central role in shaping society on every level.

### Bedales Vision and Strategy

In the School year 2021/22, there was extensive consultation on the Bedales purpose and vision which was agreed across the School community. Thinking then progressed in staff working parties to develop proposals to deliver the vision over the next 10 years under the four strands of 'Learning', 'Living', 'Community' and 'Environment'. The 10-year strategy was formally launched in September 2023, aiming, by 2033, for the School to be a fully realised community of learners, where:

- Students and staff are excited about the unique and precious experience of living and learning together, cultivating a lifelong love of intellectual endeavour, self-development and achievement.
- The young people in our care take advantage of developments in technology, neuroscience and psychology to develop positive physical and mental health skills that will stay with them for life.
- We understand the importance of identity and collective responsibility and learn to contribute positively to our world in a variety of ways.
- We learn, often through lived experience, of our place in the natural world and the importance of human accountability for the environment in all aspects of how we live and learn.

John Badley, in his *Memories and Reflections* (1955), wrote that 'education has a twofold purpose: it can be thought of as directed to the personal development of the individual, or to their contribution to the community of which they are a member.' Badley's views, as one of the founding leaders of the School, are as important to us today as they were when the School was set up in 1893 as they remind us that Bedales is a School built on profoundly communitarian principles. The individual work of students or staff must, according to the School motto, be taken in the context of their impact on 'all' - whether that be fellow students, the local community, the environment or the world. We aim to be true to the School's traditions while ensuring they remain relevant for the next decade.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2024***

---

The 21st century is a time which challenges educational norms more than ever: climate change is arguably one of the biggest challenges that will impact us all, especially the generations to come; technological innovation democratises knowledge and learning like never before; Artificial Intelligence opens up opportunities within learning and future pathways, undermining so many assumptions about the world of work; in addition, technology allows for much greater communication between people (and machines) but likewise creates greater chances for misinformation, division and mental health problems, particularly in the young; and we have a much greater understanding of the need for us to strive for more diverse, representative and balanced communities. In response to these challenges, we want to be a place where the coeducational and communitarian heritage of the School is constantly being reimagined for these new and emerging realities.

Despite these broader threats facing society, and the more immediate ones facing all independent Schools (political change, economic uncertainty, international instability), our strategy comes at a position of relative strength for Bedales with demand strong and Will Goldsmith established as Head in February 2022 following his period as Acting Head.

### **GROUP STRUCTURE**

#### **Status and Administration**

Bedales School is a Public Benefit Entity registered as a charity in England and Wales, number 307332. Its registered company number is 276785. The School is governed by its Memorandum and Articles of Association last amended in October 2012; the Board of Governors ensure that the Articles of Association remain current by reviewing them annually. The Governors confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Connected Charities**

The School has a wholly owned trading subsidiary, Bedales Services Limited (BSL), formerly responsible for non-charitable operations but now non trading/dormant.

The Bedales Grants Trust Fund, founded in 1927, charity number 1036179, was set up to provide grants to parents of students at Bedales in need of financial aid to pay their tuition fees with a preference towards those parents who were themselves at Bedales School. During the year the Bedales Grants Trust Fund supported 20 pupils with grants with a total value of £215,530.

The John Badley Foundation, founded in 2010, charity number 1138332, was set up to support and promote the activities of the School and advance the education of its students primarily through 100% bursaries. The John Badley Foundation provided half of the funding for each of the 13 students supported with a total value of £301,436.

#### **Governors**

The Governors act both as Trustees and Directors and have overall responsibility for matters in relation to the Charity. A Governor nominations sub-committee proposes any new Governors for the full Board to appoint.

Governors may be elected at any general meeting and may stay in office until the conclusion of the annual general meeting in the eighth calendar year following the year of their election. Under special circumstances a Governor may be asked to serve an additional term of up to 4 years and a Governor can be re-elected after retirement.

The Governors determine the general policy of the School and the Board of Governors meets at least three times in each academic year. The day to day management of the School is delegated to the Head of Bedales School and the Bursar. The Governors' principal responsibilities are to:

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2024***

---

- Ensure that the School is run in accordance with its charitable objects and that all the functions of the School are authorised by the Powers, as set out in the Articles of Association, and by Charity Law;
- Act in the best interests of the School and current and future beneficiaries at all times;
- Appoint the Head and the Bursar and advise on the appointment of Deputy Heads and the Heads of Prep and Pre-prep as necessary;
- In consultation with the Head and his management team, set the strategy and policies by which the School will be run;
- Approve the financial reinvestment plan in accordance with the aim of maintaining and developing the School;
- Control finance by approving realistic budgets and longer term plans and by monitoring these documents;
- Ensure the effective and efficient administration of the School and its resources, striving for best practice in good governance;
- Ensure that the School is compliant with appropriate statutory and advisory regulations and aims for best practice in this area;
- Understand risk management and legal compliance and be satisfied that there are appropriate measures in place to reduce risk and achieve compliance;
- Ensure competent professional advice is taken when necessary;
- Appoint a Chair and Vice Chair; and
- Review and approve the terms of reference of its committees and appoint members to those committees.

### **Organisational Management**

The sub committees of the Board and the Governors with special responsibilities are listed on the Legal and Administrative page. The Finance & General Purposes Committee is chaired by J M Hanson, and the Education and Pastoral Committee is chaired by F Grey. In addition to these committees: C L Bradbury has special responsibility for Safeguarding; J Boyd is the Governor Representative on the Staff Liaison Group and oversees Nominations; and O R Jonathan has responsibility for Strategic Risk. There is a Governors' Nominations Committee and a Remuneration Committee, both of which draw on membership by Governors as required.

The key management personnel include the Governors, who are not paid, and full members of the Whole School Senior Team who for the year are: The Head of Bedales School; the Bursar and Clerk to the Governors; Director of External Relations; the Head of Bedales Prep; and the Head of Bedales Pre-prep. The pay and remuneration of the key management personnel is considered, as required, by the Governors' Remuneration Committee in view of the market rates for each post and the performance of the individuals fulfilling the roles. The Committee considers recommendations from the Head.

### **Recruitment and Training of Governors**

A Governors' nominations committee has been set up to recommend and oversee the appointment of Governors. It meets when necessary to plan the future membership of Governors in light of likely retirements. The Governors have a wealth of experience and many have been professionally trained through their employers; it is vital that the Board of Governors as a whole covers the full spectrum of specialisms that are required to oversee the School and the appointment of new Governors is carefully managed to ensure that this requirement is met; there is a clear succession plan. Any training gaps are filled by making the most of opportunities provided by the Association of Governing Bodies of Independent Schools (AGBIS) and other organisations. The Governors receive an update on Safeguarding and Child Protection at each Board meeting and carried out a full annual review of Safeguarding at the June Board meeting. All Governors complete annual Safeguarding training and Governors appointed during the year complete an induction process which includes Safeguarding training.

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2024**

---

### PRIORITIES FOR THE YEAR

#### Strategic Goals 2023 - 2033

##### *Learning*

In our School environment where divergent and creative ways of thinking are encouraged, students develop a confident understanding of their own abilities, self interests and potential.

By mapping out the curriculum and ensuring a cohesive and seamless whole school learning journey, we aim to develop a dynamic and thriving learning pathway through Bedales Pre-prep, Prep and Senior where students are inspired through exceptional opportunities, intellectual challenge, and where a commitment to excellence in teaching is prioritised.

With further innovation planned for Bedales Assessed Courses in particular, Bedales will be at the forefront of the education reform movement in offering a broader curriculum and multi-modal assessment methods that encourage a more adaptable and creative response from students. Bedales is therefore enacting what a growing number of educationalists are calling for in terms of GCSE reform which takes inspiration from high-performing school systems globally, such as Singapore where the most able students bypass exams at 16 to just take A Levels at 18, freeing space to gain the benefits of a broader, more enriching education.

A specific focus on technological innovations and environmental considerations will ensure students are well prepared for the world they will go into post education. Over the next decade, we will also focus on enhancing performance spaces across the Whole School, and further ensuring learning is informed by the 'real world' and outdoors to make the most of our inspiring estate.

##### *Living*

We will improve the quality of boarding provision, transitioning from single sex to mixed boarding houses.

All members of the community will learn to coexist with empathy, understanding their place as individuals and in groups. A focus on values will help students develop authenticity, self-confidence and self-awareness, whilst maintaining meaningful contributions to our school and wider communities. 'Bedales Service' will become a weekly feature of Bedalian life for all students. We will encourage healthy choices, grounded in physical and outdoor activities, within an environment where students live confidently and happily in the digital age.

##### *Community*

Our School environment aims to encourage and foster diversity at every level, valuing difference as a strength, and supporting all students. A doubling of our provision for full bursaries will strengthen our social mission and contribution to the wider community.

We will build on our links with like-minded educators around the world to drive educational improvements through our advocacy and engagement at national and international levels. By mobilising the Bedales community in the widest sense, we will support our young people, helping them navigate their post-Bedales pathways.

We will celebrate the many Bedalian contributions to society, harnessing the power of the diverse and inspirational role models in our community.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

---

### *Environment*

We are constantly striving to make the world around us more beautiful in every way. We will model a system-wide approach to active environmental responsibility. All members of our community will be involved in how we live, how our food is produced and how we ensure the environment is protected.

We will engage students in how we generate more of our own energy and how we manage the School estate in a sustainable way. A 'reduce, re-use, recycle' philosophy will be supported by more sustainable procurement. We will select suppliers and goods based on their sustainability credentials and carbon reporting, while using local suppliers wherever possible to reduce transport and support local businesses.

### **FINANCIAL INSTRUMENTS**

The Charity's principal financial instruments comprise bank balances, other debtors, other creditors and bank loans. The main purpose of these instruments is to finance the Charity's operations.

The nature of the financial instruments used by the Charity is such that their market value does not fluctuate as a result of changes in market prices. The Charity's approach to managing other risks applicable to the financial instruments concerned is shown on the next page.

The interest rate on bank loans is variable. The Governors regularly consider the potential impact of changes in interest rates and the actions that would need to be taken if any changes were likely to occur. The bank loans are secured by charges over some of the School's property and repayment terms are linked to those secured assets. Other debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding. Other creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due. The Governors also consider credit interest on cash balances and this is actively managed to secure interest.

### **STRATEGIC REPORT**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Governors to present a strategic report.

### **ACHIEVEMENTS AND PERFORMANCE**

Total student numbers continued to be strong: Bedales Senior 470, Bedales Prep Dunhurst 218 and Bedales Pre-prep 91 (total students across the Whole School: 779). The School's discipline over costs and containment of fee increases has ensured that the School's finances are in a robust position which will help with the continuing uncertain challenges of the current economic and political climate.

Bedales students secured places at some of the most prestigious educational and artistic institutions globally following the publication of A Level results in Summer 2024. Thirty-one per cent of grades achieved by Bedales students were A\*- A, with 19% of students achieving the equivalent of at least three A grades, seven of whom had previously attended Bedales Prep or Pre-prep School.

Bedales students progressed to some of the most demanding courses at universities featured in the top 100 of the 2024 QS World University Rankings, including: University College London (UCL) (Theoretical Physics; Comparative Literature; Education, Society and Culture; English; Politics, Sociology and East European Studies); The University of Edinburgh (Product Design; Russian Studies and Politics); The University of Manchester (Civil Engineering, Biotechnology with Entrepreneurship; Politics and Modern History; History and Sociology); King's College London (Liberal Arts); University of Amsterdam (Liberal Arts and Sciences); University of Bristol (Engineering; Maths); University of Warwick (Maths); University of Leeds (Biological Sciences; International Development; English Literature; Music and Music Technology); University of Glasgow (Mathematics and Philosophy); Durham University (Natural Sciences; Theology and Religion); and University of St Andrews (Materials Chemistry).

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2024**

---

Bedales' strong reputation in the performing arts continued this year, with three students gaining prestigious conservatoire offers, two at the Royal Northern College of Music and a Dance place at Trinity Laban. Bedales students will also be taking up places to study Applied Theatre and Education at Royal Central School of Speech and Drama, University of London; an acting Foundation course at ArtsEd based at the Lyric Hammersmith Theatre; and Creative Writing (undergraduate diploma) at the University of Oxford.

A number of students opted to continue their art and design education, pursuing Art Foundation courses with others joining undergraduate courses including: History of Art, Courtauld Institute of Art, University of London; Animation, Leeds Arts University; Fine Art - Photography, Glasgow School of Art; Fine Art, Kingston University; Television and Digital Production, Royal Holloway, University of London; and Creative Robotics and Costume for Theatre and Screen, University of the Arts, London.

International institutions continue to feature for Bedalians, with students taking up places at Virginia Tech, US (Aerospace and Astronautics); L'Atelier de Sèvres, France (Art); and Amsterdam University College, Netherlands (Liberal Arts and Sciences).

At GCSE and Bedales Assessed Courses level, over two thirds of grades were 9-7 (equivalent to A\*-A). Twenty-seven per cent of students achieved at least nine grades 9-7 with 10% achieving a clean sweep of at least nine grades 9/8 (equivalent to A\*). Of these high performing students, 11 attended Bedales Prep or Pre-prep prior to progressing to Bedales Senior.

Bedales' unique curriculum means that students currently take a combination of the School's own BACs combined with GCSEs in five core subjects. Introduced in 2006, BACs are well established, and involve a broader range of content, choice and assessment methods than the traditional GCSE, enabling students to pursue their interests and talents. BACs benefit from annual external validation by experienced moderators and are recognised as a qualification by universities.

### **SUPPORTING OTHERS**

Bedales has a long history of supporting others in need, including refugees, whether it be the School's partnership with the Rural Refugee Network (RRN) charity, offering places to Syrian and Afghan refugees on fully funded bursaries through their GCSEs and A Levels or, further back, when Bedales welcomed an influx of Jewish students escaping Germany in the 1930s.

To broaden the School's ability to offer bursary support and to further supplement the support provided by the Bedales Grants Trust Fund ("BGTF"), Bedales established the John Badley Foundation ("JBF") in 2010 to change the lives of individuals who face disadvantage by providing a stable and inspiring education at Bedales Senior and Bedales Prep. By offering fully funded bursaries to children who could not otherwise have been able to consider an independent school education, the trajectories of these young people are being radically transformed. The JBF has been supporting children who have found themselves in difficult circumstances in their homes or school. The 30+ students who have received JBF support have included refugees fleeing war, as well as students from the UK. The School also offers a free 'community' place for a child to attend the Nursery at Bedales Pre-prep.

### **Fee Support 2023-24**

Each year the School allocates a proportion of its gross fee income for bursary support. In addition to this, the BGTF and JBF provide financial support for bursaries and the long-term aim is to increase this total bursary support and continue to widen access to the School. The School also works with other charities to reach those in need, including Royal Springboard and Buttle UK. Below is a summary of the support provided in 2023-24:

Bursary Support £1.98m  
Bursary support as % of gross fee income 8.11%  
Exhibition and scholarship support £0.13m  
Total fee support as % of gross fee income 8.65%  
Number of pupils benefitting from fee support was 104, of which an increased number of 28 had support of over 75% of their fees

---

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2024**

---

|           | Total Bursaries | Breakdown            |
|-----------|-----------------|----------------------|
| 100%      | 20              | 13 JBF + 7 Ukrainian |
| 75-99%    | 8               | 8 School             |
| 50-74%    | 20              | 1 BGTF + 19 School   |
| 25-49%    | 41              | 15 BGTF + 26 School  |
| Below 25% | 15              | 4 BGTF + 11 School   |

With the JBF established, the School community has been well placed to continue supporting families from Ukraine in 2023/24 with seven students spread across Bedales Prep and Senior, housed with local families or boarding.

Supporting others is at the heart of the Bedales curriculum. Global Awareness (GA) is taught as a distinct subject across the whole School, from Pre-prep to Senior, culminating in Bedales' most popular Bedales Assessed Course (BAC) and Global Perspectives Sixth Form course. The focus of GA is twofold – equipping students with critical 21st century skills and providing them with a unique insight into global issues. Activism and community service are at the heart of the BAC – students are led to becoming social entrepreneurs through groundbreaking project work which requires them to make an actual change, be that within our own community, nationally or globally. GA students regularly lead assemblies and discussions, teach lessons in Bedales Prep and Pre-prep, as well as other local schools and are responsible for organising major fundraising and community events. An enrichment course in Social Entrepreneurship and Innovation for the Sixth Form aims to continue and expand these efforts further in the coming years.

Bedales Senior, Prep and Pre-prep run a number of fundraising events and activities throughout the year. For example, Bedales Prep and Pre-prep collected and delivered donations to the Petersfield Food Bank as part of Harvest Festival and Bedales Senior hosted an Art Sale in conjunction with the Rural Refugee Network which raised over £10,000 to support refugees.

### Sharing facilities

The programme of Bedales Events invites local people and schools to Bedales for poetry, music, drama, dance and more.

The school has partnerships with local state schools, groups and initiatives, and every opportunity is taken to share our facilities for wider benefit. This year, local organisations have benefitted from highly subsidised or free use of Bedales resources, including:

- Steep Primary School for weekly swimming classes
- Bohunt School – for its annual summer production in the Bedales Theatre
- Hosting curriculum 'taster' events at Bedales Senior and Prep Schools for local primary school children
- Hosting meetings of East Hampshire Primary School Heads
- Free use of school minibuses for local primary schools and charities to access activities
- Hosted a conference for teachers interested in developing innovative teaching practices, attended by 60 educationalists from 15 institutions, 13 of which were state primary and secondary schools.
- Edward Thomas Fellowship Group
- Petersfield Youth Theatre – Summer camps, workshops and main Quad for production
- Steep Village – hosting of annual Flower Show

Many other local sports clubs take the opportunity to hire our first-class facilities.

### FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The financial performance of Bedales School was good and after the difficult COVID years there is clear evidence of recovery with strong fee income and tight management of costs enabling a healthy level of reinvestment in the fabric of the School to ensure that it is maintained and improved in line with strategic plans.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2024***

---

There has been a change in focus to ensure that reinvestment relies less on loans and debt levels therefore remain relatively low. Current debt has been renegotiated over a longer period and this has reduced repayments considerably and resulted in more funds for capital reinvestment in each financial year. During the year the School also had a Revolving Credit Facility available, but after a review it was decided to cancel this agreement at the end of the financial year.

The net income for the year amounted to £461,096 (2023: £851,484). Additions to fixed assets during the year are outlined in note 13 of the accounts. These amounted to £3,436,415 (2023: £2,037,740) and consisted mainly of refurbishing the covered way and the assembly hall, replacing the roof and windows of the music block, replacing the windows of the girls boarding house and refurbishing the science labs.

A total of £2,111,319 was provided in the form of means tested bursaries, scholarships and free music lessons; this total included grants from the Bedales Grants Trust Fund, the John Badley Foundation, Rank Foundation and Royal National Children's Springboard Foundation. As a total the bursary support represents 8.65% of gross fee income.

#### **Policy on reserves**

The School's assets are sufficient to meet its obligations and are all held for use by the School. The unrestricted School funds are being held to finance current and future capital projects.

At 31 August 2024, the total funds of the School were £26,205,090 (2023: £25,584,994). Of these £36,032 (2023: £38,285) are restricted funds. Of the remaining reserves, £34,232,954 (2023: £32,538,687) is represented by tangible fixed assets. Therefore, the School has currently allocated all of its free reserves, supplemented by borrowings, on fixed assets.

The School has a 10 year plan which sets out its expected expenditure on fixed assets which will continue to improve the facilities of the School. This plan is managed in detail over the first 5 years with expenditure approved by the Board for the first 2 years.

The School believes that it is able to operate without free reserves and wishes to continue upgrading the facilities of the School through steady surpluses supplemented by borrowings.

Based on an actuarial valuation as at 31 August 2024, the School has a funding surplus of £357,000 (2023: £4,000) calculated under FRS 102 in respect of the School's defined benefit pension scheme for support staff. In accordance with FRS 102, this surplus has not been recognised in these financial statements (see note 19 for more information). The Governors believe that this notional funding calculation, which can vary between surplus and deficit according to the valuation assumptions made at the year end, does not have a significant effect on the School's cash flow in the short term and that in the longer term its effects are sustainable out of future income.

The reserves policy of the School is reviewed on an annual basis by the Governors.

#### **Fundraising**

In 2023/24 the focus was fundraising for full bursary support via The John Badley Foundation (JBF). The long-term aim is to raise sufficient donor income to build an endowment fund whilst also providing direct bursary support from donations. The School's Head of Development works with colleagues and volunteer parents and alumni to create and manage the fundraising programme, which overall in 2023/24 raised £2,517,179 of which £2,472,306 was for full bursary and other support to the School via the JBF. An additional £5,937 was raised for the Bedales Grants Trust Fund, and £38,935 for general School improvements.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

---

The School is very appreciative of members of the wider School community for their generous support of its fundraising activities which included live events and individual approaches. Donors choose a variety of ways to support the School, such as through single donations, purchasing merchandise, offering raffle prizes, regular donations, donating works of art, and making legacy commitments.

There were no complaints received during the year relating to the School's fundraising activities. The School has robust policies in place regarding vulnerable people and treating donors fairly.

### **STRATEGIC RISK**

The governing body is responsible for the identification and management of risks. The major risks to which the School is exposed, as identified by the Governors, have been reviewed and systems and procedures established to manage those risks. Detailed examination of the risks and establishment of controls to mitigate them is delegated to the Whole School Senior Team and the process is overseen by the lead Governor for Strategic Risk in close liaison with the Finance & General Purposes Committee. A formal review of the risk management processes is undertaken annually at the March Board meeting. The focus is primarily on where risk is either increasing or decreasing and this then allows for the direction of resources, accordingly.

The principal risks to which the School is exposed include:

#### **The Political and Economic Environment:**

The Board of Governors regularly considers the political environment and how this impacts the School. The new Labour Government has imposed VAT on School fees from 1 January 2025 and removed charitable business rate relief for independent schools from 1 April 2025. In addition, there are further threats as a result of changes to Employers' National Insurance and the Minimum Living Wage from 1 April 2025. The impact of these policies is significant and will affect the ability of parents to choose to educate their children in the independent Sector. The sector is clear that this policy will result in a significant drop in pupil numbers but a corresponding and equally significant additional demand, above and beyond capacity, for maintained sector schools.

Whilst Bedales continues to provide difference in education and this uniqueness will continue to attract parents and future students, the school still expects to be affected by the drop in demand for independent school education. All possible measures are being taken to minimise the impact by retaining students, recruiting more students from overseas, ensuring all possible VAT reclaim can be made and passed back to parents in the form of slightly lower fees. The School recognises the importance of clear communication to current and prospective parents through this unsettling time.

The aim now has to be to maintain pupil numbers and ensure the long-term strength of the School; without this policy to impose VAT, the School had been aiming to grow. The Government's decision to increase ERNIC and the Minimum Living Wage represents a genuine financial threat to the School which cannot increase its expenditures on staff. These taxes are particularly unwelcome and challenging when combined with the effect of imposing VAT the loss of business rate relief, and represent a real threat to employment opportunities at the School. There are however further threats. Economic growth has remained slow, which is also adding pressure on parents who rely on income from their businesses. The wider global political environment is more unsettled than it was one year ago and this poses additional threats to confidence. Political and economic risks are outside of the control of the Governors, but the possible impact of these is considered to be significant and is regularly reviewed by the Finance and General Purposes Committee and further possible mitigation taken as appropriate.

#### **Competitive Market**

The market in which the School operates is highly competitive and developments in education are monitored to ensure that pupils receive an excellent, holistic, and varied educational experience in the School. Bedales sets out to be different, as recognised in the most recent ISI Inspection and preserving this difference is vital to its continuing success. The ten-year strategy seeks to reinforce this difference. Maintenance of strong pupil numbers in all three schools is imperative and a strong and target focussed External Relations team market the School effectively, but there will be further work in this area as the market becomes smaller. The pupil roll for 2024/25 is consistent with that in 2023/24.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2024***

---

### **Safe Environment**

The School strives to ensure that all staff and pupils are able to work in a safe and supportive environment. Being able to operate a safe school is essential and all possible measures are taken to keep staff and pupils safe. Active monitoring of pupil wellbeing and welfare is undertaken by the pastoral care and Designated Safeguarding Lead team. Safeguarding procedures are tightly managed with clear policies and procedures in place supplemented by appropriate training for staff and strong safer recruitment practices.

Appropriate employment policies and procedures are in place under the management of the Bursar and the Director of Human Resources. Monitoring of staff wellbeing is carried out by the Director of Human Resources with input from staff representatives. Health and Safety procedures are clear and under regular review by the Health and Safety Manager. There are separate Health and Safety committees for: the Senior School; the Support Staff; and one covering the Prep and Pre-prep schools. The Health and Safety Strategy and Policy Committee chaired by the Head of Bedales Schools sets the strategy for Health and Safety in the School.

### **Compliance**

The School operates in a highly regulated sector and the Whole School Senior Team ensures that the School is up to date with legal and regulatory requirements. School or individual membership of bodies, being either the constituent associations of the Independent Schools Council or other professional bodies, also ensure that it has access to up-to-date information and support.

### **Legal & Financial**

The School operates in an increasingly litigious environment and appoints appropriate professional legal advisors and purchases insurance using specialist brokers, such that it can address requirements and meet potential challenges.

### **Risk Controls**

The School plans strategically given due regard to appropriate risk. The Whole School Senior Team provide the Governing Body with regular reports which include details of principal strategic objectives and the activity being undertaken to achieve those objectives. The School also records significant achievements and updates the Governing Body on short-term plans.

Key controls used by the School to help mitigate risk and uncertainties include:

- formal agendas and minutes for all meetings of the governing body and committees;
- terms of reference for all committees;
- comprehensive strategic planning, financial forecasting, budgeting and management accounting;
- established and identifiable organisational structures and reporting lines which are regularly reviewed;
- comprehensive formal written policies;
- clear authorisation limits and anti-fraud measures;
- vetting procedures, as required by law, for protection of the vulnerable;
- comprehensive crisis management procedures involving governors right from the outset; and
- legal and specialist advice.

## **BEDALES AS AN EMPLOYER**

### **An Employer of Choice**

Bedales is first and foremost a community and as such the staff are central to this; it is vital that there is a sense of belonging in our staff and that they feel valued for their contribution. Working for Bedales should bring pleasure and a sense of purpose, built on strong friendships and a shared belief in learning and developing one's talents. The experiences that we want the pupils to have when at Bedales translates directly to the experiences that we want the staff of the School to have as they spend time in our community. Above all, we believe in the underlying credo of the School "Work of Each for Weal of All".

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2024**

---

### Equality, Diversity and Inclusion

The School is an equal opportunity employer and is determined to ensure that no applicant or employee receives less favourable treatment on the grounds of race, gender, age, disability, religion, belief, sexual orientation, marital status, or is disadvantaged by conditions or requirements which cannot be shown to be justifiable. Each year, we publish our Gender Pay Gap report.

### Consultation and Employee Voice

Consultation with staff is central to the Bedales ethos as a community and the School aims to take the views of its employees into account when decisions are made that are likely to affect their interests. The Staff Liaison Group is our body of elected representatives and provides a route for consultation and for employees voice matters direct to senior management and Governors through the Governor representative on the Group. The School also has two consultative groups one for teaching staff and another for support staff. These aim to consider training, development and well-being of our staff and address any concerns affecting each of the constituencies of staff.

The staff of the School are made aware of the financial performance of the School and are able to talk to the Bursar about this performance at any time. The work undertaken in 2022/23 to redefine the vision and strategy for the School for the next 10 years involved consultation groups and a wide range of the School's staff. Every member of staff has the opportunity to contribute to thinking about the future of the School.

The School encourages a questioning staff body and provides as many routes as possible for this. The staff have the opportunity to contribute in surveys and their feedback is welcomed and can help shape the School. There are opportunities for staff to suggest improvements and their help in finding better ways to meet requirements or find efficiencies is actively encouraged.

### SUSTAINABILITY AND CARBON REPORTING

The School is committed to reducing the impact that its operation has on the environment and takes this responsibility very seriously. The School engaged the Carbon Trust to help in this work by identifying the emissions for the School in terms of tCO<sub>2</sub>e for the Scopes 1 and 2 to provide a baseline from which to work and monitor progress towards achieving our aim of reaching Net Zero by 2045. We now calculate this each year using the relevant conversion factors.

To inform our work and enable us to plan for changes, FY18/19 is used as the baseline for our data and for tracking our progress.

Our emissions baseline data is as follows:

|                                                                              | Baseline Year (18/19)<br>tCO <sub>2</sub> e | 2023/24<br>tCO <sub>2</sub> e |
|------------------------------------------------------------------------------|---------------------------------------------|-------------------------------|
| Scope 1                                                                      | 1,425                                       | 1,265                         |
| Scope 2                                                                      | 490                                         | 0                             |
| TOTAL                                                                        | 1,915                                       | 1,265                         |
| Intensity Ratio<br>(Scope 1 and 2 emissions per<br>pupil or member of staff) | 1.71                                        | 1.07                          |

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2024***

---

### **Meeting our Sustainability Objectives**

The above figures do not include offsetting from our own estate. We are in the process of measuring this as it has to be part of our goal to reaching net zero. This work involves our students who are very much part of our sustainability goals, not just in terms of net zero but also in preserving and enhancing the biodiversity of our estate.

The School purchases all electricity from certified 100% renewable sources. We continue to seek to both reduce electricity consumption, but also to increase generation opportunities through Solar PVs and other possible technologies. Our Scope 1 emissions are those that we wish to reduce as a priority, but we are making good progress by using less and moving away from oil where we can; our intensity ratio has been reduced by 0.19 over that in 2022/23. It will take time and financial resources and available technology to reach our goals. Bedales is set in a remote location and one that is not supplied by natural gas. All heating is therefore provided using oil and LPG and electrical heating is currently not feasible for many of our buildings.

Our priority is to improve the thermal efficiency of our buildings to enable other forms of heating in the longer term. This mean replacing windows and roofs and installing further insulation and this work is underway with many improvements made during the year and further planned in 2024/25 and beyond. We will further our work to change lighting to LEDs (something that we started many years ago) and we will continue to drive to reduce energy consumption wherever we can. All building refurbishments will be to the latest building regulation standards as a minimum and the completion of our Assembly Hall as a refurbishment and extension of an old and inefficient building will make a significant further difference.

Our long term aim is to reach carbon net zero including Scope 3 emissions by 2045, but the first target will be to achieve net zero under scopes 1 and 2 and, in partnership with all members of our community and those who engage with the School, we are confident that this can be achieved.

### **Statement of Governing body responsibilities**

The Governors, who are both the directors of Bedales School for the purpose of company law and Trustees for the purpose of Charity law, are responsible for preparing the Governing Body Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Disclosure of information to auditor**

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Governing body report, including the strategic report, was approved by the Board of Governors.

---

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2024***

---



.....  
**S A Nokes (Chair)**

Dated: 6 December 2024  
.....

# BEDALES SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF BEDALES SCHOOL

---

### Opinion

We have audited the financial statements of Bedales School (the 'Charity') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 FRS 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 Charity's affairs as at 31 August 2024 and of its incoming resources and application of resources, 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 Charity in accordance with the ethical requirements that are relevant to our audit of 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 Governing body'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 Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 course of 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.

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

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

- the information given in the financial statements is inconsistent in any material respect with the Governing body report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# **BEDALES SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF BEDALES SCHOOL**

---

### **Responsibilities of Governors**

As explained more fully in the statement of Governing body responsibilities, the Governors, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under Chapter 3 of Part 16 of the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# BEDALES SCHOOL

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF BEDALES SCHOOL

---

### 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 design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Charity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the Charity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the Charity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the Charity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### Use of our report

This report is made solely to the Charity's Governors, 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 Charity's Governors those matters we are required to state to them in an auditors' 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 Charity and the Charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.



**Alex Temlett CA ACA CTA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services Limited

6 December 2024  
.....

**Chartered Accountants**  
**Statutory Auditor**

Azets Audit Services Limited  
Ashcombe Court  
Godalming  
Surrey  
United Kingdom  
GU7 1LQ

# BEDALES SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 AUGUST 2024**

|                                                                                     |       | Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total             |
|-------------------------------------------------------------------------------------|-------|-----------------------|--------------------|---------------------|-----------------------------|--------------------|---------------------|-------------------|
|                                                                                     |       | 2024                  | 2024               | 2024                | 2024                        | 2023               | 2023                | 2023              |
|                                                                                     | Notes | £                     | £                  | £                   | £                           | £                  | £                   | £                 |
| <b><u>Income and endowments from:</u></b>                                           |       |                       |                    |                     |                             |                    |                     |                   |
| Income from charitable activities                                                   | 3     | 22,955,681            | -                  | 120                 | 22,955,801                  | 21,996,009         | -                   | 21,996,009        |
| Other income                                                                        | 4     | 508,104               | -                  | -                   | 508,104                     | 389,766            | -                   | 389,766           |
| <b>Total income</b>                                                                 |       | <b>23,463,785</b>     | <b>-</b>           | <b>120</b>          | <b>23,463,905</b>           | <b>22,385,775</b>  | <b>-</b>            | <b>22,385,775</b> |
| <b><u>Expenditure on:</u></b>                                                       |       |                       |                    |                     |                             |                    |                     |                   |
| Expenditure on charitable activities                                                | 5     | 22,474,310            | 159,000            | 2,373               | 22,635,683                  | 20,988,855         | 168,000             | 21,156,870        |
| Other Expenditure                                                                   | 10    | 367,126               | -                  | -                   | 367,126                     | 377,421            | -                   | 377,421           |
| <b>Total resources expended</b>                                                     |       | <b>22,841,436</b>     | <b>159,000</b>     | <b>2,373</b>        | <b>23,002,809</b>           | <b>21,366,276</b>  | <b>168,000</b>      | <b>21,534,291</b> |
| <b>Net income/(expenditure) for the year/<br/>Net incoming/(outgoing) resources</b> |       | <b>622,349</b>        | <b>(159,000)</b>   | <b>(2,253)</b>      | <b>461,096</b>              | <b>1,019,499</b>   | <b>(168,000)</b>    | <b>851,484</b>    |

# BEDALES SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 AUGUST 2024**

|                                                                                     | Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total             |
|-------------------------------------------------------------------------------------|-----------------------|--------------------|---------------------|-----------------------------|--------------------|---------------------|-------------------|
|                                                                                     | 2024<br>£             | 2024<br>£          | 2024<br>£           | 2024<br>£                   | 2023<br>£          | 2023<br>£           | 2023<br>£         |
| <b>Net income/(expenditure) for the year/<br/>Net incoming/(outgoing) resources</b> | 622,349               | (159,000)          | (2,253)             | 461,096                     | 1,019,499          | (168,000)           | 851,484           |
| <b>Other recognised gains and losses</b>                                            |                       |                    |                     |                             |                    |                     |                   |
| Actuarial gain on defined benefit pension schemes                                   | -                     | 159,000            | -                   | 159,000                     | -                  | 168,000             | 168,000           |
| <b>Net movement in funds</b>                                                        | 622,349               | -                  | (2,253)             | 620,096                     | 1,019,499          | (15)                | 1,019,484         |
| Fund balances at 1 September 2023                                                   | 25,546,709            | -                  | 38,285              | 25,584,994                  | 24,527,210         | 38,300              | 24,565,510        |
| <b>Fund balances at 31 August 2024</b>                                              | <u>26,169,058</u>     | <u>-</u>           | <u>36,032</u>       | <u>26,205,090</u>           | <u>25,546,709</u>  | <u>38,285</u>       | <u>25,584,994</u> |

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

All income and expenditure derive from continuing activities.

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

The funds breakdowns for the current and comparative period are shown in notes 23 and 24.

# BEDALES SCHOOL

## BALANCE SHEET

AS AT 31 AUGUST 2024

|                                                                | Notes | 2024<br>£    | £         | 2023<br>£    | £         |
|----------------------------------------------------------------|-------|--------------|-----------|--------------|-----------|
| <b>Fixed assets</b>                                            |       |              |           |              |           |
| Tangible assets                                                | 11    | 34,232,954   |           | 32,538,687   |           |
| Investments                                                    | 12    |              | 2         |              | 2         |
|                                                                |       |              |           |              |           |
|                                                                |       | 34,232,956   |           | 32,538,689   |           |
| <b>Current assets</b>                                          |       |              |           |              |           |
| Stocks                                                         | 14    | 23,545       |           | 23,311       |           |
| Debtors                                                        | 15    | 6,386,322    |           | 6,115,340    |           |
| Cash at bank and in hand                                       |       | 6,987,219    |           | 3,608,826    |           |
|                                                                |       |              |           |              |           |
|                                                                |       | 13,397,086   |           | 9,747,477    |           |
| <b>Creditors: amounts falling due within one year</b>          | 17    | (13,921,941) |           | (10,734,739) |           |
|                                                                |       |              |           |              |           |
| Net current liabilities                                        |       |              | (524,855) |              | (987,262) |
| <b>Total assets less current liabilities</b>                   |       | 33,708,101   |           | 31,551,427   |           |
| <b>Creditors: amounts falling due after more than one year</b> | 18    | (7,503,011)  |           | (5,966,433)  |           |
|                                                                |       |              |           |              |           |
| <b>Net assets excluding pension deficit/surplus</b>            |       | 26,205,090   |           | 25,584,994   |           |
| <b>Defined benefit pension liability</b>                       | 19    |              | -         |              | -         |
|                                                                |       |              |           |              |           |
| <b>Net assets including pension deficit/surplus</b>            |       | 26,205,090   |           | 25,584,994   |           |
|                                                                |       |              |           |              |           |
| <b>Income funds</b>                                            |       |              |           |              |           |
| Restricted funds                                               | 24    | 36,032       |           | 38,285       |           |
| <u>Unrestricted funds</u>                                      |       |              |           |              |           |
| General                                                        | 23    | 26,169,058   |           | 25,546,709   |           |
|                                                                |       |              |           |              |           |
|                                                                |       | 26,169,058   |           | 25,546,709   |           |
|                                                                |       |              |           |              |           |
|                                                                |       | 26,205,090   |           | 25,584,994   |           |

The financial statements were approved by the Governors, and authorised for issue, on 6 December 2024 and signed on their behalf by:



S A Nokes (Chair)  
Chairman

Company Registration No. 00276785

# BEDALES SCHOOL

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2024**

---

|                                                       | Notes | 2024<br>£   | £           | 2023<br>£   | £           |
|-------------------------------------------------------|-------|-------------|-------------|-------------|-------------|
| <b>Cash flows from operating activities</b>           |       |             |             |             |             |
| Cash generated from operations                        | 21    |             | 7,341,334   |             | 3,439,048   |
| <b>Investing activities</b>                           |       |             |             |             |             |
| Purchase of tangible fixed assets                     |       | (3,436,415) |             | (2,037,740) |             |
| Interest receivable                                   |       | 75,018      |             | 23,366      |             |
| Interest payable                                      |       | (357,714)   |             | (275,804)   |             |
| Net cash used in investing activities                 |       |             | (3,719,111) |             | (2,290,178) |
| <b>Financing activities</b>                           |       |             |             |             |             |
| Repayment of bank loans                               |       | (240,000)   |             | (187,334)   |             |
| Net cash used in financing activities                 |       |             | (240,000)   |             | (187,334)   |
| Net increase in cash and cash equivalents             |       |             | 3,382,223   |             | 961,536     |
| <b>Cash and cash equivalents at beginning of year</b> |       |             | 3,608,826   |             | 3,694,290   |
| <b>Cash and cash equivalents at end of year</b>       |       |             | 6,987,219   |             | 3,608,826   |

---

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

---

### 1 Accounting policies

#### Summary of significant accounting policies and key accounting estimate

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

#### Statement of compliance

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

#### 1.1 Accounting convention

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

#### 1.2 Consolidated accounts exemption

The charity has taken advantage of the exemption under section 402 and 405 of the Companies Act 2006 to exclude the results of its subsidiary, Bedales Services Limited, from these financial statements on the basis that the subsidiary's results are immaterial for the purposes of these financial statements.

#### 1.3 Going concern

The Governors consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the Charity. The Board has paid particular attention to the ongoing effects of the introduction of VAT on school fees and the loss of charitable business rate relief. It has also closely monitored continuing slow global economic growth and inflationary pressures, but remains confident that sufficient funding is in place and there are adequate resources to service its liabilities as they fall due.

#### 1.4 Income and endowments

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

#### 1.5 Fees

Fees receivable are accounted for in the period in which the service is provided and are stated after deducting allowances, scholarships and other remissions allowed by the School, but include contributions received from bursaries and other trusts.

#### 1.6 Donations

Donations receivable for the general purposes of the School are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds.

#### 1.7 Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

---

### 1 Accounting policies

(Continued)

#### 1.8 Rent receivable and interest receivable

Rent receivable, bank and other interest are accounted for as they accrue and over the period to which they relate.

#### 1.9 Expenditure

Resources expended are accounted for on an accruals basis. Expenditure is allocated to expense headings on a direct basis except for:

- Depreciation on buildings which is apportioned according to area taken up and central costs which are apportioned on the basis of the Governors' estimate of time spent on the relevant functions; and

- Support costs not directly attributable to particular functional activity categories, which are apportioned over the relevant categories on the basis of the Governors' estimates of the amounts attributable to that activity in the period, either by reference to staff time or space occupied, as appropriate.

The irrecoverable element of VAT is included within the item of expense to which it relates, as far as is practicable, or otherwise under the most appropriate heading.

Governance costs are included in support costs and comprise the costs of running the School, including strategic planning for its future development, auditors' remuneration, certain legal costs and all costs of complying with constitutional and statutory requirements, such as Board meetings and preparing statutory financial statements.

Payments in relation to the termination of employment are recognised when the relevant decision-making process has been completed and communicated to all affected parties.

Costs incurred in trading activities that raise funds are classified separately.

#### 1.10 Tangible fixed assets

Tangible fixed assets are included at cost. Expenditure on items of furniture, equipment and computer equipment since 1 September 1973 is written down to nil over three periods on the basis of 33 1/3% per annum straight line. Major catering equipment and furniture is written down to nil over 15 years. Small items of expenditure and short life assets are charged directly to the Statement of Financial Activities.

Depreciation is provided on tangible fixed assets (charged the month after purchase) so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

|                       |                                  |
|-----------------------|----------------------------------|
| Buildings             | 2-10% per annum straight line    |
| Fixtures and fittings | 6.67% per annum straight line    |
| IT Equipment          | 6.67-25% per annum straight line |
| Motor vehicles        | 10-25% per annum straight line   |
| Equipment             | 10-20% per annum straight line   |

Freehold land and assets in the course of construction are not depreciated.

The anticipated average life of buildings is estimated by reference to 1 September 1981 (date of commencement of depreciation policy) or date of expenditure since that date.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

---

### 1 Accounting policies

(Continued)

#### 1.11 Taxation

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

#### 1.12 Leased assets

Where assets are financed by leasing arrangements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation of the relevant assets is charged to the Statement of Financial Activities.

#### 1.13 Lease payments

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the Statement of Financial Activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital portion reduces the amounts payable to the lessor. All other leases are treated as operating leases. The annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

#### 1.14 Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

#### 1.15 Debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### 1.16 Cash and cash equivalents

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

#### 1.17 Creditors

Short term creditors are recognised initially at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transactions costs, and are subsequently measured at amortised cost using the effective interest method.

#### 1.18 Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

---

### 1 Accounting policies

(Continued)

#### 1.19 Pension costs

The School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the Governors by the Scheme Administrator. For the purposes of complying with the relevant accounting standards, the Teachers' Pension Scheme is accounted for as a defined contribution scheme, in accordance with FRS 102, as the School is not responsible for or entitled to receive benefit for any surplus or deficit on the scheme. Contributions are charged to the Statement of Financial Activities in the period which they become payable.

The School also operates a Group Personal Pension Plan for the support staff which is a defined contribution scheme and contributions are accounted for as a charge to the Statement of Financial Activities in the period to which they relate.

The School also contributes to a defined benefit pension scheme for support staff. The scheme is no longer open to new staff. Rates are set by the scheme actuary and advised to the School by the scheme administrator. This scheme is accounted for in accordance with FRS 102: Retirement Benefits, with the annually calculated notional surplus (to the extent that the School is expected to benefit through future reductions in contributions or refunds) or deficit on the funding of the scheme shown as a designated fund entitled "Pension Reserve", which is deducted from unrestricted funds on the balance sheet. Current service costs, curtailments, settlement gains and losses, net financial returns and actuarial gains and losses are included in the Statement of Financial Activities in the period to which they relate.

Changes in the assets and liabilities of the scheme in the period are disclosed and allocated as follows:

Changes relating to current or past service costs and gains and losses on settlements and curtailments, and pension finance costs arising from changes in the net of the interest costs and expected return on assets, are allocated to the relevant activity heading based on staff costs of employees within the scheme. Pension finance income arising from similar changes is recognised as an incoming resource. Actuarial gains and losses arising are recognised as other recognised gains and losses. The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation.

Details of the scheme assets and liabilities, and major assumptions are shown in note 19.

#### 1.20 Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

#### 1.21 Fund structure

Unrestricted funds are those available to further the School's charitable objectives at the discretion of the Governors

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the Governors.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions

#### 1.22 Financial instruments

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the instrument is measured at the present value of the future receipts discounted at a market rate of interest.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

---

### 1 Accounting policies

(Continued)

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the instrument is measured at the present value of the future receipts discounted at a market rate of interest.

### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key areas subject to judgement and estimation are as follows:

#### **Pension scheme accounting**

Judgement is applied when selecting the assumptions forming the basis of the School's defined benefit pension scheme valuation.

#### **Fixed asset depreciation**

Judgement is applied when assigning anticipated average lives to the fixed assets of the School. Management consider the useful life of an asset by asset basis in the year of acquisition to determine a suitable category.

#### **Bad debt provision**

Judgement is applied when assessing the expected amounts to be received from outstanding term fees. Each individual debtor balance is reviewed and a provision is recognised based on a considered expectation of the proportion of the debt that may not be recovered.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

### 3 Income from charitable activities

|                                                                    | Unrestricted<br>funds<br>2024<br>£ | Restricted<br>funds<br>2024<br>£ | Total<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|--------------------------------------------------------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|
| Gross fees                                                         | 24,410,938                         | -                                | 24,410,938         | 23,384,778                         |
| Extra lessons income                                               | 1,240,038                          | 120                              | 1,240,158          | 1,038,987                          |
| Registration fees                                                  | 61,600                             | -                                | 61,600             | 58,994                             |
| The John Badley Foundation bursaries                               | 301,436                            | -                                | 301,436            | 301,628                            |
| Bedaes Grant Trust Fund bursaries                                  | 236,807                            | -                                | 236,807            | 254,442                            |
| Less: Total scholarships, bursaries, other<br>remissions and costs | (3,295,138)                        | -                                | (3,295,138)        | (3,042,820)                        |
|                                                                    | <u>22,955,681</u>                  | <u>120</u>                       | <u>22,955,801</u>  | <u>21,996,009</u>                  |
| Analysis by fund                                                   |                                    |                                  |                    |                                    |
| Unrestricted funds                                                 | 22,955,681                         | -                                | 22,955,681         | 21,996,009                         |
| Restricted funds                                                   | -                                  | 120                              | 120                | -                                  |
|                                                                    | <u>22,955,681</u>                  | <u>120</u>                       | <u>22,955,801</u>  | <u>21,996,009</u>                  |

### 4 Other income

|                     | Unrestricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|---------------------|------------------------------------|------------------------------------|
| Other income        | 571                                | 232                                |
| Interest receivable | 75,018                             | 23,366                             |
| Rental income       | 432,515                            | 366,168                            |
|                     | <u>508,104</u>                     | <u>389,766</u>                     |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

#### 5 Expenditure on charitable activities

|                                                    | Unrestricted<br>funds<br>2024<br>£ | Pension<br>reserve<br>2024<br>£ | Restricted<br>funds<br>2024<br>£ | Total<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ | Pension<br>reserve<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ |
|----------------------------------------------------|------------------------------------|---------------------------------|----------------------------------|--------------------|------------------------------------|---------------------------------|----------------------------------|--------------------|
| Teaching costs                                     | 15,865,956                         | -                               | -                                | 15,865,956         | 14,438,420                         | -                               | -                                | 14,438,420         |
| Depreciation, amortisation and other similar costs | 1,739,990                          | -                               | -                                | 1,739,990          | 1,662,543                          | -                               | -                                | 1,662,543          |
| Premises                                           | 3,378,991                          | -                               | -                                | 3,378,991          | 3,413,819                          | -                               | -                                | 3,413,819          |
| Support costs                                      | 1,414,630                          | 159,000                         | 2,373                            | 1,576,003          | 1,371,348                          | 168,000                         | 15                               | 1,539,363          |
| Welfare                                            | 74,743                             | -                               | -                                | 74,743             | 102,725                            | -                               | -                                | 102,725            |
|                                                    | 22,474,310                         | 159,000                         | 2,373                            | 22,635,683         | 20,988,855                         | 168,000                         | 15                               | 21,156,870         |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

### 6 Analysis of support costs

#### Support costs allocated to charitable activities

|                        | Printing,<br>postage and<br>stationery | Marketing and<br>communications | Information<br>technology | Staff costs | Professional<br>fees |
|------------------------|----------------------------------------|---------------------------------|---------------------------|-------------|----------------------|
|                        | £                                      | £                               | £                         | £           | £                    |
| School operating costs | 90,263                                 | 194,440                         | 269,901                   | 145,114     | 70,838               |
|                        |                                        |                                 |                           |             |                      |
|                        | <b>Premises costs</b>                  | <b>Other support<br/>costs</b>  | <b>Total 2024</b>         |             |                      |
|                        | £                                      | £                               | £                         |             |                      |
| School operating costs | 524,455                                | 119,619                         | 1,414,630                 |             |                      |

### 7 Net movement in funds

**2024**  
£                      **2023**  
£

Net movement in funds is stated after charging/(crediting)

|                                                                                           |           |           |
|-------------------------------------------------------------------------------------------|-----------|-----------|
| Fees payable to the company's auditor for the audit of the company's financial statements | 20,950    | 19,900    |
| Depreciation of owned tangible fixed assets                                               | 1,739,990 | 1,662,543 |
| Loss on disposal of tangible fixed assets                                                 | 1,988     | -         |
| Pension scheme actuarial losses/(gains)                                                   | 163,000   | 1,215,000 |
| Other pension scheme movements                                                            | 61,000    | 105,000   |
| Pension contributions to defined benefit pension schemes                                  | 220,000   | 273,000   |

### 8 Governors' remuneration and expenses

No remuneration or benefits were provided to any Governor during the period, other than the School purchasing Governors' indemnity insurance to provide cover of up to £5,000,000. The premium was part of the public liability premium and is not separately identified.

Travel and accommodation expenses to and from meetings of £922 (2023: £1,410) in relation to 3 Governors (2023: 4) were reimbursed to the Governors during the period. No other payments were made to any Governors.

### 9 Employees

The average monthly number of employees (including senior management team) during the year was:

|          | <b>2024</b><br><b>Number</b> | <b>2023</b><br><b>Number</b> |
|----------|------------------------------|------------------------------|
| Teaching | 160                          | 155                          |
| Support  | 241                          | 227                          |
|          |                              |                              |
| Total    | 401                          | 382                          |

The staff full time equivalents in the year were 303 (2023: 286).

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

### 9 Employees

(Continued)

| Employment costs      | 2024<br>£         | 2023<br>£         |
|-----------------------|-------------------|-------------------|
| Wages and salaries    | 12,599,598        | 11,381,366        |
| Social security costs | 1,241,608         | 1,141,699         |
| Other pension costs   | 2,024,750         | 1,915,355         |
|                       | <u>15,865,956</u> | <u>14,438,420</u> |

The number of employees whose annual remuneration was more than £60,000 is as follows:

|                     | 2024<br>Number | 2023<br>Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000   | 20             | 13             |
| £70,001 - £80,000   | 5              | 3              |
| £80,001 - £90,000   | 1              | 1              |
| £90,001 - £100,000  | -              | 1              |
| £100,001 - £110,000 | 2              | 1              |
| £130,001 - £140,000 | 1              | 1              |
| £140,001 - £150,000 | -              | 1              |
| £150,001 - £160,000 | 1              | -              |
|                     | <u>1</u>       | <u>-</u>       |

All of the higher paid employees are either in the Teachers' Pension Scheme, the School's Defined Benefit Pension Scheme or the School's Defined Contribution Pension Scheme.

#### Key management personnel

The key management roles in the School for the period were the Governors, who are not paid, the Head, Bedales School, the Bursar and Clerk to the Governors, Director of External Relations, the Head of Prep School and the Head of Pre-prep School. Their total emoluments including employer pension contributions and employers national insurance were £730,260 (2023: £765,036).

### 10 Other Expenditure

|                                               | Unrestricted<br>funds<br>2024 | Unrestricted<br>funds<br>2023 |
|-----------------------------------------------|-------------------------------|-------------------------------|
| Net loss on disposal of tangible fixed assets | 1,988                         | -                             |
| Bank loan interest                            | 311,996                       | 236,612                       |
| Bank charges                                  | 28,877                        | 77,119                        |
| Net bad debt provision (write-back)/charge    | (21,453)                      | 24,498                        |
| Financing costs                               | 45,718                        | 39,192                        |
|                                               | <u>367,126</u>                | <u>377,421</u>                |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 11 Tangible fixed assets

|                                    | Freehold Land | Buildings  | Assets under construction | Fixtures and fittings | IT Equipment | Motor vehicles | Equipment | Total      |
|------------------------------------|---------------|------------|---------------------------|-----------------------|--------------|----------------|-----------|------------|
|                                    | £             | £          | £                         | £                     | £            | £              | £         | £          |
| <b>Cost</b>                        |               |            |                           |                       |              |                |           |            |
| At 1 September 2023                | 15,489        | 50,714,124 | 1,001,083                 | 207,100               | 3,117,598    | 502,682        | 986,145   | 56,544,221 |
| Additions                          | -             | 2,191,784  | 987,143                   | -                     | 208,783      | 26,982         | 21,723    | 3,436,415  |
| Disposals                          | -             | -          | -                         | -                     | (644,079)    | (7,194)        | -         | (651,273)  |
| Transfers                          | -             | 1,953,249  | (1,953,249)               | -                     | -            | -              | -         | -          |
| At 31 August 2024                  | 15,489        | 54,859,157 | 34,977                    | 207,100               | 2,682,302    | 522,470        | 1,007,868 | 59,329,363 |
| <b>Depreciation and impairment</b> |               |            |                           |                       |              |                |           |            |
| At 1 September 2023                | -             | 20,201,845 | -                         | 206,686               | 2,494,081    | 390,384        | 712,538   | 24,005,534 |
| Depreciation charged in the year   | -             | 1,367,234  | -                         | 42                    | 264,215      | 42,111         | 66,388    | 1,739,990  |
| Eliminated in respect of disposals | -             | -          | -                         | -                     | (644,079)    | (5,036)        | -         | (649,115)  |
| At 31 August 2024                  | -             | 21,569,079 | -                         | 206,728               | 2,114,217    | 427,459        | 778,926   | 25,096,409 |
| <b>Carrying amount</b>             |               |            |                           |                       |              |                |           |            |
| At 31 August 2024                  | 15,489        | 33,290,078 | 34,977                    | 372                   | 568,085      | 95,011         | 228,942   | 34,232,954 |
| At 31 August 2023                  | 15,489        | 30,512,279 | 1,001,083                 | 414                   | 623,518      | 112,298        | 273,606   | 32,538,687 |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

### 11 Tangible fixed assets

(Continued)

Transfers in the year totalling £1,953,249 relate to the completion of the construction of a new building. Upon completion, the building no longer met the criteria to be recognised as an asset under construction and was subsequently transferred to buildings.

### 12 Fixed asset investments

Other  
investments

#### Cost or valuation

At 1 September 2023 & 31 August 2024

2

#### Carrying amount

At 31 August 2024

2

At 31 August 2023

2

|                             |       | 2024 | 2023 |
|-----------------------------|-------|------|------|
|                             | Notes | £    | £    |
| Other investments comprise: |       |      |      |
| Investments in subsidiaries | 13    | 2    | 2    |

### 13 Subsidiaries

Details of the Charity's subsidiaries at 31 August 2024 are as follows:

| Name of undertaking      | Registered office                                                    | Nature of business | Class of shares held | % Held<br>Direct Indirect |
|--------------------------|----------------------------------------------------------------------|--------------------|----------------------|---------------------------|
| Bedales Services Limited | Bedales School, Church Road, Steep, Petersfield, Hampshire, GU32 2DG | Non-trading        | Ordinary             | 100.00                    |

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

| Name of undertaking      | Profit/(Loss)<br>£ | Capital and Reserves<br>£ |
|--------------------------|--------------------|---------------------------|
| Bedales Services Limited | -                  | (16,860)                  |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

### 14 Stocks

|                                     | 2024<br>£ | 2023<br>£ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 23,545    | 23,311    |

### 15 Debtors

|                                             | 2024<br>£ | 2023<br>£ |
|---------------------------------------------|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 6,050,182 | 5,817,750 |
| Amounts owed by fellow group undertakings   | 8,040     | 7,474     |
| Other debtors                               | 109,115   | 43,146    |
| Prepayments                                 | 218,985   | 246,970   |
|                                             | 6,386,322 | 6,115,340 |

### 16 Loans and overdrafts

|                         | 2024<br>£ | 2023<br>£ |
|-------------------------|-----------|-----------|
| Bank loans              | 4,380,000 | 4,620,000 |
| Payable within one year | 240,000   | 240,000   |
| Payable after one year  | 4,140,000 | 4,380,000 |

The bank loans are secured on the freehold premises of the School. Interest is charged at 1.75% above base rate on the loan which is repayable in 2027.

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

|                                    | Notes | 2024<br>£  | 2023<br>£  |
|------------------------------------|-------|------------|------------|
| Bank loans                         | 16    | 240,000    | 240,000    |
| Other taxation and social security |       | 282,145    | 291,028    |
| Trade creditors                    |       | 286,613    | 519,395    |
| Fees received in advance           |       | 9,084,274  | 7,385,831  |
| Fees in advance scheme             |       | 1,540,281  | 664,898    |
| Entrance deposits                  |       | 1,208,520  | 1,215,667  |
| Other creditors                    |       | 1,101,332  | 232,906    |
| Accruals and deferred income       |       | 178,776    | 185,014    |
|                                    |       | 13,921,941 | 10,734,739 |

#### Fees in advance scheme

Parents may enter into a contract to pay the school tuition fees in advance. The money may be returned subject to specific conditions. Assuming pupils remain in the school, the fees in advance will be applied as follows:

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

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

(Continued)

|                   | 2024             | 2023             |
|-------------------|------------------|------------------|
|                   | £                | £                |
| Within one year   | 1,540,281        | 664,898          |
| One to two years  | 1,421,475        | 589,310          |
| Two to five years | 1,667,627        | 744,690          |
| After five years  | 273,909          | 252,433          |
|                   | <u>4,903,292</u> | <u>2,251,331</u> |

### 18 Creditors: amounts falling due after more than one year

|                        | Notes | 2024             | 2023             |
|------------------------|-------|------------------|------------------|
|                        |       | £                | £                |
| Bank loans             | 16    | 4,140,000        | 4,380,000        |
| Fees in advance scheme |       | 3,363,011        | 1,586,433        |
|                        |       | <u>7,503,011</u> | <u>5,966,433</u> |

### 19 Retirement benefit schemes

#### Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

---

### 19 Retirement benefit schemes

(Continued)

#### Defined benefit schemes

##### Teachers' Pension Agency

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge accrued at the year-end in respect of contributions to this scheme was £118,178 (2023 - £149,849).

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 resulted in the employers' contribution rate increasing 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%.

The TPS is now closed to new entrant teachers. These teachers will be automatically enrolled into the Aviva Pension Trust for Independent Schools (APTIS) defined contribution pension scheme.

In previous years, we have disclosed that the 31 March 2016 Actuarial Valuation of the TPS, or subsequent valuations, may be subject to change following a remedy being reached to the Court of Appeal's judgment in the McCloud / Sargeant case that the transitional provisions of the implementation of the 2015 reforms to Public Service Pensions, including the TPS, gave rise to unlawful age discrimination. Whilst the remedy has now been determined by the Government, the effect of this on the School's contributions to the TPS, including whether any additional or catch-up contributions are required, is still unknown. Accordingly, until notification of changed / additional contributions is received from the TPS and discussed and agreed with the School, no provision for any additional past benefit pension costs in respect of the TPS is included in these financial statements.

##### Hampshire Pension Fund ("the fund")

The figures below relate to the funded liabilities within the Fund which is part of the Local Government Pension Scheme (the "LGPS"). The funded nature of the LGPS requires the Employer and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

### 19 Retirement benefit schemes

(Continued)

#### Key assumptions

|                                                  | 2024<br>% | 2023<br>% |
|--------------------------------------------------|-----------|-----------|
| Discount rate                                    | 5.0       | 5.3       |
| Expected rate of increase of pensions in payment | 2.7       | 3.1       |
| Expected rate of salary increases                | 4.7       | 4.1       |
| Expected rate of inflation (CPI)                 | 2.7       | 3.1       |

#### Mortality assumptions

The assumed life expectations on retirement at age 65 are:

|                      | 2024<br>Years | 2023<br>Years |
|----------------------|---------------|---------------|
| Retiring today       |               |               |
| - Males              | 22            | 22            |
| - Females            | 25            | 25            |
| Retiring in 20 years |               |               |
| - Males              | 23            | 23            |
| - Females            | 26            | 26            |

Amounts recognised in the profit and loss account:

|                                                   | 2024<br>£ | 2023<br>£ |
|---------------------------------------------------|-----------|-----------|
| Current service cost                              | 65,000    | 151,000   |
| Net interest on defined benefit (asset)/liability | (4,000)   | (46,000)  |
| Total costs                                       | 61,000    | 105,000   |

Amounts taken to other comprehensive income:

|                                                   | 2024<br>£ | 2023<br>£ |
|---------------------------------------------------|-----------|-----------|
| Actual return on scheme assets                    | (892,000) | 170,000   |
| Less: calculated interest element                 | 548,000   | 453,000   |
| Return on scheme assets excluding interest income | (344,000) | 623,000   |
| Actuarial changes related to obligations          | 150,000   | 588,000   |
| Restriction of defined benefit pension surplus    | 357,000   | 4,000     |
| Total costs                                       | 163,000   | 1,215,000 |

The actuarial valuation on which the defined benefit pension surplus/deficit is based produced a surplus of £357k (2023 - £4k). Under accounting standards, a surplus can only be recognised if the School has the ability to reduce contributions to the pension scheme in future or reclaim refunds through the scheme. On the basis that this may not be possible, the Governors believe that the surplus should be restricted to £Nil.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

### 19 Retirement benefit schemes

(Continued)

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

|                                              | 2024<br>£    | 2023<br>£    |
|----------------------------------------------|--------------|--------------|
| Present value of defined benefit obligations | 10,856,000   | 10,542,000   |
| Fair value of plan assets                    | (11,213,000) | (10,546,000) |
| Surplus in scheme                            | (357,000)    | (4,000)      |
| Restriction on scheme assets                 | 357,000      | 4,000        |
| Total liability recognised                   | -            | -            |

Movements in the present value of defined benefit obligations:

|                                   | 2024<br>£  |
|-----------------------------------|------------|
| Liabilities at 1 September 2023   | 10,542,000 |
| Current service cost              | 65,000     |
| Benefits paid                     | (470,000)  |
| Contributions from scheme members | 25,000     |
| Actuarial gains and losses        | 150,000    |
| Interest cost                     | 544,000    |
| At 31 August 2024                 | 10,856,000 |

The defined benefit obligations arise from plans funded as follows:

|                                     | 2024<br>£  |
|-------------------------------------|------------|
| Wholly unfunded obligations         | -          |
| Wholly or partly funded obligations | 10,856,000 |
|                                     | 10,856,000 |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

### 19 Retirement benefit schemes

(Continued)

Movements in the fair value of plan assets:

|                                                                    | 2024<br>£        |
|--------------------------------------------------------------------|------------------|
| Fair value of assets at 1 September 2023                           | 10,546,000       |
| Interest income                                                    | 548,000          |
| Return on plan assets (excluding amounts included in net interest) | 344,000          |
| Benefits paid                                                      | (470,000)        |
| Contributions by the employer to defined benefit pension schemes   | 220,000          |
| Contributions by scheme members                                    | 25,000           |
|                                                                    | <hr/>            |
| At 31 August 2024                                                  | 11,213,000 <hr/> |

The fair value of plan assets at the reporting period end was as follows:

|                    | 2024<br>£  | 2023<br>£        |
|--------------------|------------|------------------|
| Equity instruments | 4,261,000  | 3,691,000        |
| Debt instruments   | 6,167,000  | 6,222,000        |
| Property           | 785,000    | 633,000          |
|                    | <hr/>      | <hr/>            |
|                    | 11,213,000 | 10,546,000 <hr/> |

### 20 Capital commitments

At 31 August 2024 the Charity had no capital commitments which were not provided for in the financial statements (2023: £2,512,662). These capital commitments in respect of the comparative period related to the construction of the Assembly Hall.

### 21 Cash generated from operations

|                                                          | 2024<br>£        | 2023<br>£              |
|----------------------------------------------------------|------------------|------------------------|
| Surplus for the year                                     | 461,096          | 851,484                |
| Adjustments for:                                         |                  |                        |
| Interest receivable                                      | (75,018)         | (23,366)               |
| Interest payable                                         | 357,714          | 275,804                |
| Loss on disposal of tangible fixed assets                | 1,988            | -                      |
| Depreciation and impairment of tangible fixed assets     | 1,739,990        | 1,662,543              |
| Difference between pension charge and cash contributions | 163,000          | 1,215,000              |
| Movements in working capital:                            |                  |                        |
| (Increase) in stocks                                     | (234)            | (4,908)                |
| (Increase) in debtors                                    | (270,982)        | (719,952)              |
| Increase in creditors                                    | 4,963,780        | 182,443                |
|                                                          | <hr/>            | <hr/>                  |
| <b>Cash generated from operations</b>                    | <b>7,341,334</b> | <b>3,439,048</b> <hr/> |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 22 Analysis of net assets between funds

|                                                     | Unrestricted<br>funds<br>2024<br>£ | Pension<br>reserve<br>2024<br>£ | Restricted<br>funds<br>2024<br>£ | Total Unrestricted<br>funds<br>2024<br>£ | Pension<br>reserve<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ |
|-----------------------------------------------------|------------------------------------|---------------------------------|----------------------------------|------------------------------------------|---------------------------------|----------------------------------|--------------------|
| Fund balances at 31 August 2024 are represented by: |                                    |                                 |                                  |                                          |                                 |                                  |                    |
| Tangible assets                                     | 34,232,956                         | -                               | -                                | 34,232,956                               | -                               | -                                | 32,538,689         |
| Net current liabilities                             | (560,887)                          | -                               | 36,032                           | (524,855)                                | -                               | 38,285                           | (987,262)          |
| Long term liabilities                               | (7,503,011)                        | -                               | -                                | (7,503,011)                              | -                               | -                                | (5,966,433)        |
|                                                     | <u>26,169,058</u>                  | <u>-</u>                        | <u>36,032</u>                    | <u>26,205,090</u>                        | <u>-</u>                        | <u>38,285</u>                    | <u>25,584,994</u>  |

### 23 Designated funds

The income funds of the charity include the following unrestricted funds which have no restrictions:

|                 | Movement in funds                      |                            |                            |                                           | Movement in funds                      |                            |                            |                                           |                                      |
|-----------------|----------------------------------------|----------------------------|----------------------------|-------------------------------------------|----------------------------------------|----------------------------|----------------------------|-------------------------------------------|--------------------------------------|
|                 | Balance at<br>1 September<br>2022<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Revaluations,<br>gains and<br>losses<br>£ | Balance at<br>1 September<br>2023<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Revaluations,<br>gains and<br>losses<br>£ | Balance at<br>31 August<br>2024<br>£ |
| General         | 24,527,210                             | 22,385,775                 | (21,366,276)               | -                                         | 25,546,709                             | 23,463,785                 | (22,841,436)               | -                                         | 26,169,058                           |
| Pension reserve | -                                      | -                          | (168,000)                  | 168,000                                   | -                                      | -                          | (159,000)                  | 159,000                                   | -                                    |
|                 | <u>24,527,210</u>                      | <u>22,385,775</u>          | <u>(21,534,276)</u>        | <u>168,000</u>                            | <u>25,546,709</u>                      | <u>23,463,785</u>          | <u>(23,000,436)</u>        | <u>159,000</u>                            | <u>26,169,058</u>                    |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

### 24 Restricted funds

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

|                         | Balance at<br>1 September<br>2022 | Resources<br>expended | Balance at<br>1 September<br>2023 | Movement in funds     |                       | Balance at<br>31 August<br>2024 |
|-------------------------|-----------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------|---------------------------------|
|                         | £                                 | £                     | £                                 | Incoming<br>resources | Resources<br>expended | £                               |
| Kadian Observatory Fund | 11,984                            | (15)                  | 11,969                            | -                     | (200)                 | 11,769                          |
| Digital Library Fund    | 26,316                            | -                     | 26,316                            | 120                   | (2,173)               | 24,263                          |
|                         | <u>38,300</u>                     | <u>(15)</u>           | <u>38,285</u>                     | <u>120</u>            | <u>(2,373)</u>        | <u>36,032</u>                   |

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

The Kadian Observatory Fund has been set up for the maintenance of the new observatory, to provide for an annual Kadian Harding Science and Technology prize and to provide a guest speaker for the annual astronomy lecture.

The Digital Library Fund has been set up to digitize old Bedales archives.

### 25 Contingent assets

The sale of a small parcel of land was completed for a consideration of £305,000 in December 1998. In addition, the School will receive 75% of the development value should development permission be granted to the purchaser. It is not practicable to make an estimate of the 75% of future development value.

### 26 Related party transactions

#### Transactions with connected charities

The Bedales Grant Trust Fund, charity number 1036179, was set up to provide grants to pupils at Bedales in need of financial aid to pay their tuition fees. In making such grants or loans preference shall be given to a parents or parents who was or were a pupil at Bedales School. During the period the Fund contributed £236,807 (2023: £254,442) to the school.

The John Badley Foundation, charity number 1138332, was set up to advance the education of pupils at the School. In the period, the School received donations from the Trust of £301,436 (2023: £301,628) towards the awarding of bursaries.

#### Transactions with Governors and key management

One Governor (2023: one Governor) and two members of key management (2023: two members of key management), of which details of the relevant roles can be found in note 10, have children at the School that paid normal fees and received no bursaries or scholarships.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

### 27 Analysis of changes in net funds/(debt)

|                                            | At 1 September<br>2023<br>£ | Cash flows<br>£  | At 31 August<br>2024<br>£ |
|--------------------------------------------|-----------------------------|------------------|---------------------------|
| Cash at bank and in hand                   | 3,608,826                   | 3,378,393        | 6,987,219                 |
| Loans falling due within one year          | (240,000)                   | -                | (240,000)                 |
| Loans falling due after more than one year | (4,380,000)                 | 240,000          | (4,140,000)               |
|                                            | <u>(1,011,174)</u>          | <u>3,618,393</u> | <u>2,607,219</u>          |

### 28 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

---

# Accounts

---

**Charity Registration No. 307332**

**Company Registration No. 00276785 (England and Wales)**

**Amended**

**BEDALES SCHOOL**  
**(A company limited by guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Principal Address and Registered Office**  
**Bedales School, Church Road, Steep, Petersfield, Hampshire, GU32 2DG**

**Website**  
**[www.bedales.org.uk](http://www.bedales.org.uk)**

# BEDALES SCHOOL

## LEGAL AND ADMINISTRATIVE INFORMATION

---

### Governors

|                                         |           |
|-----------------------------------------|-----------|
| S A Nokes (Chair)                       | (1,2,6,7) |
| C I Arney                               | (2,7)     |
| J Boyd                                  | (4)       |
| C L Bradbury                            | (3)       |
| F Grey                                  | (1)       |
| J M Hanson                              | (2,7)     |
| E A Impey (Appointed 25 November 2022)  | (2,7)     |
| O R Jonathan                            | (2,5,7)   |
| S R Lehec (Appointed 10 October 2022)   | (1)       |
| I M A Myers (Appointed 9 February 2023) | (1)       |
| E J Rees                                | (1)       |

### Membership of Governing Body Committees and Specific Responsibilities

|                   |                                  |                  |
|-------------------|----------------------------------|------------------|
| (1) Education     | (2) Finance and General Purposes | (3) Safeguarding |
| (4) Staff Liaison | (5) Strategic Risk               | (6) Nominations  |
| (7) Remuneration  |                                  |                  |

|                                |             |           |
|--------------------------------|-------------|-----------|
| <b>Head of Bedales Schools</b> | W Goldsmith | (1,2,3,4) |
|--------------------------------|-------------|-----------|

|                                                   |                  |             |
|---------------------------------------------------|------------------|-------------|
| <b>Bursar and Clerk to the Board of Governors</b> | R D L Lushington | (1,2,3,4,5) |
|---------------------------------------------------|------------------|-------------|

|                                                     |          |       |
|-----------------------------------------------------|----------|-------|
| <b>Head of Bedales Preparatory School, Dunhurst</b> | C R Baty | (1,2) |
|-----------------------------------------------------|----------|-------|

|                                                         |          |     |
|---------------------------------------------------------|----------|-----|
| <b>Head of Bedales Pre-Preparatory School, Dunannie</b> | F M Read | (1) |
|---------------------------------------------------------|----------|-----|

|                                                           |                 |       |
|-----------------------------------------------------------|-----------------|-------|
| <b>Other Current Members of Governing Body Committees</b> | N Blanchard     | (2)   |
|                                                           | B Cairns        | (1)   |
|                                                           | A Kerr          | (1)   |
|                                                           | R T Reynolds    | (2)   |
|                                                           | A Simmons (DSL) | (3)   |
|                                                           | P A Thackrey    | (1)   |
|                                                           | G Thompson      | (1,3) |
|                                                           | A R Wiggins     | (1)   |

|                       |          |
|-----------------------|----------|
| <b>Company number</b> | 00276785 |
|-----------------------|----------|

|                          |                                                                   |
|--------------------------|-------------------------------------------------------------------|
| <b>Registered office</b> | Church Road<br>Steep<br>Petersfield<br>United Kingdom<br>GU32 2DG |
|--------------------------|-------------------------------------------------------------------|

---

# BEDALES SCHOOL

## LEGAL AND ADMINISTRATIVE INFORMATION

---

### *Professional Advisors*

#### **Auditor**

Azets Audit Services Limited  
Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
United Kingdom  
GU7 1LQ

#### **Bankers**

National Westminster Bank PLC  
4 High Street  
Petersfield  
Hampshire  
GU32 3JF

#### **Insurance Brokers**

Marsh  
Capital House  
1-5 Perrymount Road  
Haywards Heath  
West Sussex  
RH16 3SY

#### **Solicitors**

Veale Wasborough Vizards  
Orchard Court  
Orchard Lane  
Bristol  
United Kingdom  
BS1 5WS

Farrer & Co  
66 Lincoln's Inn Fields  
London  
United Kingdom  
WC2A 3LH

---

# BEDALES SCHOOL

## CONTENTS

---

|                                   | <b>Page</b> |
|-----------------------------------|-------------|
| Governing Body report             | 1 - 14      |
| Independent auditor's report      | 15 - 17     |
| Statement of financial activities | 18 - 19     |
| Balance sheet                     | 20          |
| Statement of cash flows           | 21          |
| Notes to the financial statements | 22 - 42     |

---

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

***FOR THE YEAR ENDED 31 AUGUST 2023***

---

### **Amendment to Trustee's Report**

The Trustee's Report was amended on 08 July 2024. The following amendments were carried out:

1. Detail of the case study was removed from previous version of page 14
2. Detail removed from page 14 was moved into new version pages 8 and 9

### **Introduction**

The Board of Governors present their Annual Report and audited financial statements of Bedales School ("the Charity", "the School" or "Bedales") for the year ended 31 August 2023.

The Board of Governors confirms that the financial statements comply with the Charity's governing document, with current statutory requirements, with applicable accounting standards in the United Kingdom, with the Charities Statement of Recommended Practice (The Charities SORP (FRS102)) and the Charities Act 2011.

### **Objectives and activities**

The objectives of the Charity are to provide education and training in particular by carrying on a School in or near Petersfield. As such, the School promotes, sustains and increases individual and collective knowledge and understanding in the specific area of study, skills and expertise. The Powers of the Charity are set out in the Articles of Association adopted on 25 October 2012. The Governors give consideration to the Charity Commission's guidance on public benefit when setting objectives and formulating plans.

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

### **Purpose of the School**

Bedales is inspiring a new generation of critical-thinkers, creators and leaders by cultivating a community of life-long learners through its innovative, intellectually challenging curriculum. The School's founding principle 'work of each for weal of all', centered on authentic working relationships, develops excellence in the individual whilst appreciating their central role in shaping society on every level.

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### Bedales Vision and Strategy

In the School year 2021/22, there was extensive consultation on the Bedales purpose and vision which was agreed across the School community. Thinking then progressed in staff working parties to develop proposals to deliver the vision over the next 10 years under the four strands of 'Learning', 'Living', 'Community' and 'Environment'. The 10-year strategy was formally launched in September 2023, aiming, by 2033, for the School to be a fully realised community of learners, where:

- Students and staff are excited about the unique and precious experience of living and learning together, cultivating a lifelong love of intellectual endeavour, self-development and achievement.
- The young people in our care take advantage of developments in technology, neuroscience and psychology to develop positive physical and mental health skills that will stay with them for life.
- We understand the importance of identity and collective responsibility, and learn to contribute positively to our world in a variety of ways.
- We learn, often through lived experience, of our place in the natural world and the importance of human accountability for the environment in all aspects of how we live and learn.

John Badley, in his *Memories and Reflections* (1955), wrote that 'education has a twofold purpose: it can be thought of as directed to the personal development of the individual, or to their contribution to the community of which they are a member.' Badley's views, as one of the founding leaders of the School, are as important to us today as they were when the School was set up in 1893 as they remind us that Bedales is a School built on profoundly communitarian principles. The individual work of students or staff must, according to the School motto, be taken in the context of their impact on 'all' - whether that be fellow students, the local community, the environment or the world. We aim to be true to the School's traditions while ensuring they remain relevant for the next decade.

The 21st century is a time which challenges educational norms more than ever: climate change is arguably one of the biggest challenges that will impact us all, especially the generations to come; technological innovation democratises knowledge and learning like never before; Artificial Intelligence opens up opportunities within learning and future pathways, undermining so many assumptions about the world of work; in addition, technology allows for much greater communication between people (and machines) but likewise creates greater chances for misinformation, division and mental health problems, particularly in the young; and we have a much greater understanding of the need for us to strive for more diverse, representative and balanced communities. In response to these challenges, we want to be a place where the coeducational and communitarian heritage of the School is constantly being reimagined for these new and emerging realities.

Despite these broader threats facing society, and the more immediate ones facing all independent Schools (political change, economic uncertainty, international instability), our strategy comes at a position of relative strength for Bedales with demand strong, numbers at an all-time high and Will Goldsmith having been confirmed as Head in February 2022 following his period as Acting Head.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2023***

---

### **GROUP STRUCTURE**

#### **Status and Administration**

Bedales School is a Public Benefit Entity registered as a charity in England and Wales, number 307332. Its registered company number is 276785. The School is governed by its Memorandum and Articles of Association last amended in August 2012; the Board of Governors ensure that the Articles of Association remain current by reviewing them annually. The Governors confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Connected Charities**

The School has a wholly owned trading subsidiary, Bedales Services Limited (BSL), formerly responsible for non-charitable operations but now non trading/dormant.

The Bedales Grants Trust Fund, founded in 1927, charity number 1036179, was set up to provide grants to parents of pupils at Bedales in need of financial aid to pay their tuition fees with a preference towards those parents who were themselves at Bedales School. During the year the Bedales Grants Trust Fund supported 22 pupils with grants with a total value of £254,442.

The John Badley Foundation, founded in 2010, charity number 1138332, was set up to support and promote the activities of the School and advance the education of its pupils primarily through 100% Bursaries. The John Badley Foundation provided half of the funding for each of the 11 pupils supported with a total value of £301,628.

#### **Governors**

The Governors act both as Trustees and Directors and have overall responsibility for matters in relation to the Charity. A Governor nominations sub-committee proposes any new Governors for the full Board to appoint.

Governors may be elected at any general meeting and may stay in office until the conclusion of the annual general meeting in the eighth calendar year following the year of their election. Under special circumstances a Governor may be asked to serve an additional term of up to 4 years and a Governor can be re-elected after retirement.

The Governors determine the general policy of the School and the Board of Governors meets at least three times in each academic year. The day to day management of the School is delegated to the Head of Bedales Schools and the Bursar. The Governors' principal responsibilities are to:

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2023***

---

- Ensure that the School is run in accordance with its charitable objects and that all the functions of the School are authorised by the Powers, as set out in the Articles of Association, and by Charity Law;
- Act in the best interests of the School and current and future beneficiaries at all times;
- Appoint the Head and the Bursar and advise on the appointment of Deputy Heads and the Heads of Prep and Pre-prep as necessary;
- In consultation with the Head and his management team, set the strategy and policies by which the School will be run;
- Approve the financial reinvestment plan in accordance with the aim of maintaining and developing the School;
- Control finance by approving realistic budgets and longer term plans and by monitoring these documents;
- Ensure the effective and efficient administration of the School and its resources, striving for best practice in good governance;
- Ensure that the School is compliant with appropriate statutory and advisory regulations and aims for best practice in this area;
- Understand risk management and legal compliance and be satisfied that there are appropriate measures in place to reduce risk and achieve compliance;
- Ensure competent professional advice is taken when necessary;
- Appoint a Chair and Vice Chair; and
- Review and approve the terms of reference of its committees and appoint members to those committees.

### **Organisational Management**

The sub committees of the Board and the Governors with special responsibilities are listed on the Legal and Administrative page. The Finance & General Purposes Committee is chaired by J M Hanson, and the Education and Pastoral Committee is chaired by F Grey. In addition to these committees: C L Bradbury has special responsibility for Safeguarding; J Boyd is the Governor Representative on the Staff Liaison Group and oversees Nominations; and O R Jonathan has responsibility for Strategic Risk. There is a Governors' Nominations committee and a Remuneration Committee, both of which draw on membership by Governors as required.

The key management personnel include the Governors, who are not paid, and members of the Whole School Senior Team who for the year are: The Head of Bedales School; the Bursar and Clerk to the Governors; Director of External Relations; the Head of Bedales Prep; and the Head of Bedales Pre-prep. The pay and remuneration of the key management personnel is considered, as required, by the Governors' Remuneration Committee in view of the market rates for each post and the performance of the individuals fulfilling the roles. The Committee considers recommendations from the Head.

### **Recruitment and Training of Governors**

A Governors' nominations committee has been set up to recommend and oversee the appointment of Governors. It meets when necessary to plan the future membership of Governors in light of likely retirements. The Governors have a wealth of experience and many have been professionally trained through their employers; it is vital that the Board of Governors as a whole covers the full spectrum of specialisms that are required to oversee the School and the appointment of new Governors is carefully managed to ensure that this requirement is met; there is a clear succession plan. Any training gaps are filled by making the most of opportunities provided by the Association of Governing Bodies of Independent Schools (AGBIS) and other organisations. The Governors receive an update on Safeguarding and Child Protection at each Board meeting and carried out a full annual review of Safeguarding at the June Board meeting. All Governors complete annual Safeguarding training and Governors appointed during the year complete an induction process which includes Safeguarding training.

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### PRIORITIES FOR THE YEAR

#### Strategic Goals 2023 - 2033

##### *Learning*

In our School environment where divergent and creative ways of thinking are encouraged, students develop a confident understanding of their own abilities, self interests and potential.

By mapping out the curriculum and ensuring a cohesive and seamless whole school learning journey, we aim to develop a dynamic and thriving learning pathway through Bedales Pre-prep, Prep and Senior where students are inspired through exceptional opportunities, intellectual challenge, and where a commitment to excellence in teaching is prioritised.

With further innovation planned for Bedales Assessed Courses in particular, Bedales will be at the forefront of the education reform movement in offering a broader curriculum and multi-modal assessment methods that encourage a more adaptable and creative response from students. Bedales is therefore enacting what a growing number of educationalists are calling for in terms of GCSE reform which takes inspiration from high-performing school systems globally, such as Singapore where the most able students bypass exams at 16 to just take A Levels at 18, freeing space to gain the benefits of a broader, more enriching education.

A specific focus on technological innovations and environmental considerations will ensure students are well prepared for the world they will go into post education. Over the next decade, we will also focus on enhancing performance spaces across the whole school, and further ensuring learning is informed by the 'real world' and outdoors to make the most of our inspiring estate.

##### *Living*

We will improve the quality of boarding provision, transitioning from single-sex to mixed boarding houses.

All members of the community will learn to coexist with empathy, understanding their place as individuals and in groups. A focus on values will help students develop authenticity, self-confidence and self-awareness, whilst maintaining meaningful contributions to our school and wider communities. 'Bedales Service' will become a weekly feature of Bedalian life for all students. We will encourage healthy choices, grounded in physical and outdoor activities, within an environment where students live confidently and happily in the digital age.

##### *Community*

Our School environment aims to encourage and foster diversity at every level, valuing difference as a strength, and supporting all students. A doubling of our provision for full bursaries will strengthen our social mission and contribution to the wider community.

We will build on our links with like-minded educators around the world to drive educational improvements through our advocacy and engagement at national and international levels. By mobilising the Bedales community in the widest sense, we will support our young people, helping them navigate their post-Bedales pathways.

We will celebrate the many Bedalian contributions to society, harnessing the power of the diverse and inspirational role models in our community.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### *Environment*

We are constantly striving to make the world around us more beautiful in every way. We will model a system-wide approach to active environmental responsibility. All members of our community will be involved in how we live, how our food is produced and how we ensure the environment is protected.

We will engage students in how we generate more of our own energy and how we manage the School estate in a sustainable way. A 'reduce, re-use, recycle' philosophy will be supported by more sustainable procurement. We will select suppliers and goods based on their sustainability credentials and carbon reporting, while using local suppliers wherever possible to reduce transport and support local businesses.

### **FINANCIAL INSTRUMENTS**

The Charity's principal financial instruments comprise bank balances, other debtors, other creditors and bank loans. The main purpose of these instruments is to finance the Charity's operations.

The nature of the financial instruments used by the Charity is such that their market value does not fluctuate as a result of changes in market prices. The Charity's approach to managing other risks applicable to the financial instruments concerned is shown on the next page.

The interest rate on bank loans is variable. The Governors regularly consider the potential impact of changes in interest rates and the actions that would need to be taken if any changes were likely to occur. The bank loans are secured by charges over some of the School's property and repayment terms are linked to those secured assets. Other debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding. Other creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due. The Governors also consider credit interest on cash balances and this is actively managed to secure interest.

### **STRATEGIC REPORT**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Governors to present a strategic report.

### **ACHIEVEMENTS AND PERFORMANCE**

Total pupil numbers at the three Bedales Schools continued to be strong: Bedales 471, Dunhurst 205 and Dunannie 96 (total pupils across the three Schools: 772). The School's discipline over costs and containment of fee increases has ensured that the School's finances are robust position which will help with the continuing uncertain challenges of the current economic and political climate.

Bedales students secured places at some of the most prestigious educational and artistic institutions following the publication of A Level results in Summer 2023. An impressive 84% of Bedales students, 26% of whom progressed from Bedales Prep, Dunhurst, secured places at their first-choice university.

Many of the cohort took up places at UK universities featured in the 2023 QS Top 100 World University Rankings, including courses in Philosophy & Italian at Christ Church, University of Oxford; English Literature at University College London (UCL); English Literature at the University of Edinburgh; and English Literature and French Studies at the University of Manchester. Other courses to be pursued by Bedalians at QS Top 100 universities include Business & Management, Chemistry, Economics & Accounting, International Social & Public Policy, Philosophy & Spanish and Psychology at the University of Bristol; Film & Television Studies and Geography at the University of Glasgow; Philosophy, Politics & Economics at Durham University; and Biology at the University of Sheffield.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

Bedales' strong reputation in the performing arts continued this year. In music, students received places for the prestigious Bachelor of Music with Honours in Popular Music course at the Royal Northern College of Music (RNCM); Music Production & Sound Engineering at Falmouth University; Popular Music at Goldsmiths, University of London; and Popular Music Performance at the Institute of Contemporary Music Performance. In drama, students took up places in Acting & Performance London South Bank University and Professional Theatre at the École Internationale de Théâtre Jacques Lecoq, Avignon.

A number of students have opted to continue their art and design education. Many will pursue Art Foundation courses at Central Saint Martins, Camberwell and Kingston, whilst others are set to study courses including Fine Art at the University of Leeds; History of Art at the University of York; Fashion Design & Development at the University of the Arts London; Jewellery & Silversmithing at the University for the Creative Arts; and Product Design Engineering at Loughborough University.

At GCSE and Bedales Assessed Course (BAC) level, eight students achieved a clean sweep of at least nine grades 9/8 (equivalent to A\*), and a further 13 students achieved at least nine grades 9-7 (equivalent to A\*-A); of these students, 12 attended Bedales Prep prior to progressing to Bedales Senior. As a cohort, the grades are very much in line with their predecessors in 2019, demonstrating how they have bounced back in the face of considerable challenges over the past two years.

Bedales' unique curriculum means that students take a combination of the School's own BACs combined with I/GCSEs in five core subjects. Introduced in 2006, BACs are well established, and involve a broader range of content, choice and assessment methods than the traditional GCSE, enabling students to pursue their interests and talents. BACs benefit from annual external validation by experienced moderators and are recognised as a qualification by universities.

### **SUPPORTING OTHERS**

Bedales has a long history of supporting others in need, including refugees, whether it be the School's partnership with the Rural Refugee Network (RRN) charity, offering places to Syrian refugees on fully funded bursaries through their GCSEs and A Levels or, further back, when Bedales welcomed an influx of Jewish students escaping Germany in the 1930s.

To broaden the School's ability to offer bursary support and to further supplement the support provided by the Bedales Grants Trust Fund ("BGTF"), which was founded in 1929, Bedales established the John Badley Foundation ("JBF") in 2010 to change the lives of individuals who face disadvantage by providing a stable and inspiring education at Bedales Senior and Bedales Prep. By offering fully funded bursaries to children who could not otherwise have been able to consider an independent school education, the trajectories of these young people are being radically transformed. The JBF has been supporting children who have found themselves in difficult circumstances in their homes or school. The 30+ students who have received JBF support have included refugees fleeing war, as well as students from the UK. The School also offers a free 'community' place for a child to attend the Nursery at Bedales Pre-prep.

### **Fee Support 2022-23**

Each year the School allocates a proportion of its gross fee income for bursary support. In addition to this, the BGTF and JBF provide financial support for bursaries and the long-term aim is to increase this total bursary support and continue to widen access to the school. The School also works with other charities to reach those in need, including Royal Springboard and Buttle UK. Below is a summary of the support provided in 2022-23:

Bursary Support £1.94m  
Bursary support as % of gross fee income 8.32%  
Exhibition and scholarship support £0.10m  
Total fee support as % of gross fee income 8.75%  
Number of pupils benefitting from fee support 110 (up from 104 in 2021-22), of which 26 had support of over 75%

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2023***

---

With the JBF established, the School community has been well placed to continue supporting families from Ukraine in 2022/23 with eight students spread across Bedales Prep and Senior, housed with local families or boarding.

Supporting others is at the heart of the Bedales curriculum. Global Awareness (GA) is taught as a distinct subject across the whole School, from Pre-prep to Senior, culminating in Bedales' most popular Bedales Assessed Course (BAC) and Global Perspectives Sixth Form course. The focus of GA is twofold – equipping students with critical 21st century skills and providing them with a unique insight into global issues. Activism and community service are at the heart of the BAC – students are led to becoming social entrepreneurs through groundbreaking project work which requires them to make an actual change, be that within our own community, nationally or globally. GA students regularly lead assemblies and discussions, teach lessons in Bedales Prep and Pre-prep, as well as other local schools and are responsible for organising major fundraising and community events. An enrichment course in Social Entrepreneurship and Innovation for the Sixth Form aims to continue and expand these efforts further in the coming years.

Bedales Senior, Prep and Pre-prep run a number of fundraising events and activities throughout the year. For example, Bedales Prep and Pre-prep collected and delivered donations to the Petersfield Food Bank as part of Harvest Festival and senior school pupils raised over £12,000 for the FitzRoy autism charity (see case study).

### **CASE STUDY - SPOTLIGHT ON BEDALES' PARTNERSHIP WITH FITZROY**

Each term Bedales students come off timetable for a community day named after figures in the school's history. Previously, there has been support for local charities, work in the community, assisting local primary schools with landscaping projects, and also working to improve the Bedales School estate itself.

The main event for the community 'Badley day' (named after the school's co-founder) on 21 September 2022 was designed to show what can be achieved from a collective effort and endeavour when the school community comes together to support a cause; to fundraise significant funds for a learning disabilities charity; to create educational opportunities to learn more about neuro-diversity; to create a challenging but achievable physical challenge for students; and to foster teamworking amongst students and staff.

Events on the day included:

- Talks on learning disabilities and the work of the FitzRoy charity – Staff from FitzRoy gave a talk to students about their valuable work in supporting people with learning disabilities and autism. In particular, they highlighted their Love4life initiative which gives their members opportunities to make friends, socialise together and even find love;
- Assembly from a parent who movingly described bringing up a child with severe mental and physical disabilities;
- 'Footsteps for FitzRoy' fundraising walk - Bedales students walked a 13 km circuit in the area surrounding the school which is nestled in the South Downs National Park. Students walked in tutor groups. Each tutor group had its own fundraising page which created some healthy competition to be top fundraisers.

In total, 400 students and 50 staff walked 5,000+ kms in one day, raising £12,300 for the FitzRoy learning disabilities and autism charity.

Marianne Radcliffe, Director of Transformation, FitzRoy commented:

"We very much enjoyed working with Bedales students and staff in this 60th anniversary year of FitzRoy. 'Footsteps for FitzRoy' was an incredible challenge and Bedales' fantastic fundraising efforts will help us support people with learning disabilities enabling them to live the lives that they choose. Thank you so much to the school community for your support."

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2023***

---

### **Sharing facilities**

The programme of Bedales Events invites local people and schools to Bedales for poetry, music, drama, dance and more.

The school has partnerships with local state schools, groups and initiatives, and every opportunity is taken to share our facilities for wider benefit. This year, local organisations have benefitted from highly subsidised or free use of Bedales resources, including:

- Steep Primary School for weekly swimming classes
- Bohunt School – for its annual summer production in the Bedales Theatre
- Hosting curriculum ‘taster’ events at Bedales Senior and Prep Schools for local primary school children
- Free use of school minibuses for local primary schools and charities to access activities
- Rosemary Foundation hospice charity – hosting a fundraiser in the Dining Hall
- Petersfield Youth Theatre – Summer camps, workshops and main Quad for production
- Steep Village – hosting of annual Flower Show; prep pupils also played music for the local residents’ ‘Welcome Club’ in the village hall

### **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The financial performance of Bedales School was good and after the difficult COVID years there is clear evidence of recovery with strong fee income and tight management of costs enabling a healthy level of reinvestment in the fabric of the School to ensure that it is maintained and improved in line with strategic plans.

There has been a change in focus to ensure that reinvestment relies less on loans and debt levels therefore remain relatively low. Current debt has been renegotiated over a longer period and a RCF introduced and this has reduced repayments considerably and resulted in more funds being available for reinvestment in each financial year.

The net income for the year amounted to £867,822 (2022: £648,328). Additions to fixed assets during the year are outlined in note 13 of the accounts. These amounted to £2,037,740 (2022: £2,021,556) and consisted mainly of refurbishing the covered way and the assembly hall, replacing the roof and windows of the music block, replacing the windows of the girls boarding house and refurbishing the science labs.

A total of £2,047,335 was provided in the form of means tested bursaries, scholarships and free music lessons; this total included grants from the Bedales Grants Trust Fund, the John Badley Foundation, Rank Foundation and Royal National Children’s Springboard Foundation. As a total the bursary support represents 8% of gross fee income.

### **Policy on reserves**

The School’s assets are sufficient to meet its obligations and are all held for use by the School. The unrestricted School funds are being held to finance current and future capital projects.

At 31 August 2023, the total funds of the School were £25,584,994 (2022: £24,565,510). Of these £38,825 (2022: £38,300) are restricted funds. Of the remaining reserves, £32,538,687 (2022: £32,163,490) is represented by tangible fixed assets. Therefore, the School has currently allocated all of its free reserves, supplemented by borrowings, on fixed assets.

The School has a 10 year plan which sets out its expected expenditure on fixed assets which will continue to improve the facilities of the School. This plan is managed in detail over the first 5 years with expenditure approved by the Board for the first 2 years.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2023***

---

The School believes that it is able to operate without free reserves and wishes to continue upgrading the facilities of the School through steady surpluses supplemented by borrowings.

Total unrestricted funds include a funding deficit of £Nil (2022: Nil) calculated under FRS 102 in respect of the Schools defined benefit pension scheme for support staff (see note 20 for more information). The Governors believe that this notional funding calculation, which can vary between surplus and deficit according to the assumptions made at the year end, does not have a significant effect on the School's cash flow in the short term and that in the longer term its effects are sustainable out of future income.

The reserves policy of the School is reviewed on an annual basis by the Governors.

### **Fundraising**

In 2022/23 the focus was fundraising for full bursary support via The John Badley Foundation (JBF). The long-term aim is to raise sufficient donor income to build an endowment fund whilst also providing direct bursary support from donations. The School's Head of Development works with colleagues and volunteer parents and alumni to create and manage the fundraising programme, which overall in 2022/23 raised £265,395 of which £231,486 was for full bursary and other support to the School via the JBF. An additional £5,937 was raised for the Bedales Grants Trust Fund, and £27,972 for general School improvements.

As part of the JBF, the School launched a new Emergency Refugee Fund in 2022 to support Ukrainians and others fleeing war and persecution. Fundraising for this initiative continued in 2022/23 with an additional £15,464 which included a trail run fundraiser by students, parents and alumni. This enabled eight Ukrainian pupils to attend Bedales Prep and Bedales Senior.

The School is very appreciative of members of the wider School community for their generous support of its fundraising activities which included live events and individual approaches. Donors choose a variety of ways to support the School, such as through single donations, purchasing merchandise, offering raffle prizes, regular donations, donating works of art, and making legacy commitments.

There were no complaints received during the year relating to the School's fundraising activities. The School has robust policies in place regarding vulnerable people and treating donors fairly.

### **STRATEGIC RISK**

The governing body is responsible for the identification and management of risks. The major risks to which the School is exposed, as identified by the Governors, have been reviewed and systems and procedures established to manage those risks. Detailed examination of the risks and establishment of controls to mitigate them is delegated to the Whole School Senior Team and the process is overseen by the lead Governor for Strategic Risk in close liaison with the Finance & General Purposes Committee on behalf of the governing body. A formal review of the risk management processes is undertaken annually at the March Board meeting. The focus is primarily on where risk is either increasing or decreasing and this then allows for the direction of resources, accordingly.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

The principal risks to which the School is exposed include those affecting protection of pupils and the security and preservation of charitable assets both now and in the future. Significant risk areas are:

### **- The Political and Economic Environment:**

The Board of Governors regularly considers the political environment and how this impacts on the School and how to best prepare for challenges that may come about through changes. The potential threat to independent schools from any changes in government policies surrounding charities and in particular fee charging schools remains, especially with the Labour Party being clear that it would add 20% VAT to school fees. This represents a significant threat to the sector and one that could result in a significant drop in pupil numbers but a corresponding and equally significant additional and over capacity demand for maintained sector schools. There would also be a significant threat to staff employed by schools as many would have to look to make cost savings to be able to survive. Economic growth has been sluggish over the last few years and this impacts on parents' ability to choose an independent school education for their children. The School is however well-prepared and is focussing on offering a high quality and different learning experience to the children in all three schools as recognised in the recent ISI Inspection report. Political and economic risks are outside of the control of the Governors, but the possible impact of these is considered to be significant and is regularly by the Governors and any possible mitigation taken by the School.

### **- Competitive Market**

The market in which the School operates is highly competitive and developments in education are monitored to ensure that pupils always receive an excellent, holistic, and varied educational experience in the School. Bedales sets out to be different, as recognised in the recent ISI Inspection and preserving this difference is vital to its continuing success. The ten-year strategy seeks to reinforce this difference. Maintenance of strong pupil numbers in all three Schools is imperative and a strong and target focussed External Relations team market the School effectively. The pupil roll for 2023/24 is higher than it has ever been and the forecast for 2024/25 is that the School will be at a similarly high roll number.

### **- Safe Environment**

The School strives to ensure that all staff and pupils are able to work in a safe and supportive environment. Being able to operate a safe School is essential and all possible measures are taken to keep staff and pupils safe. Active monitoring of pupil wellbeing and welfare is undertaken by the pastoral care and Designated Safeguarding Lead team. Safeguarding procedures are tightly managed with clear policies and procedures in place supplemented by appropriate training for staff and strong safer recruitment practices.

Appropriate employment policies and procedures are in place under the management of the Bursar and the Human Resources team. Health and Safety procedures are clear and under regular review by the Health and Safety Manager and the Health and Safety Strategy and Policy Committee chaired by the Head of Bedales Schools. There are separate Health and Safety committees for: Bedales; the Support Staff; and one covering Dunhurst and Dunannie.

### **- Compliance**

The School operates in a highly regulated sector and the Whole School Senior Team ensures that the School is up to date with legal and regulatory requirements. School or individual membership of bodies, being either the constituent associations of the Independent Schools Council or other professional bodies, also ensure access to up-to-date information and support.

### **- Legal & Financial**

The School operates in an increasingly litigious environment and appoints appropriate professional advisors and purchases insurance using specialist brokers and advisors so that we can address requirements and meet potential challenges.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2023***

---

Key controls used by the School to help mitigate risk and uncertainties include:

- formal agendas and minutes for all meetings of the governing body and committees;
- terms of reference for all committees;
- comprehensive strategic planning, financial forecasting, budgeting and management accounting;
- established and identifiable organisational structures and reporting lines which are regularly reviewed;
- comprehensive formal written policies;
- clear authorisation limits and anti-fraud measures;
- vetting procedures, as required by law, for protection of the vulnerable;
- comprehensive crisis management procedures involving Governors right from the outset; and
- legal and specialist advice.

The School plans strategically; having regard for risk. The Whole School Senior Team provide the governing body with regular reports which include details of principal strategic objectives and the activity being undertaken to achieve those objectives. The School also records significant achievements and updates the governing body on short-term plans.

### **EMPLOYMENT POLICY**

#### **An Employer of Choice**

Bedales is first and foremost a community and as such the staff are central to this; it is vital that there is a sense of belonging in our staff and that they feel valued for their contribution. Working for Bedales should bring pleasure and a sense of purpose, built on strong friendships and a shared belief in learning and developing one's talents. The experiences that we want the pupils to have when at Bedales translates directly to the experiences that we want the staff of the School to have as they spend time in our community. Above all, we believe in the Work of Each for the Weal of All as we educate children Head, Hand and Heart.

#### **Equality, Diversity and Inclusion**

The School is an equal opportunity employer and is determined to ensure that no applicant or employee receives less favourable treatment on the grounds of race, gender, age, disability, religion, belief, sexual orientation, marital status, or is disadvantaged by conditions or requirements which cannot be shown to be justifiable. Each year, we publish our Gender Pay Gap report.

#### **Consultation and Employee Voice**

Consultation with staff is central to the Bedales ethos as a community and the School aims to take the views of its employees into account when decisions are made that are likely to affect their interests. The Staff Liaison Group is our body of elected representatives and provides a route for consultation and for employee voice direct to senior management and Governors through the Governor representative on the Group.

The staff of the School are made aware of the financial performance of the School and are able to talk to the Bursar about this performance at any time. The work undertaken in 2022/23 to redefine the vision and strategy for the School for the next 10 years involved consultation groups and a wide range of the School's staff. Every member of staff has the opportunity to contribute to thinking about the future of the School.

The School encourages a questioning staff body and provides as many routes as possible for this. The staff have the opportunity to contribute in surveys and their feedback is welcomed and can help shape the School. There are opportunities for staff to suggest improvements and their help in finding better ways to meet requirements or find efficiencies is actively encouraged.

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### SUSTAINABILITY AND CARBON REPORTING

The School is committed to reducing the impact that its operation has on the environment and takes this responsibility very seriously. The School engaged the Carbon Trust to help in this work by identifying the emissions for the School in terms of tCO<sub>2</sub>e for the Scopes 1 and 2 to provide a baseline from which to work and monitor progress towards achieve our aim of reaching Net Zero by 2045. We now calculate this each year ourselves using the relevant conversion factors

To inform our work and enable us to plan for changes, FY18/19 is used as the baseline for our data and for tracking our progress.

Our emissions baseline data is as follows:

|                                                                           | Baseline Year (18/19) |         | 2022/23            |
|---------------------------------------------------------------------------|-----------------------|---------|--------------------|
|                                                                           | tCO <sub>2</sub> e    |         | tCO <sub>2</sub> e |
| Scope 1                                                                   | 1,425                 | Scope 1 | 1,178              |
| Scope 2                                                                   | 490                   | Scope 2 | 129                |
| TOTAL                                                                     | 1,915                 | TOTAL   | 1,308              |
| Intensity ratio<br>(Scope 1 and 2 emissions per pupil or member of staff) | 1.71                  |         | 1.13               |

### Meeting our Sustainability Objectives

The School purchases all electricity from certified 100% renewable sources. We will continue to seek to both reduce electricity consumption, but also to increase generation opportunities through Solar PVs and other possible technologies. Our Scope 1 emissions are those that we wish to reduce as a priority, but we are making good progress by using less and moving away from oil where we can; our intensity ratio has been reduced by 0.19 over that in 2021/22. It will take time and financial resources and available technology to reach our goals. Bedales is set in a remote location and one that is not supplied by natural gas. All heating is therefore provided using oil and LPG.

We developed plans to replace all heating for the main School buildings that use oil or LPG with ground source heat pumps, but these plans were cancelled owing to their feasibility and the financial cost. Our priority is to improve the thermal efficiency of our buildings to enable other forms of heating in the longer term. This will mean replacing windows and installing further insulation and this work is underway with many improvements made during the year and further planned in 2023/24 and beyond. We will further our work to change lighting to LEDs (something that we started many years ago) and we will continue to drive to reduce energy consumption wherever we can. All building refurbishments will be to the latest building regulation standards as a minimum and the completion of our Assembly Hall as a refurbishment and extension of an old and inefficient building will make a significant further difference.

Our long term aim is to reach carbon net zero including Scope 3 emissions by 2045, but the first target will be to achieve net zero under scopes 1 and 2 and, in partnership with all members of our community and those who engage with the School, we are confident that this can be achieved.

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### **Statement of Governing body responsibilities**

The Governors, who are also the directors of Bedales School for the purpose of company law and the Trustees for the purpose of Charity law, are responsible for preparing the Governing Body Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

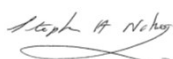
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume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

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Disclosure of information to auditor**

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Governing body report, including the strategic report, was approved by the Board of Governors.



**S A Nokes (Chair)**

Dated: 1st December 2023

# BEDALES SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF BEDALES SCHOOL

---

### Opinion

We have audited the financial statements of Bedales School (the 'Charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 FRS 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 Charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, 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 Charity in accordance with the ethical requirements that are relevant to our audit of 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 Governing body'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 Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 course of 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.

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

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

- the information given in the financial statements is inconsistent in any material respect with the Governing body report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# **BEDALES SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF BEDALES SCHOOL**

---

### **Responsibilities of Governors**

As explained more fully in the statement of Governing body responsibilities, the Governors, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under Chapter 3 of Part 16 of the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **BEDALES SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF BEDALES SCHOOL**

---

### **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 design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Charity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the Charity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the Charity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the Charity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### **Use of our report**

This report is made solely to the Charity's Governors, 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 Charity's Governors those matters we are required to state to them in an auditors' 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 Charity and the Charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

**Alex Temlett CA ACA CTA (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services Limited**

**Chartered Accountants**  
**Statutory Auditor**

.....  
Azets Audit Services Limited  
Ashcombe Court  
Godalming  
Surrey  
United Kingdom  
GU7 1LQ

# BEDALES SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

|                                                                                     |       | Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total             |
|-------------------------------------------------------------------------------------|-------|-----------------------|--------------------|---------------------|-----------------------------|--------------------|---------------------|-------------------|
|                                                                                     |       | 2023                  | 2023               | 2023                | 2023                        | 2022               | 2022                | 2022              |
|                                                                                     | Notes | £                     | £                  | £                   | £                           | £                  | £                   | £                 |
| <b><u>Income and endowments from:</u></b>                                           |       |                       |                    |                     |                             |                    |                     |                   |
| Donations and legacies                                                              | 3     | -                     | -                  | -                   | -                           | -                  | 5,000               | 5,000             |
| Income from charitable activities                                                   | 4     | 21,996,009            | -                  | -                   | 21,996,009                  | 20,184,322         | -                   | 20,184,322        |
| Other income                                                                        | 5     | 389,766               | -                  | -                   | 389,766                     | 286,355            | -                   | 286,355           |
| <b>Total income</b>                                                                 |       | <b>22,385,775</b>     | <b>-</b>           | <b>-</b>            | <b>22,385,775</b>           | <b>20,470,677</b>  | <b>5,000</b>        | <b>20,475,677</b> |
| <b><u>Expenditure on:</u></b>                                                       |       |                       |                    |                     |                             |                    |                     |                   |
| Expenditure on charitable activities                                                | 6     | 20,988,855            | 168,000            | 15                  | 21,156,870                  | 19,569,501         | 54,000              | 19,623,751        |
| Other Expenditure                                                                   | 11    | 377,421               | -                  | -                   | 377,421                     | 203,598            | -                   | 203,598           |
| <b>Total resources expended</b>                                                     |       | <b>21,366,276</b>     | <b>168,000</b>     | <b>15</b>           | <b>21,534,291</b>           | <b>19,773,099</b>  | <b>54,000</b>       | <b>19,827,349</b> |
| <b>Net income/(expenditure) for the year/<br/>Net incoming/(outgoing) resources</b> |       | <b>1,019,499</b>      | <b>(168,000)</b>   | <b>(15)</b>         | <b>851,484</b>              | <b>697,578</b>     | <b>(54,000)</b>     | <b>648,328</b>    |

# BEDALES SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 AUGUST 2023**

|                                                                                     | Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total             |
|-------------------------------------------------------------------------------------|-----------------------|--------------------|---------------------|-----------------------------|--------------------|---------------------|-------------------|
|                                                                                     | 2023<br>£             | 2023<br>£          | 2023<br>£           | 2023<br>£                   | 2022<br>£          | 2022<br>£           | 2022<br>£         |
| <b>Net income/(expenditure) for the year/<br/>Net incoming/(outgoing) resources</b> | 1,019,499             | (168,000)          | (15)                | 851,484                     | 697,578            | (54,000)            | 648,328           |
| <b>Other recognised gains and losses</b>                                            |                       |                    |                     |                             |                    |                     |                   |
| Actuarial gain on defined benefit pension schemes                                   | -                     | 168,000            | -                   | 168,000                     | -                  | 2,809,000           | 2,809,000         |
| <b>Net movement in funds</b>                                                        | 1,019,499             | -                  | (15)                | 1,019,484                   | 697,578            | 2,755,000           | 3,457,328         |
| Fund balances at 1 September 2022                                                   | 24,527,210            | -                  | 38,300              | 24,565,510                  | 23,829,632         | (2,755,000)         | 21,108,182        |
| <b>Fund balances at 31 August 2023</b>                                              | <u>25,546,709</u>     | <u>-</u>           | <u>38,285</u>       | <u>25,584,994</u>           | <u>24,527,210</u>  | <u>-</u>            | <u>24,565,510</u> |

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

All income and expenditure derive from continuing activities.

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

The funds breakdowns for the current and comparative period are shown in notes 23 and 24.

# BEDALES SCHOOL

## BALANCE SHEET

AS AT 31 AUGUST 2023

|                                                                | Notes | 2023<br>£        | £                 | 2022<br>£        | £                  |
|----------------------------------------------------------------|-------|------------------|-------------------|------------------|--------------------|
| <b>Fixed assets</b>                                            |       |                  |                   |                  |                    |
| Tangible assets                                                | 12    | 32,538,687       |                   | 32,163,490       |                    |
| Investments                                                    | 13    |                  | 2                 |                  | 2                  |
|                                                                |       |                  | <u>32,538,689</u> |                  | <u>32,163,492</u>  |
| <b>Current assets</b>                                          |       |                  |                   |                  |                    |
| Stocks                                                         | 15    | 23,311           |                   | 18,403           |                    |
| Debtors                                                        | 16    | 6,115,340        |                   | 5,395,388        |                    |
| Cash at bank and in hand                                       |       | 3,608,826        |                   | 3,694,290        |                    |
|                                                                |       | <u>9,747,477</u> |                   | <u>9,108,081</u> |                    |
| <b>Creditors: amounts falling due within one year</b>          | 18    | (10,734,739)     |                   | (11,067,863)     |                    |
| Net current liabilities                                        |       |                  | <u>(987,262)</u>  |                  | <u>(1,959,782)</u> |
| <b>Total assets less current liabilities</b>                   |       |                  | 31,551,427        |                  | 30,203,710         |
| <b>Creditors: amounts falling due after more than one year</b> | 19    |                  | (5,966,433)       |                  | (5,638,200)        |
| <b>Net assets excluding pension deficit</b>                    |       |                  | <u>25,584,994</u> |                  | <u>24,565,510</u>  |
| <b>Net assets excluding pension deficit</b>                    |       |                  | <u>25,584,994</u> |                  | <u>24,565,510</u>  |
| <b>Income funds</b>                                            |       |                  |                   |                  |                    |
| Restricted funds                                               | 25    |                  | 38,285            |                  | 38,300             |
| <u>Unrestricted funds</u>                                      |       |                  |                   |                  |                    |
| General                                                        | 24    | 25,546,709       |                   | 24,527,210       |                    |
|                                                                |       |                  | <u>25,546,709</u> |                  | <u>24,527,210</u>  |
|                                                                |       |                  | <u>25,584,994</u> |                  | <u>24,565,510</u>  |

The financial statements were approved by the Governors, and authorised for issue, on 1st December 2023 and signed on their behalf by:



S A Nokes (Chair)  
Chairman

Company Registration No. 00276785

# BEDALES SCHOOL

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

|                                                       | Notes | 2023<br>£   | £           | 2022<br>£   | £           |
|-------------------------------------------------------|-------|-------------|-------------|-------------|-------------|
| <b>Cash flows from operating activities</b>           |       |             |             |             |             |
| Cash generated from operations                        | 22    |             | 3,439,048   |             | 2,615,198   |
| <b>Investing activities</b>                           |       |             |             |             |             |
| Purchase of tangible fixed assets                     |       | (2,037,740) |             | (2,021,556) |             |
| Proceeds on disposal of tangible fixed assets         |       | -           |             | 15,667      |             |
| Interest receivable                                   |       | 23,366      |             | 26,878      |             |
| Interest payable                                      |       | (275,804)   |             | (187,794)   |             |
| Net cash used in investing activities                 |       |             | (2,290,178) |             | (2,166,805) |
| <b>Financing activities</b>                           |       |             |             |             |             |
| Repayment of bank loans                               |       | (187,334)   |             | (754,667)   |             |
| Net cash used in financing activities                 |       |             | (187,334)   |             | (754,667)   |
| Net increase/(decrease) in cash and cash equivalents  |       |             | 961,536     |             | (306,274)   |
| <b>Cash and cash equivalents at beginning of year</b> |       |             | 3,694,290   |             | 4,000,564   |
| <b>Cash and cash equivalents at end of year</b>       |       |             | 3,608,826   |             | 3,694,290   |

---

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

### 1 Accounting policies

#### Summary of significant accounting policies and key accounting estimate

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

#### Statement of compliance

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

#### 1.1 Accounting convention

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

#### 1.2 Consolidated accounts exemption

The charity has taken advantage of the exemption under section 402 and 405 of the Companies Act 2006 to exclude the results of its subsidiary, Bedales Services Limited, from these financial statements on the basis that the subsidiary's results are immaterial for the purposes of these financial statements.

#### 1.3 Going concern

The Governors consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the Charity. The Board has paid particular attention to the ongoing effects of the current UK and global economic uncertainty and inflationary pressures and remains confident that sufficient funding is in place and there are adequate resources to service its liabilities as they fall due.

#### 1.4 Income and endowments

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

#### 1.5 Fees

Fees receivable are accounted for in the period in which the service is provided and are stated after deducting allowances, scholarships and other remissions allowed by the School, but include contributions received from bursaries and other trusts.

#### 1.6 Donations

Donations receivable for the general purposes of the School are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds.

#### 1.7 Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

### 1 Accounting policies

(Continued)

#### 1.8 Rent receivable and interest receivable

Rent receivable, bank and other interest are accounted for as they accrue and over the period to which they relate.

#### 1.9 Expenditure

Resources expended are accounted for on an accruals basis. Expenditure is allocated to expense headings on a direct basis except for:

- Depreciation on buildings which is apportioned according to area taken up and central costs which are apportioned on the basis of the Governors' estimate of time spent on the relevant functions; and

- Support costs not directly attributable to particular functional activity categories, which are apportioned over the relevant categories on the basis of the Governors' estimates of the amounts attributable to that activity in the period, either by reference to staff time or space occupied, as appropriate.

The irrecoverable element of VAT is included within the item of expense to which it relates, as far as is practicable, or otherwise under the most appropriate heading.

Governance costs are included in support costs and comprise the costs of running the School, including strategic planning for its future development, auditors' remuneration, certain legal costs and all costs of complying with constitutional and statutory requirements, such as Board meetings and preparing statutory financial statements.

Payments in relation to the termination of employment are recognised when the relevant decision-making process has been completed and communicated to all affected parties.

Costs incurred in trading activities that raise funds are classified separately.

#### 1.10 Tangible fixed assets

Tangible fixed assets are included at cost. Expenditure on items of furniture, equipment and computer equipment since 1 September 1973 is written down to nil over three periods on the basis of 33 1/3% per annum straight line. Major catering equipment and furniture is written down to nil over 15 years. Small items of expenditure and short life assets are charged direct to revenue.

Depreciation is provided on tangible fixed assets (charged the month after purchase) so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

|                       |                                |
|-----------------------|--------------------------------|
| Buildings             | 2-10% per annum straight line  |
| Fixtures and fittings | 6.67% per annum straight line  |
| IT Equipment          | 6.67-25% straight line         |
| Motor vehicles        | 10-25% straight line           |
| Equipment             | 10-20% per annum straight line |

Freehold land and assets in the course of construction are not depreciated.

The anticipated average life of buildings is estimated by reference to 1 September 1981 (date of commencement of depreciation policy) or date of expenditure since that date.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

### 1 Accounting policies

(Continued)

#### 1.11 Taxation

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

#### 1.12 Leased assets

Where assets are financed by leasing arrangements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation of the relevant assets is charged to the Statement of Financial Activities.

#### 1.13 Lease payments

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the Statement of Financial Activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital portion reduces the amounts payable to the lessor. All other leases are treated as operating leases. The annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

#### 1.14 Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

#### 1.15 Debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### 1.16 Cash and cash equivalents

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

#### 1.17 Creditors

Short term creditors are recognised initially at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transactions costs, and are subsequently measured at amortised cost using the effective interest method.

#### 1.18 Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

### 1 Accounting policies

(Continued)

#### 1.19 Pension costs

The School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the Governors by the Scheme Administrator. For the purposes of complying with the relevant accounting standards, the Teachers' Pension Scheme is accounted for as a defined contribution scheme, in accordance with FRS 102, as the School is not responsible for or entitled to receive benefit for any surplus or deficit on the scheme. Contributions are charged to the Statement of Financial Activities in the period which they become payable.

The School also operates a Group Personal Pension Plan for the support staff which is a defined contribution scheme and contributions are accounted for as a charge to the Statement of Financial Activities in the period to which they relate.

The School also contributes to a defined benefit pension scheme for support staff. The scheme is no longer open to new staff. Rates are set by the scheme actuary and advised to the School by the scheme administrator. This scheme is accounted for in accordance with FRS 102: Retirement Benefits, with the annually calculated notional surplus (to the extent that the School is expected to benefit through future reductions in contributions or refunds) or deficit on the funding of the scheme shown as a designated fund entitled "Pension Reserve", which is deducted from unrestricted funds on the balance sheet. Current service costs, curtailments, settlement gains and losses, net financial returns and actuarial gains and losses are included in the Statement of Financial Activities in the period to which they relate.

Changes in the assets and liabilities of the scheme in the period are disclosed and allocated as follows:

Changes relating to current or past service costs and gains and losses on settlements and curtailments, and pension finance costs arising from changes in the net of the interest costs and expected return on assets, are allocated to the relevant activity heading based on staff costs of employees within the scheme. Pension finance income arising from similar changes is recognised as an incoming resource. Actuarial gains and losses arising are recognised as other recognised gains and losses. The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation.

Details of the scheme assets and liabilities, and major assumptions are shown in note 20.

#### 1.20 Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

#### 1.21 Fund structure

Unrestricted funds are those available to further the School's charitable objectives at the discretion of the Governors

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the Governors.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions

#### 1.22 Financial instruments

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the instrument is measured at the present value of the future receipts discounted at a market rate of interest.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the instrument is measured at the present value of the future receipts discounted at a market rate of interest.

### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key areas subject to judgement and estimation are as follows:

#### Pension scheme accounting

Judgement is applied when selecting the assumptions forming the basis of the School's defined benefit pension scheme valuation.

#### Fixed asset depreciation

Judgement is applied when assigning anticipated average lives to the fixed assets of the School.

#### Bad debt provision

Judgement is applied when assessing the expected amounts to be received from outstanding term fees, each individual debtor balance is reviewed and a provision is recognised based on a considered expectation of the proportion of the debt that may not be recovered.

### 3 Donations and legacies

|                     | Total | Restricted funds |
|---------------------|-------|------------------|
|                     | 2023  | 2022             |
|                     | £     | £                |
| Legacies receivable | -     | 5,000            |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Income from charitable activities

|                                                                 | Unrestricted funds<br>2023<br>£ | Unrestricted funds<br>2022<br>£ |
|-----------------------------------------------------------------|---------------------------------|---------------------------------|
| Gross fees                                                      | 23,384,778                      | 21,531,026                      |
| Extra lessons income                                            | 1,038,987                       | 833,644                         |
| Registration fees                                               | 58,994                          | 65,544                          |
| The John Badley Foundation bursaries                            | 301,628                         | 137,278                         |
| Bedales Grant Trust Fund bursaries                              | 254,442                         | 272,778                         |
| Less: Total scholarships, bursaries, other remissions and costs | (3,042,820)                     | (2,655,948)                     |
|                                                                 | <u>21,996,009</u>               | <u>20,184,322</u>               |

### 5 Other income

|                                               | Unrestricted funds<br>2023<br>£ | Unrestricted funds<br>2022<br>£ |
|-----------------------------------------------|---------------------------------|---------------------------------|
| Net gain on disposal of tangible fixed assets | -                               | 15,667                          |
| Other income                                  | 232                             | 5,223                           |
| Interest receivable                           | 23,366                          | 26,878                          |
| Rental income                                 | 366,168                         | 238,587                         |
|                                               | <u>389,766</u>                  | <u>286,355</u>                  |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

### 6 Expenditure on charitable activities

|                                                    | Unrestricted<br>funds<br>2023<br>£ | Pension<br>reserve<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>2022<br>£ | Pension<br>reserve<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ |
|----------------------------------------------------|------------------------------------|---------------------------------|----------------------------------|--------------------|------------------------------------|---------------------------------|----------------------------------|--------------------|
| Teaching costs                                     | 14,438,420                         | -                               | -                                | 14,438,420         | 13,439,448                         | -                               | 250                              | 13,439,698         |
| Depreciation, amortisation and other similar costs | 1,662,543                          | -                               | -                                | 1,662,543          | 1,628,757                          | -                               | -                                | 1,628,757          |
| Premises                                           | 3,413,819                          | -                               | -                                | 3,413,819          | 3,076,426                          | -                               | -                                | 3,076,426          |
| Support costs                                      | 1,371,348                          | 168,000                         | 15                               | 1,539,363          | 1,343,919                          | 54,000                          | -                                | 1,397,919          |
| Welfare                                            | 102,725                            | -                               | -                                | 102,725            | 80,951                             | -                               | -                                | 80,951             |
|                                                    | 20,988,855                         | 168,000                         | 15                               | 21,156,870         | 19,569,501                         | 54,000                          | 250                              | 19,623,751         |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 7 Analysis of support costs

#### Support costs allocated to charitable activities

|                        | Printing,<br>postage and<br>stationery | Marketing and<br>communications | Information<br>technology | Staff costs | Professional<br>fees |
|------------------------|----------------------------------------|---------------------------------|---------------------------|-------------|----------------------|
|                        | £                                      | £                               | £                         | £           | £                    |
| School operating costs | 104,308                                | 196,478                         | 273,468                   | 145,549     | 92,098               |
|                        |                                        |                                 |                           |             |                      |
|                        | <b>Premises costs</b>                  | <b>Other support<br/>costs</b>  | <b>Total 2023</b>         |             |                      |
|                        | £                                      | £                               | £                         |             |                      |
| School operating costs | 456,883                                | 102,564                         | 1,371,348                 |             |                      |

### 8 Net movement in funds

**2023**  
£

**2022**  
£

Net movement in funds is stated after charging/(crediting)

|                                                                                           |           |             |
|-------------------------------------------------------------------------------------------|-----------|-------------|
| Fees payable to the company's auditor for the audit of the company's financial statements | 28,550    | 26,940      |
| Depreciation of owned tangible fixed assets                                               | 1,662,543 | 1,628,757   |
| Loss/(profit) on disposal of tangible fixed assets                                        | -         | (15,667)    |
| Pension scheme actuarial losses/(gains)                                                   | 1,215,000 | (2,809,000) |
| Other pension scheme movements                                                            | 105,000   | 333,000     |
| Pension contributions                                                                     | 273,000   | 279,000     |

### 9 Governors' remuneration and expenses

No remuneration or benefits were provided to any Governor during the period, other than the School purchasing Governors' indemnity insurance to provide cover of up to £5,000,000. The premium was part of the public liability premium and is not separately identified.

Travel and accommodation expenses to and from meetings of £1,410 (2022: £658) in relation to 4 Governors (2022: 2) were reimbursed to the Governors during the period. No other payments were made to any Governors.

### 10 Employees

The average monthly number of employees (including senior management team) during the year was:

|          | <b>2023</b><br><b>Number</b> | <b>2022</b><br><b>Number</b> |
|----------|------------------------------|------------------------------|
| Teaching | 155                          | 151                          |
| Support  | 227                          | 223                          |
|          |                              |                              |
| Total    | 382                          | 374                          |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 10 Employees

(Continued)

The staff full time equivalents in the year were 286 (2022: 276).

| Employment costs      | 2023<br>£         | 2022<br>£         |
|-----------------------|-------------------|-------------------|
| Wages and salaries    | 11,381,366        | 10,570,185        |
| Social security costs | 1,141,699         | 1,072,629         |
| Other pension costs   | 1,915,355         | 1,796,884         |
|                       | <u>14,438,420</u> | <u>13,439,698</u> |

The number of employees whose annual remuneration was £60,000 or more were:

|                     | 2023<br>Number | 2022<br>Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000   | 13             | 8              |
| £70,001 - £80,000   | 3              | 2              |
| £80,001 - £90,000   | 1              | -              |
| £90,001 - £100,000  | 1              | 2              |
| £100,001 - £110,000 | 1              | -              |
| £120,001 - £130,000 | -              | 2              |
| £130,001 - £140,000 | 1              | -              |
| £140,001 - £150,000 | 1              | -              |
| £160,001 - £170,000 | -              | 1              |

During the year, the school did not make redundancy and/or termination payments. In the prior year £132,935 was paid relating to 6 individuals.

All of the higher paid employees are either in the Teachers' Pension Scheme, the School's Defined Benefit Pension Scheme or the School's Defined Contribution Pension Scheme.

#### Key management personnel

The key management roles in the School for the period were the Governors, who are not paid, the Head, Bedales School, the Bursar and Clerk to the Governors, Director of External Relations, the Head of Dunhurst and the Head of Dunannie. Their total emoluments including pensions paid and Employers National Insurance were £689,077 (2022: £620,794).

### 11 Other Expenditure

|                    | Unrestricted funds<br>2023 | Unrestricted funds<br>2022 |
|--------------------|----------------------------|----------------------------|
| Bank loan interest | 236,612                    | 146,806                    |
| Bank charges       | 77,119                     | 7,656                      |
| Bad debt provision | 24,498                     | 8,148                      |
| Financing costs    | 39,192                     | 40,988                     |
|                    | <u>377,421</u>             | <u>203,598</u>             |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 12 Tangible fixed assets

|                                    | Freehold Land | Buildings  | Assets under construction | Fixtures and fittings | IT Equipment | Motor vehicles | Equipment | Total      |
|------------------------------------|---------------|------------|---------------------------|-----------------------|--------------|----------------|-----------|------------|
|                                    | £             | £          | £                         | £                     | £            | £              | £         | £          |
| <b>Cost</b>                        |               |            |                           |                       |              |                |           |            |
| At 1 September 2022                | 15,489        | 49,210,980 | 744,188                   | 207,100               | 2,877,181    | 487,688        | 963,854   | 54,506,480 |
| Additions                          | -             | 1,503,144  | 256,895                   | -                     | 240,417      | 14,994         | 22,290    | 2,037,740  |
| At 31 August 2023                  | 15,489        | 50,714,124 | 1,001,083                 | 207,100               | 3,117,598    | 502,682        | 986,144   | 56,544,220 |
| <b>Depreciation and impairment</b> |               |            |                           |                       |              |                |           |            |
| At 1 September 2022                | -             | 18,888,883 | -                         | 206,644               | 2,264,828    | 342,660        | 639,975   | 22,342,990 |
| Depreciation charged in the year   | -             | 1,312,962  | -                         | 42                    | 229,252      | 47,724         | 72,563    | 1,662,543  |
| At 31 August 2023                  | -             | 20,201,845 | -                         | 206,686               | 2,494,080    | 390,384        | 712,538   | 24,005,533 |
| <b>Carrying amount</b>             |               |            |                           |                       |              |                |           |            |
| At 31 August 2023                  | 15,489        | 30,512,279 | 1,001,083                 | 414                   | 623,518      | 112,298        | 273,606   | 32,538,687 |
| At 31 August 2022                  | 15,489        | 30,322,097 | 744,188                   | 456                   | 612,353      | 145,029        | 323,878   | 32,163,490 |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 12 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts:

|                | 2023<br>£ | 2022<br>£     |
|----------------|-----------|---------------|
| Motor vehicles | -         | 2,183         |
| IT Equipment   | -         | 50,526        |
|                | <u>-</u>  | <u>52,709</u> |

### 13 Fixed asset investments

Other  
investments

#### Cost or valuation

|                                      |   |
|--------------------------------------|---|
| At 1 September 2022 & 31 August 2023 | 2 |
|--------------------------------------|---|

#### Carrying amount

|                   |   |
|-------------------|---|
| At 31 August 2023 | 2 |
| At 31 August 2022 | 2 |

|                             | Notes | 2023<br>£ | 2022<br>£ |
|-----------------------------|-------|-----------|-----------|
| Other investments comprise: |       |           |           |
| Investments in subsidiaries | 14    | 2         | 2         |

### 14 Subsidiaries

Details of the Charity's subsidiaries at 31 August 2023 are as follows:

| Name of undertaking      | Registered office                                                    | Nature of business | Class of shares held | % Held<br>Direct Indirect |
|--------------------------|----------------------------------------------------------------------|--------------------|----------------------|---------------------------|
| Bedales Services Limited | Bedales School, Church Road, Steep, Petersfield, Hampshire, GU32 2DG | Non-trading        | Ordinary             | 100.00                    |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 14 Subsidiaries

(Continued)

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

| Name of undertaking      | Profit/(Loss)<br>£ | Capital and<br>Reserves<br>£ |
|--------------------------|--------------------|------------------------------|
| Bedales Services Limited |                    | (16,860)                     |

### 15 Stocks

|                                     | 2023<br>£ | 2022<br>£ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 23,311    | 18,403    |

### 16 Debtors

|                                             | 2023<br>£ | 2022<br>£ |
|---------------------------------------------|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 5,817,750 | 5,100,599 |
| Amounts owed by fellow group undertakings   | 7,474     | 8,040     |
| Other debtors                               | 43,146    | 54,116    |
| Prepayments                                 | 246,970   | 232,633   |
|                                             | 6,115,340 | 5,395,388 |

### 17 Loans and overdrafts

|                                                                | 2023<br>£ | 2022<br>£ |
|----------------------------------------------------------------|-----------|-----------|
| Bank loans                                                     | 4,620,000 | 4,807,334 |
| Payable within one year                                        | 240,000   | 754,667   |
| Payable after one year                                         | 4,380,000 | 4,052,667 |
| <b>Amounts included above which fall due after five years:</b> |           |           |
| Payable by instalments                                         | -         | 1,400,000 |

The bank loans are secured on the freehold premises of the School. Interest is charged at 1.75% above base rate on the loan which is repayable in 2027.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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

|                                    | Notes | 2023<br>£         | 2022<br>£         |
|------------------------------------|-------|-------------------|-------------------|
| Bank loans                         | 17    | 240,000           | 754,667           |
| Other taxation and social security |       | 291,028           | 245,550           |
| Trade creditors                    |       | 519,395           | 361,441           |
| Fees received in advance           |       | 7,385,831         | 7,267,123         |
| Fees in advance scheme             |       | 664,898           | 791,716           |
| Entrance deposits                  |       | 1,215,667         | 1,248,270         |
| Other creditors                    |       | 232,906           | 259,813           |
| Accruals and deferred income       |       | 185,014           | 139,283           |
|                                    |       | <u>10,734,739</u> | <u>11,067,863</u> |

#### Fees in advance scheme

Parents may enter into a contract to pay the school tuition fees in advance. The money may be returned subject to specific conditions. Assuming pupils remain in the school, the fees in advance will be applied as follows:

|                   | 2023<br>£        | 2022<br>£        |
|-------------------|------------------|------------------|
| Within one year   | 664,898          | 926,193          |
| One to two years  | 589,310          | 820,095          |
| Two to five years | 744,690          | 428,064          |
| After five years  | 252,433          | 212,823          |
|                   | <u>2,251,331</u> | <u>2,387,175</u> |

### 19 Creditors: amounts falling due after more than one year

|                        | Notes | 2023<br>£        | 2022<br>£        |
|------------------------|-------|------------------|------------------|
| Bank loans             | 17    | 4,380,000        | 4,052,667        |
| Fees in advance scheme |       | 1,586,433        | 1,585,533        |
|                        |       | <u>5,966,433</u> | <u>5,638,200</u> |

### 20 Retirement benefit schemes

#### Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

### 20 Retirement benefit schemes

(Continued)

#### Defined benefit schemes

##### Teachers' Pension Agency

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge accrued at the year-end in respect of contributions to this scheme was £149,849 (2022 - £131,828).

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 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.

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 a remedy to the discrimination conclusion has been determined by the Employment Tribunal 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.

##### Hampshire Pension Fund ("the fund")

The figures below relate to the funded liabilities within the Fund which is part of the Local Government Pension Scheme (the "LGPS"). The funded nature of the LGPS requires the Employer and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Retirement benefit schemes

(Continued)

#### Key assumptions

|                                                  | 2023<br>% | 2022<br>% |
|--------------------------------------------------|-----------|-----------|
| Discount rate                                    | 5.3       | 4.2       |
| Expected rate of increase of pensions in payment | 3.1       | 2.9       |
| Expected rate of salary increases                | 4.1       | 3.9       |
| Expected rate of inflation (CPI)                 | 3.1       | 2.9       |

#### Mortality assumptions

The assumed life expectations on retirement at age 65 are:

|                      | 2023<br>Years | 2022<br>Years |
|----------------------|---------------|---------------|
| Retiring today       |               |               |
| - Males              | 22            | 23            |
| - Females            | 25            | 25            |
| Retiring in 20 years |               |               |
| - Males              | 23            | 25            |
| - Females            | 26            | 27            |

Amounts recognised in the profit and loss account:

|                                                   | 2023<br>£ | 2022<br>£ |
|---------------------------------------------------|-----------|-----------|
| Current service cost                              | 151,000   | 289,000   |
| Net interest on defined benefit (asset)/liability | (46,000)  | 44,000    |
| Total costs                                       | 105,000   | 333,000   |

Amounts taken to other comprehensive income:

|                                                   | 2023<br>£   | 2022<br>£   |
|---------------------------------------------------|-------------|-------------|
| Actual return on scheme assets                    | 170,000     | 774,000     |
| Less: calculated interest element                 | 453,000     | 199,000     |
| Return on scheme assets excluding interest income | 623,000     | 973,000     |
| Actuarial changes related to obligations          | 588,000     | (4,829,000) |
| Restriction of defined benefit pension surplus    | (1,403,000) | 1,047,000   |
| Total costs/(income)                              | 168,000     | (2,809,000) |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Retirement benefit schemes

(Continued)

The actuarial valuation on which the defined benefit pension surplus/deficit is based produced a surplus of £4k (2022 - £1.047m). Under accounting standards, a surplus can only be recognised if the School has the ability to reduce contributions to the pension scheme in future or reclaim refunds through the scheme. On the basis that this may not be possible, the Governors believe that the surplus should be restricted to £Nil.

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

|                                              | 2023<br>£      | 2022<br>£          |
|----------------------------------------------|----------------|--------------------|
| Present value of defined benefit obligations | 10,542,000     | 9,828,000          |
| Fair value of plan assets                    | (10,546,000)   | (10,875,000)       |
|                                              | <u>(4,000)</u> | <u>(1,047,000)</u> |
| Surplus in scheme                            | (4,000)        | (1,047,000)        |
| Restriction on scheme assets                 | 4,000          | 1,047,000          |
|                                              | <u>-</u>       | <u>-</u>           |
| Total liability recognised                   | -              | -                  |

Movements in the present value of defined benefit obligations:

|                                   | 2023<br>£         |
|-----------------------------------|-------------------|
| Liabilities at 1 September 2022   | 9,828,000         |
| Current service cost              | 151,000           |
| Benefits paid                     | (459,000)         |
| Contributions from scheme members | 27,000            |
| Actuarial gains and losses        | 588,000           |
| Interest cost                     | 407,000           |
|                                   | <u>10,542,000</u> |
| At 31 August 2023                 | 10,542,000        |

The defined benefit obligations arise from plans funded as follows:

|                                     | 2023<br>£         |
|-------------------------------------|-------------------|
| Wholly unfunded obligations         | -                 |
| Wholly or partly funded obligations | 10,542,000        |
|                                     | <u>10,542,000</u> |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Retirement benefit schemes

(Continued)

Movements in the fair value of plan assets:

|                                                                    | 2023<br>£  |
|--------------------------------------------------------------------|------------|
| Fair value of assets at 1 September 2022                           | 10,875,000 |
| Interest income                                                    | 453,000    |
| Return on plan assets (excluding amounts included in net interest) | (623,000)  |
| Benefits paid                                                      | (459,000)  |
| Contributions by the employer                                      | 273,000    |
| Contributions by scheme members                                    | 27,000     |
| At 31 August 2023                                                  | 10,546,000 |

The fair value of plan assets at the reporting period end was as follows:

|                    | 2023<br>£  | 2022<br>£  |
|--------------------|------------|------------|
| Equity instruments | 3,691,000  | 2,773,000  |
| Debt instruments   | 6,222,000  | 6,297,000  |
| Property           | 633,000    | 1,805,000  |
|                    | 10,546,000 | 10,875,000 |

### 21 Capital commitments

At 31 August 2023 the Charity had capital commitments which were not provided for in the financial statements of £2,512,662 (2022: £705,000). These capital commitments relate to the construction of the Assembly Hall for £2.88 million, of this £367,338 has been completed to date and is recognised as an asset under construction. These commitments are due to be settled on 30th April 2024. This project is funded by unrestricted reserves.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

| 22 | Cash generated from operations                           | 2023<br>£        | 2022<br>£        |
|----|----------------------------------------------------------|------------------|------------------|
|    | Surplus for the year                                     | 851,484          | 648,328          |
|    | Adjustments for:                                         |                  |                  |
|    | Interest receivable                                      | (23,366)         | (26,878)         |
|    | Interest payable                                         | 275,804          | 187,794          |
|    | Gain on disposal of tangible fixed assets                | -                | (15,667)         |
|    | Depreciation and impairment of tangible fixed assets     | 1,662,543        | 1,628,757        |
|    | Difference between pension charge and cash contributions | 1,215,000        | 54,000           |
|    | Movements in working capital:                            |                  |                  |
|    | (Increase)/decrease in stocks                            | (4,908)          | 6,679            |
|    | (Increase) in debtors                                    | (719,952)        | (584,365)        |
|    | Increase in creditors                                    | 182,443          | 716,550          |
|    | <b>Cash generated from operations</b>                    | <b>3,439,048</b> | <b>2,615,198</b> |

---

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 23 Analysis of net assets between funds

|                                                     | Unrestricted<br>funds<br>2023<br>£ | Pension<br>reserve<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total Unrestricted<br>funds<br>2023<br>£ | Pension<br>reserve<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ |
|-----------------------------------------------------|------------------------------------|---------------------------------|----------------------------------|------------------------------------------|---------------------------------|----------------------------------|--------------------|
| Fund balances at 31 August 2023 are represented by: |                                    |                                 |                                  |                                          |                                 |                                  |                    |
| Tangible assets                                     | 32,538,689                         | -                               | -                                | 32,538,689                               | -                               | -                                | 32,163,492         |
| Net current liabilities                             | (1,025,547)                        | -                               | 38,285                           | (987,262)                                | -                               | 38,300                           | (1,959,782)        |
| Long term liabilities                               | (5,966,433)                        | -                               | -                                | (5,966,433)                              | -                               | -                                | (5,638,200)        |
|                                                     | <u>25,546,709</u>                  | <u>-</u>                        | <u>38,285</u>                    | <u>25,584,994</u>                        | <u>-</u>                        | <u>38,300</u>                    | <u>24,565,510</u>  |

#### 24 Unrestricted funds

The income funds of the charity include the following unrestricted funds which have no restrictions:

|                 | Movement in funds                      |                            |                            |                                           | Movement in funds                      |                            |                            |                                           |                                      |
|-----------------|----------------------------------------|----------------------------|----------------------------|-------------------------------------------|----------------------------------------|----------------------------|----------------------------|-------------------------------------------|--------------------------------------|
|                 | Balance at<br>1 September<br>2021<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Revaluations,<br>gains and<br>losses<br>£ | Balance at<br>1 September<br>2022<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Revaluations,<br>gains and<br>losses<br>£ | Balance at<br>31 August<br>2023<br>£ |
| General         | 23,829,632                             | 20,470,677                 | (19,773,099)               | -                                         | 24,527,210                             | 22,385,775                 | (21,349,940)               | -                                         | 25,563,045                           |
| Pension reserve | (2,755,000)                            | -                          | (54,000)                   | 2,809,000                                 | -                                      | -                          | (168,000)                  | 168,000                                   | -                                    |
|                 | <u>21,074,632</u>                      | <u>20,470,677</u>          | <u>(19,827,099)</u>        | <u>2,809,000</u>                          | <u>24,527,210</u>                      | <u>22,385,775</u>          | <u>(21,517,940)</u>        | <u>168,000</u>                            | <u>25,563,045</u>                    |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 25 Restricted funds

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

|                         | Movement in funds                 |                       |                       |                                   |                       |                                 |
|-------------------------|-----------------------------------|-----------------------|-----------------------|-----------------------------------|-----------------------|---------------------------------|
|                         | Balance at<br>1 September<br>2021 | Incoming<br>resources | Resources<br>expended | Balance at<br>1 September<br>2022 | Resources<br>expended | Balance at<br>31 August<br>2023 |
|                         | £                                 | £                     | £                     | £                                 | £                     | £                               |
| Kadian Observatory Fund | 12,234                            | -                     | (250)                 | 11,984                            | (15)                  | 11,969                          |
| Digital Library Fund    | 21,316                            | 5,000                 | -                     | 26,316                            | -                     | 26,316                          |
|                         | <u>33,550</u>                     | <u>5,000</u>          | <u>(250)</u>          | <u>38,300</u>                     | <u>(15)</u>           | <u>38,285</u>                   |

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

The Kadian Observatory Fund has been set up for the maintenance of the new observatory, to provide for an annual Kadian Harding Science and Technology prize and to provide a guest speaker for the annual astronomy lecture.

The Digital Library Fund has been set up to digitize old Bedales archives.

### 26 Contingent assets

The sale of a small parcel of land was completed for a consideration of £305,000 in December 1998. In addition, the School will receive 75% of the development value should development permission be granted to the purchaser. It is not practicable to make an estimate of the 75% of future development value.

### 27 Related party transactions

The Bedales Grant Trust Fund, charity number 1036179, was set up to provide grants to pupils at Bedales in need of financial aid to pay their tuition fees. In making such grants or loans preference shall be given to a parents or parents who was or were a pupil at Bedales School. During the period the Fund contributed £254,442 (2022: £272,778) to the school.

The John Badley Foundation, charity number 1138332, was set up to advance the education of pupils at the School. In the period, the School received donations from the Trust of £301,628 (2022: £137,278) towards the awarding of bursaries.

One Governor (2022: one Governor) and two members of key management (2022: two members of key management), of which details of the relevant roles can be found in note 10, have children at the School that paid normal fees and received no bursaries or scholarships.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 28 Analysis of changes in net (debt)/funds

|                                            | At 1 September<br>2022<br>£ | Cash flows<br>£ | At 31 August<br>2023<br>£ |
|--------------------------------------------|-----------------------------|-----------------|---------------------------|
| Cash at bank and in hand                   | 3,694,290                   | (85,464)        | 3,608,826                 |
| Loans falling due within one year          | (754,667)                   | 514,667         | (240,000)                 |
| Loans falling due after more than one year | (4,052,667)                 | (327,333)       | (4,380,000)               |
|                                            | <u>(1,113,044)</u>          | <u>101,870</u>  | <u>(1,011,174)</u>        |

### 29 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

---

# Accounts

---

**Charity Registration No. 307332**

**Company Registration No. 00276785 (England and Wales)**

**BEDALES SCHOOL**  
**(A company limited by guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Principal Address and Registered Office**  
**Bedales School, Church Road, Steep, Petersfield, Hampshire, GU32 2DG**

**Website**  
**[www.bedales.org.uk](http://www.bedales.org.uk)**

# BEDALES SCHOOL

## LEGAL AND ADMINISTRATIVE INFORMATION

---

### Governors

|                                                                     |               |
|---------------------------------------------------------------------|---------------|
| S A Nokes (Chair, from 1 September 2021)                            | (1,2,3,7,8,9) |
| O Jonathan                                                          | (2,3,6,7)     |
| C I Arney                                                           | (2,3,7,8)     |
| T Wise (Vice Chair, Retired 1 September 2022)                       | (2,3,7,9)     |
| E J Rees                                                            | (1)           |
| C L Bradbury                                                        | (4)           |
| M Rice (Retired 7 January 2022)                                     | (1,2,3,7,8,9) |
| J M Hanson                                                          | (2,3,7)       |
| J P M Johnson (Retired 7 January 2022)                              | (2,3,5,7)     |
| J Boyd (Appointed 13 April 2021)                                    | (5)           |
| F Grey                                                              | (1)           |
| Dr A J Keay (Retired 7 January 2022)                                | (2,3,7)       |
| C M J BurrIDGE (Appointed 7 January 2022,<br>Retired 18 March 2022) | (2,3,7)       |
| S R Lehec (appointed 10 October 2022)                               | (1)           |

### Membership of Governing Body Committees and Specific Responsibilities

|                              |                                  |                        |
|------------------------------|----------------------------------|------------------------|
| (1) Education                | (2) Finance and General Purposes | (3) External Relations |
| (4) Safeguarding             | (5) Staff Liaison                | (6) Strategic Risk     |
| (7) Buildings and Landscapes | (8) Nominations                  | (9) Remuneration       |

|                                                           |                  |               |
|-----------------------------------------------------------|------------------|---------------|
| <b>Head of Bedales Schools</b>                            | W Goldsmith      | (1,2,3,5,7)   |
| <b>Bursar and Clerk to the Board of Governors</b>         | R D L Lushington | (1,2,3,5,6,7) |
| <b>Head of Bedales Preparatory School, Dunhurst</b>       | C R Baty         | (1,2,3,7)     |
| <b>Head of Bedales Pre-Preparatory School, Dunannie</b>   | F M Read         | (1)           |
| <b>Other Current Members of Governing Body Committees</b> | N Blanchard      | (2,3)         |
|                                                           | B Cairns         | (1)           |
|                                                           | C Jarmy          | (1)           |
|                                                           | J C Moore (DSL)  | (4)           |
|                                                           | R T Reynolds     | (2,3,7)       |
|                                                           | P A Thackrey     | (1)           |
|                                                           | A R Wiggins      | (1)           |

**Company number** 00276785

**Registered office** Church Road  
Steep  
Petersfield  
United Kingdom  
GU32 2DG

---

# BEDALES SCHOOL

## LEGAL AND ADMINISTRATIVE INFORMATION

---

### *Professional Advisors*

#### **Auditor**

Azets Audit Services Limited  
Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
United Kingdom  
GU7 1LQ

#### **Bankers**

National Westminster Bank PLC  
4 High Street  
Petersfield  
Hampshire  
GU32 3JF

#### **Insurance Brokers**

Marsh  
Capital House  
1-5 Perrymount Road  
Haywards Heath  
West Sussex  
RH16 3SY

#### **Solicitors**

Veale Wasborough Vizards  
Orchard Court  
Orchard Lane  
Bristol  
United Kingdom  
BS1 5WS

Farrer & Co  
66 Lincoln's Inn Fields  
London  
United Kingdom  
WC2A 3LH

---

# BEDALES SCHOOL

## CONTENTS

---

|                                   | <b>Page</b> |
|-----------------------------------|-------------|
| Governing Body report             | 1 - 15      |
| Independent auditor's report      | 16 - 19     |
| Statement of financial activities | 20 - 21     |
| Balance sheet                     | 22          |
| Statement of cash flows           | 23          |
| Notes to the financial statements | 24 - 45     |

---

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

The Board of Governors present their Annual Report and audited financial statements of Bedales School ("the Charity", "the School" or "Bedales") for the year ended 31 August 2022.

The Board of Governors confirms that the financial statements comply with the Charity's governing document, with current statutory requirements, with applicable accounting standards in the United Kingdom, with the Charities Statement of Recommended Practice (The Charities SORP (FRS102)) and the Charities Act 2011.

### **Objectives and activities**

The objects of the Charity are to provide education and training in particular by carrying on a School in or near Petersfield. As such, the School promotes, sustains and increases individual and collective knowledge and understanding in the specific area of study, skills and expertise. The Powers of the Charity are set out in the Articles of Association adopted on 25 October 2012. The Governors give consideration to the Charity Commission's guidance on public benefit when setting objectives and formulating plans.

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

### **Aims of the School**

Bedales started in 1893 with a determination to be different and to educate 'Head, Hand and Heart'. Today the School's vision is shaped partly by John Badley's founding ideals, but it also recognises the strong Badley view that schools like ours must evolve and re-define themselves. We must respond to the external environment in two distinct ways – the first is common to all schools, the second much less so: we must provide a suitable preparation for life after school and for the world of work; but also, if we are to keep faith with our tradition, we must also seek to overturn influences and tendencies in society that damage children's development and welfare.

### **Bedales Vision and Strategy**

Under the leadership of Will Goldsmith as the Head, Bedales is working on formulating an ambitious 10-year strategic plan. The first phase, undertaken in 2021/22, has been to draw up a reiteration of our values and broad aims as a school community under the mantra:

*A progressive liberal education based on our communitarian 'work of each for weal of all' principle, that develops creative, critically-thinking life-long learners.*

By 2033, we want to be a fully realised 'community of learners', where:

- Students and staff are excited about the unique and precious experience of living and learning together, developing a lifelong love of self-development and exploration in a 21st century context.
- The young people in our care take advantage of the recent developments in neuroscience and psychology to develop positive mental health and wellbeing skills that will stay with them for life.
- We learn, often through lived experience, of our place in the natural world and the importance of human respect for the environment in all aspects of how we live and learn.
- We understand the importance of identity in the 21st century world and learn to champion difference.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

---

### **GROUP STRUCTURE**

#### **Status and Administration**

Bedales School is a Public Benefit Entity registered as a charity in England and Wales, number 307332. Its registered company number is 276785. The School is governed by its Memorandum and Articles of Association last amended in August 2012; the Board of Governors ensure that the Articles of Association remain current by reviewing them annually. The Governors confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Connected Charities**

The School has a wholly owned trading subsidiary, Bedales Services Limited (BSL), formerly responsible for non-charitable operations but now non trading/dormant.

The Bedales Grants Trust Fund, founded in 1927, charity number 1036179, was set up to provide grants to parents of pupils at Bedales in need of financial aid to pay their tuition fees with a preference towards those parents who were themselves at Bedales School. During the year the Bedales Grants Trust Fund supported 24 pupils with grants with a total value of £272,778.

The John Badley Foundation, founded in 2010, charity number 1138332, was set up to support and promote the activities of the School and advance the education of its pupils primarily through 100% Bursaries. The John Badley Foundation provided half of the funding for each of the 9 pupils supported with a total value of £137,278.

#### **Governors**

The Governors act both as Trustees and Directors and have overall responsibility for matters in relation to the Charity. A Governor nominations sub-committee proposes any new Governors for the full Board to appoint.

Governors may be elected at any general meeting and may stay in office until the conclusion of the annual general meeting in the eighth calendar year following the year of their election. Under special circumstances a Governor may be asked to serve an additional term of up to 4 years and a Governor can be re-elected after retirement.

The Governors determine the general policy of the School and the Board of Governors meets at least three times in each academic year. The day to day management of the School is delegated to the Head of Bedales Schools and the Bursar. The Governors' principal responsibilities are to:

- Ensure that the School is run in accordance with its charitable objects and that all the functions of the School are authorised by the Powers, as set out in the Articles of Association, and by Charity Law;
- Act in the best interests of the School and current and future beneficiaries at all times;
- Appoint the Head and the Bursar and advise on the appointment of Deputy Heads and the Heads of Dunhurst and Dunannie as necessary;
- In consultation with the Head and his management team, set the strategy and policies by which the School will be run;
- Approve the financial reinvestment plan in accordance with the aim of maintaining and developing the School;
- Control finance by approving realistic budgets and longer term plans and by monitoring these documents;
- Ensure the effective and efficient administration of the School and its resources, striving for best practice in good governance;

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

- Ensure that the School is compliant with appropriate statutory and advisory regulations and aims for best practice in this area;
- Understand risk management and legal compliance and be satisfied that there are appropriate measures in place to reduce risk and achieve compliance;
- Ensure competent professional advice is taken when necessary;
- Appoint a Chair and Vice Chair; and
- Review and approve the terms of reference of its committees and appoint members to those committees.

### **Organisational Management**

The sub committees of the Board and the Governors with special responsibilities are listed on the Legal and Administrative page. The Finance & General Purposes Committee is chaired by J M Hanson, the External Relations Committee is chaired by C I Arney, the Buildings and Landscapes Committee is chaired by J M Hanson, and the Education Committee is chaired by F Grey. In addition to these committees: C L Bradbury has special responsibility for Safeguarding; J Boyd is the Governor Representative on the Staff Liaison Group and oversees Nominations; and O R Jonathan has responsibility for Strategic Risk.

The key management personnel include the Governors, who are not paid, and members of the Three Schools' Senior Team who for the year are: The Head of Bedales School; the Bursar and Clerk to the Governors; Director of External Relations; the Head of Dunhurst; and the Head of Dunannie. The pay and remuneration of the key management personnel is considered, as required, by the Governors' Remuneration Committee in view of the market rates for each post and the performance of the individuals fulfilling the roles. The Committee considers recommendations from the Head.

### **Recruitment and Training of Governors**

A Governors' nominations committee has been set up to recommend and oversee the appointment of Governors. It meets when necessary to plan the future membership of Governors in light of likely retirements. The Governors have a wealth of experience and many have been professionally trained through their employers; it is vital that the Board of Governors as a whole covers the full spectrum of specialisms that are required to oversee the School and the appointment of new Governors is carefully managed to ensure that this requirement is met; there is a clear succession plan. Any training gaps are filled by making the most of opportunities provided by the Association of Governing Bodies of Independent Schools (AGBIS) and other organisations. The Governors receive an update on Safeguarding and Child Protection at each Board meeting and carried out a full annual review of Safeguarding at the June Board meeting. All Governors complete annual Safeguarding training and Governors appointed during the year complete an induction process which includes Safeguarding training.

### **PRIORITIES FOR THE YEAR**

#### **Strategic Goals 2019-2022**

Although pupil numbers remain strong, the need for a particularly prudent approach in response to continuing global economic uncertainty remains valid. The Trustees of the School continue to take a sensible and cautious approach and will continue the focus on upgrading of existing facilities and buildings (with a view to reducing running costs and ensuring that they are fit for the needs of a Bedales education), before it considers embarking on any further major projects.

The strategic goals fall under four strands:

- Learning
- Living
- Community
- Environment

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

---

The vision and strategy for the period 2022-2032 is in development and will be based on these four strands.

### **FINANCIAL INSTRUMENTS**

The Charity's principal financial instruments comprise bank balances, other debtors, other creditors and bank loans. The main purpose of these instruments is to finance the Charity's operations.

The nature of the financial instruments used by the Charity is such that their market value does not fluctuate as a result of changes in market prices. The Charity's approach to managing other risks applicable to the financial instruments concerned is shown below.

The interest rate on bank loans is variable. The Governors regularly consider the potential impact of changes in interest rates and the actions that would need to be taken if any changes were likely to occur. The bank loans are secured by charges over some of the School's property and repayment terms are linked to those secured assets. Other debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding. Other creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

### **STRATEGIC REPORT**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Governors to present a strategic report.

### **ACHIEVEMENTS AND PERFORMANCE**

Total pupil numbers at the three Bedales Schools continued to be strong: Bedales 456, Dunhurst 211 and Dunannie 91 (total pupils across the three Schools: 758). The School's discipline over costs and containment of fee increases has ensured that the School's finances are robust enough to help with the continuing uncertain challenges of the current economic and political climate. The School will continue to exercise prudence in the planning and execution of all its future capital commitments. The effects of the COVID-19 pandemic continued to impact the School and especially so in the Autumn term of 2021. The Governors wish to express their gratitude to the dedication and immense effort put in by the staff of the School to ensure that teaching and learning continued. Many staff faced furlough or part-furlough and did so with grace and understanding. Without the efforts of all concerned the School would have suffered detriment.

Students at Bedales - including many who progressed from Bedales Prep, Dunhurst – secured places at some of the most prestigious educational institutions in the world - including QS World Top 100 universities and a number of leading music conservatoires and art colleges. Of the students applying, 79% took their first-choice university and 5% took an insurance offer. The remainder deferred entry in order to secure their best place.

Alongside their A Levels, Sixth Form pupils benefit from a programme of termly Enrichment Courses which enable them to broaden and develop their interests, go beyond their courses, work independently and to love learning.

Block 5 students (year 11) had much to celebrate with their GCSE and Bedales Assessed Course (BAC) results in the summer. 16 students achieved the equivalent of at least nine 8/9 grades (equivalent to A\*).

Bedales students are in the unique position of taking a combination of the School's own BACs combined with a core of IGCSEs and GCSEs. Having been introduced in 2006, BACs are now well established and involve a broader range of content, choice and assessment methods than the more traditional GCSE.

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

---

Pupils can choose from the following BAC options: Ancient Civilisation; Art; Classical Music; Dance; Design; Digital Game Design; English Literature; Geography; Global Awareness; History; Philosophy, Religion and Ethics; Outdoor Work; Sports Science and Theatre Studies. BACs are graded according to their own assessment criteria and this year followed the new numerical GCSE grading convention for the first time. Internally assessed and moderated externally by experts in each field, the level of attainment is at least as difficult as the corresponding GCSE grade, and in many cases the demand goes beyond GCSE. The results below are the first since COVID and last year's Teacher Assessed Grades.

- A Level: A\*: 17.7%; A\*- A: 44.8%; A\* - B: 72.2%  
- BAC: 9: 19.0%; 9 - 8: 37.9%; 9 - 7: 57.0%  
- IGCSE: 9: 19.5%; 9 - 8: 37.31%; 9 - 7: 54.8%

### SUPPORTING OTHERS

Like its predecessor, 2021-22 was a profoundly challenging year for people and institutions, with schools being no exception.

Amongst other things, the COVID-19 pandemic, and the government's responses to it especially during the Autumn term of 2021, required schools to be organisationally responsive and to take steps to ensure the continuity of education for pupils. Many pupils needed to have time off and away from school as a result of infection and supporting these pupils was vital.

Bedales has a long history of supporting others in need, including refugees, whether it be the School's partnership with the Rural Refugee Network (RRN) charity, offering places to Syrian refugees on fully funded bursaries through their GCSEs and A Levels or, further back, when Bedales welcomed an influx of Jewish students escaping Germany in the 1930s.

To broaden the School's ability to offer bursary support and to further supplement the support provided by the Bedales Grants Trust Fund ("BGTF"), which was founded in 1929, Bedales established the John Badley Foundation ("JBF") in 2010 to change the lives of individuals who face disadvantage by providing a stable and inspiring education at Bedales Senior and Bedales Prep, Dunhurst. By offering fully funded bursaries to children who could not otherwise have been able to consider an independent school education, the trajectories of these young people are being radically transformed. The JBF has been supporting children who have found themselves in difficult circumstances in their homes or school. The 28 students who have received JBF support have included refugees fleeing war, as well as students from the UK. The School also offers a free 'community' place for a child to attend the Nursery at Bedales Pre-prep, Dunannie

In 2021/22, Bedales allocated 7.25% of gross income for bursary support. In addition to the BGTF and JBF, the School works with other charities to reach those in need, including Royal Springboard and Buttle UK.

| Fee Support 2021-22                           |                                                                  |
|-----------------------------------------------|------------------------------------------------------------------|
| Bursary Support                               | £1.56m                                                           |
| Bursary support as % of gross fee income      | 7.25%                                                            |
| Exhibition and scholarship support            | £0.15m                                                           |
| Total fee support as % of gross fee income    | 7.94%                                                            |
| Number of pupils benefitting from fee support | 104 (up from 99 in 2020-21), of which 20 had support of over 75% |

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

---

With the JBF established, the School community has been well placed to support the crisis in Ukraine. The School made five deliveries of donated items to the Ozarow community in Poland which has taken in many refugees, 175 kms from Ukraine border. Support for the Bedales fundraising walk and Art Sale in aid of the Rural Refugee Network (RRN) raised more than £50,000 for the refugee charity (see case study below). Bedales families are offering accommodation in their homes as part of the Homes for Ukraine scheme. Many parents and Old Bedalians were keen to do more to provide immediate help to those suffering. To galvanise further support for those fleeing Ukraine and other war-torn countries, the School launched an Emergency Refugee Fund to enable young people fleeing war and persecution to attend the Bedales Schools and access additional language and pastoral support.

Since the launch of the Emergency Refugee Fund in April 2022, eight Ukrainian students have joined Bedales Senior and Prep Schools, and £114,000 has been raised specifically to support them from donors. Two of the students are boarding with the remainder living with a parent in local accommodation.

Supporting others is at the heart of the Bedales curriculum. Global Awareness (GA) is taught as a distinct subject in each of the three Bedales Schools, culminating in Bedales' most popular Bedales Assessed Course (BAC) and Global Perspectives Sixth Form course. The focus of GA is twofold – equipping students with critical 21st century skills and providing them with a unique insight into global issues. Activism and community service are at the heart of the BAC – students are led to becoming social entrepreneurs through ground-breaking project work which requires them to make an actual change, be that within our own community, nationally or globally. GA students regularly lead assemblies and discussions, teach lessons in Bedales Prep and Pre-prep, as well as other local schools and are responsible for organising major fundraising and community events. A new enrichment course in Social Entrepreneurship and Innovation for the Sixth Form aims to continue and expand these efforts further in the coming years

The three Bedales Schools run a number of fundraising events and activities throughout the year. Bedales Prep and Pre-prep collected and delivered donations to the Petersfield Food Bank as part of Harvest Festival; Bedales Pre-prep continued its support of endangered species, sponsoring a polar bear; senior school pupils raised over £2,000 for the FitzRoy autism charity on its 'Fabulous for FitzRoy' day.

### **CASE STUDY - SPOTLIGHT ON BEDALES' PARTNERSHIP WITH THE RURAL REFUGEE NETWORK**

Each term Bedales students come off-timetable for a community day. Previously, there has been support for local charities, work in the community, assisting local primary schools with landscaping projects, and working to improve the Bedales School estate itself.

Bedales held a community day on 8 March 2022 dedicated to supporting the plight of refugees. In the run-up to the day, members of the community donated items which were despatched to support Ukrainians in Poland. Activities on the day included talks from an Afghan refugee, mobilising the whole School to complete a sponsored walk covering the 4,000 km distance from Syria to Steep in one day, and holding a fundraising Art Sale with students heavily involved in its planning and delivery. Over £50,000 was raised in this single day for the Rural Refugee Network charity with whom the School has developed a productive partnership.

This community 'Powell day' (named after the School's co-founder) included talks by Afghan refugee Gulwali Passarlay, who spoke about his own year-long journey, the situation in Afghanistan and the refugee crisis more broadly. Between talks, Gulwali found time to complete the fundraising walk with students. Bedales students walked a 12 km circuit in the local Queen Elizabeth Country Park. In total 423 students and staff covered 5,145 kms, more than the distance from Syria to Steep. Each tutor group had its own fundraising page which created some healthy competition to be top fundraisers!

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

---

A group of three Block 5 (Year 11) students worked on the Art Sale over a six-month period as part of their Global Awareness Bedales Assessed Course (equivalent to a GCSE). They were joined by representatives of the RRN charity and Bedales staff to plan the event. Artwork was gathered from local artists, alumni, parents, and students at Bedales Senior and Prep. A professional curator worked with the students to manage the display of artwork.

Julia Newton, one of the Rural Refugee Network founders said:

*"The amount raised at the Bedales Art Sale is nothing short of life changing for the Rural Refugee Network and the families it serves. Currently there is rightfully much attention on the plight of refugees, but it is worth highlighting that Bedales has supported our charity since its inception and created a meaningful full partnership with us in 2018. They have supported us during some tough times - like all charities we suffered enormously from not being able to raise funds during the pandemic and it is thanks to Bedales unstinting support that we not only survived but have been able to continue life changing and much needed work even during lockdowns.*

*Their support means we will continue to save lives in the future by bringing refugees to safety in the UK, and to do the especially important work of helping those here to find their feet in our communities. The core team of two staff and three students worked tirelessly with a wider group of volunteers at the School and charity to ensure an extraordinary evening and an outstanding result. This is the fourth Art Sale the RRN has been involved in and this was by far the most successful. And on top of that the walk raised over £20,000 - the Board of Trustees and I are blown away. Thank you so much for all you have done."*

#### Sharing our facilities

The programme of Bedales Events invites local people and schools to Bedales for poetry, music, drama, dance and more.

The School has partnerships with local state schools, groups and initiatives, and every opportunity is taken to share our facilities for wider benefit. This year, local organisations have benefitted from highly subsidised or free use of Bedales resources, including:

- Steep Primary School for weekly swimming classes
- Bohunt School – for its annual summer production in the Bedales Theatre
- Hosting curriculum 'taster' events at Bedales Senior and Prep Schools for local primary school children
- Running music workshops at Froxfield Primary School
- Free use of school minibuses for local primary schools and charities to access activities
- Hosting of the Hampshire Schools Cross Country Championships attended by 25 state and independent schools
- Rosemary Foundation hospice charity – hosting a fundraiser in the Dining Hall
- Petersfield Youth Theatre – Workshops and main Quad for production
- Steep Village – hosting of barn dance and annual Flower Show; prep pupils also played music for the local residents' 'Welcome Club' in the village hall
- Petersfield Music Festival - workshop

*"My son is a pupil at Froxfield Primary School. It has come to my attention that their trip to Hayling Island is free of charge due to Bedales lending their minibus services. I just wanted to thank you for your generosity."*  
Local Primary School Parent

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

### Approach to learning

#### *Bedales:*

Bedales was founded as an alternative to the mainstream 19th century British 'Public School' and, while much has changed since 1893, teachers still strive to educate the young people in their care with the same questioning approach to learning and living. The School's motto – *Work of Each for Weal of All* – emphasises both an attention to nurturing the individual as well as coming together in a collective endeavour. Today, the School's approach draws on its innovative traditions with Bedales Assessed Courses (BACs) taught alongside five core GCSEs, project-based learning as a key part of our Block 3 (Year 9) curriculum and approaches to boarding, pastoral care and interpersonal relationships that break down unnecessary barriers between the generations, the sexes and the wider community.

The Sixth Form at Bedales is an unusually broad and stimulating environment in which to spend the final years at school and to prepare for life beyond, combining serious academic responsibility and opportunities for leadership. The School's aim is that students should leave with at least three good A Levels, with a broad set of subjects encouraging highly-individualised selections. Students receive guidance to select the courses that will support the future they want, but they will not be discouraged from choosing the subjects they love. For example, students at Bedales frequently choose to combine sciences with the creative arts. New course offerings include Digital Photography and Music Technology A Levels, as well as the Global Perspectives and Research Pre-U, where students explore issues challenging people across the world, and develop valuable analytical, research and problem-solving skills. Every student's programme includes a combination of academic study, sport, cultural and current affairs, service to the community, and our unique enrichment programme. This consists of a series of one-term courses chosen from a broad range of offerings developed by staff and shaped by student requests. Students also undertake independent projects and practical research as part of the optional Extended Project Qualification.

Bedales students finish their school journey to go on to a wide range of some of the most prestigious academic and artistic institutions in the UK and internationally, joining a host of alumni who are distinctively Bedalian for life. While the School takes a kind, 'child-centred' approach, its students are ambitious and they go on to contribute to society in remarkable ways.

*"They describe themselves as learning to be inquisitive, fearless and ready to confront that which is unacceptable. The School is extremely successful in creating an atmosphere in which all pupils know that they are valued and respected as unique individuals."*  
*ISI Inspection Report, 2022*

#### *Bedales Prep, Dunhurst:*

Learning at Dunhurst is a rich tapestry of opportunity and extends far beyond the classroom. The School prides itself on a genuinely creative learning and teaching environment. Teachers maintain as much freedom as practically possible from the pressures of testing, exam results and Common Entrance preparation, whilst underpinning the curriculum with rigour and quality.

Dunhurst teaches by creating curiosity and setting challenges. Confidence grows as the pupils grow, and with it their desire to question and discuss. This distinctive approach to learning helps pupils excel academically. Dunhurst follows Bedales founder John Badley's vision of focusing on all aspects of a pupil's life – '*Head, Hand and Heart*' – with a belief that education should empower children through opportunity and experience. The curriculum is broad as well as deep. Unlike many prep schools, Dunhurst is not bound by the Common Entrance syllabus, and though guided by the National Curriculum the School is not locked into it. If teachers want to pursue a topic in depth, they can.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

Much learning takes place through doing and making, especially through the extra-curricular activities programme. Trips, visits, workshops and speakers are important stimuli and are encouraged. Off-timetable days and special focus days are an important part of school life too, with curriculum areas coming together to work towards a single goal.

The School endeavours to make sport a positive and enjoyable experience for every pupil, offering top quality coaching, a broad range of sports, outstanding facilities and opportunities for gifted sports players to develop their elite skills. Music, for performers and listeners alike, is central to daily life at Dunhurst, and throughout the year there are plays for different year groups to take part in, with opportunities both on and off stage.

The overall approach at Dunhurst is based on the belief that young people should be encouraged to aim as high as they can whilst also enjoying their childhood, and benefitting from as many opportunities and experiences as possible.

*“Standardised tests, and the School’s own assessment processes show that pupils in Dunhurst make excellent progress, many working at levels above normal expectations for their age.”*  
*ISI Inspection Report, 2022*

*Bedales Pre-prep & Nursery, Dunannie:*

Dunannie teachers want children to take delight in exploring the new and unknown. Children are most receptive to learning when they are happy. Dunannie’s curriculum is designed to be engaging so that information is received with excitement and curiosity. By the time they move on to prep school, the aim is for children to be fluent readers, spontaneous and literate writers, sound mathematicians and able to apply rigorous creative imaginations to any practical and theoretical challenges.

There is a structured yet flexible curriculum for all year groups - including the Nursery - that reflects the School’s aims and ethos, and teachers give equal value to intellectual, creative, emotional, social and physical development. Children are encouraged to enquire and we encourage critical thinking from an early age.

The performing and creative arts are important at Dunannie – notably music, drama and dance, and art and design. Children have access to specialist teachers as well as Dunhurst’s excellent music school resources. The School encourages children to take individual music lessons. Pupils benefit from being part of the Bedales family: there are close links with Dunhurst and Bedales, academically and in areas such as sport. All three Schools share facilities, such as the swimming pool, sports fields and Olivier Theatre.

Dunannie encourages children to have a curiosity about life and to help them develop enquiring minds through a broad, creative and language-rich curriculum which generates purposeful discussion, interest, application, enjoyment and high achievement. A cross-curricular approach which emphasises first hand, practical experiences; educational trips and visiting speakers provide the opportunity for young children to build the language and communication skills that they will need throughout life.

Dunannie believes that to learn the lesson, you should live it. Where possible, school trips are frequent to inspire the children to learn through first-hand experiences. Just as discovering something exciting in a pond may produce a future scientist, grating soap in a Victorian kitchen may spark a love of history.

The primary aim is to develop inquisitive thinkers with a love of learning who cherish independent thought.

Parents play a critical part in educating their children, and the School therefore welcomes opportunities for parents to get involved and stay informed. There are formal structures such as the Friends of Dunannie Committee and regular parents’ meetings. More informally, teachers are always happy to talk with parents and work with them to create the best possible learning opportunities for the children.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

---

### **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The financial performance of Bedales School recovered after the COVID-19 crisis with fee income returning towards normal levels. However, letting income was adversely affected and no summer let took place. The unexpected rise in energy costs resulted in an increase in costs of over £350,000 for the year.

Costs were reduced where possible and some reinvestment projects were delayed. The School has been able to work with its bankers to ensure that there is sufficient financial resilience. Debt levels remain relatively low and current debt has been renegotiated over a longer period and a Revolving Credit Facility (RCF) introduced.

The net income for the year amounted to £648,328 (2021: £1,127,496). Additions to fixed assets during the year are outlined in note 12 of the accounts. These amounted to £2,021,556 (2021: £2,910,172) and consisted mainly of a refit of the day common room, a new staff room, replacement of the dining room servery, the renovation of the Grade I listed Covered Way, two new staff flats and a new science classroom.

A total of £1,716,334 was provided in the form of means tested bursaries, scholarships and free music lessons; this total included grants from the Bedales Grants Trust Fund, the John Badley Foundation, Rank Foundation and Royal National Children's Springboard Foundation. As a total the bursary support represents 8% of gross fee income.

### **Policy on reserves**

The School's assets are sufficient to meet its obligations and are all held for use by the School. The unrestricted School funds are being held to finance current and future capital projects.

At 31 August 2022, the total funds of the School were £24,565,510 (2021: £21,108,182) after taking into account the pension funding deficit. Of these £38,300 (2021: £33,550) are restricted funds. Of the remaining reserves, £32,163,490 (2021: £31,770,691) is represented by tangible fixed assets. Therefore, the School has currently allocated all of its free reserves, supplemented by borrowings, on fixed assets.

The School has a 10 year plan which sets out its expected expenditure on fixed assets which will continue to improve the facilities of the School. This plan is managed in detail over the first 5 years with expenditure approved by the Board for the first 2 years.

The School believes that it is able to operate without free reserves and wishes to continue upgrading the facilities of the School through steady surpluses supplemented by borrowings.

Total unrestricted funds include a funding deficit of £Nil (2021: £2,755,000) calculated under FRS 102 in respect of the Schools defined benefit pension scheme for support staff (see note 20 for more information). The Governors believe that this notional funding calculation, which can vary between surplus and deficit according to the assumptions made at the year end, does not have a significant effect on the School's cash flow in the short term and that in the longer term its effects are sustainable out of future income.

The reserves policy of the School is reviewed on an annual basis by the Governors.

### **Fundraising**

In 2021/22 the focus was fundraising for full bursary support via the John Badley Foundation (JBF). The long term aim is to raise sufficient donor income to build an endowment fund whilst also providing direct bursary support from donations. The School's Head of Development works with colleagues and volunteer parents and alumni to create and manage the fundraising programme, which overall in 2021/22 raised £340,598 of which £325,530 was for full bursary and other support to the School via the JBF. An additional £5,937 was raised for the Bedales Grants Trust Fund, and £9,131 for general school improvements.

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

---

As part of the JBF, the School launched a new Emergency Refugee Fund in 2022 to support Ukrainians and others fleeing war and persecution. This has enabled eight Ukrainian pupils to join Bedales Prep and Bedales Senior.

The School is very appreciative of members of the wider school community for their generous support of its fundraising activities which included live events and individual approaches. Donors choose a variety of ways to support the School, such as through single donations, purchasing merchandise, offering raffle prizes, regular donations, donating works of art, and making legacy commitments.

There were no complaints received during the year relating to the School's fundraising activities. The School has robust policies in place regarding vulnerable people and treating donors fairly.

*"We are very happy to donate our son's acceptance deposit to the John Badley Foundation. He has been so very happy at Bedales and benefitted so much from not only the educational opportunities, but also from the fantastic friendships he has made within the Bedales community. So to be part of facilitating a place for a child who wouldn't usually have that opportunity open to them is a fitting initiative for 6.2 leavers."*

*Departing 6.2 parent*

### STRATEGIC RISK

The governing body is responsible for the identification and management of risks. The major risks to which the School is exposed, as identified by the Governors, have been reviewed and systems and procedures established to manage those risks. Detailed examination of the risks and establishment of controls to mitigate them is delegated to the Three Schools' Senior Team and the process is overseen by the lead Governor for Strategic Risk in close liaison with the Finance & General Purposes Committee on behalf of the governing body. A formal review of the risk management processes is undertaken annually at the March Board meeting. The focus is primarily on where risk is either increasing or decreasing and this then allows for the direction of resources.

The principal risks to which the School is exposed include those affecting protection of pupils and the security and preservation of charitable assets both now and in the future. Significant risk areas are:

#### - The Political and Economic Environment:

The Board of Governors regularly considers the political environment and how this impacts on the School and how to best prepare for challenges that may come about through changes. The potential threat to independent schools from any changes in government policies surrounding charities and in particular fee charging schools remains, especially with the Labour Party being clear that it would remove charitable benefits for independent schools and add 20% VAT to school fees. This represents a significant threat to the sector and one that could result in a significant drop in pupil numbers but a corresponding and equally significant additional and over capacity demand for maintained sector schools. There is currently heightened economic uncertainty in the UK with a new Prime Minister recently appointed; the School will need to be prepared to react to any changes as a result of announcements made in the November budget statement. The School is however well-prepared and is focussing on offering a high quality and different learning experience to the children in all three Schools as recognised in the recent ISI Inspection report. Political and economic risks are outside of the control of the Governors, but the possible impact of these is considered regularly by the Governors and any possible mitigation taken by the School.

#### - Competitive Market

The market in which the School operates is highly competitive and developments in education are monitored to ensure that pupils always receive an excellent, holistic, and varied educational experience in the School. Bedales sets out to be different, as recognised in the recent ISI Inspection, and preserving this difference is vital to its continuing success. Maintenance of strong pupil numbers in all three Schools is imperative and a strong and target focussed External Relations team market the School effectively. The pupil roll for 2022/23 is higher than it has ever been and the forecast for 2023/24 is higher again with the School at or nearing capacity.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

---

### **- Safe Environment**

The School strives to ensure that all staff and pupils are able to work in a safe and supportive environment. COVID-19 continued to present challenges that the School had to adapt to in the early part of the year. Being able to operate a safe school is essential and all possible measures are taken to keep staff and pupils safe. Active monitoring of pupil well being and welfare is undertaken by the pastoral care Designated Safeguarding Lead (DSL) teams. Safeguarding procedures are tightly managed with clear policies and procedures in place supplemented by appropriate training for staff and strong safer recruitment practices.

Appropriate employment policies and procedures are in place under the management of the Bursar and the Human Resources team. Health and Safety procedures are clear and under regular review by the Health and Safety Manager and the Health and Safety Strategy and Policy Committee chaired by the Head of Bedales Schools. There are separate Health and Safety committees for: Bedales; the Support Staff; and one covering Dunhurst and Dunannie.

### **- Compliance**

The School operates in a highly regulated sector and the Three Schools' Senior Team ensures that the School is up to date with legal and regulatory requirements. School or individual membership of bodies, being either the constituent associations of the Independent Schools Council or other professional bodies, also ensure access to up to date information and support.

### **- Legal & Financial**

The School operates in an increasingly litigious environment and appoints appropriate professional advisers and purchases insurance using specialist brokers and advisers so that we can address requirements and meet potential challenges.

Key controls used by the School to help mitigate risk and uncertainties include:

- formal agendas and minutes for all meetings of the governing body and committees;
- terms of reference for all committees;
- comprehensive strategic planning, financial forecasting, budgeting and management accounting;
- established and identifiable organisational structures and reporting lines which are regularly reviewed;
- comprehensive formal written policies;
- clear authorisation limits and anti-fraud measures;
- vetting procedures, as required by law, for protection of the vulnerable;
- comprehensive crisis management procedures involving governors right from the outset; and
- legal and specialist advice.

The School plans strategically; having regard for risk. The Three Schools' Senior Team provide the governing body with regular reports which include details of principal strategic objectives and the activity being undertaken to achieve those objectives. The School also records significant achievements and updates the governing body on short-term plans.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

---

### **EMPLOYMENT POLICY**

#### **An Employer of Choice**

Bedales is first and foremost a community and as such the staff are central to this; it is vital that there is a sense of belonging in our staff and that they feel valued for their contribution. Working for Bedales should bring pleasure and a sense of purpose, built on strong friendships and a shared belief in learning and developing one's talents. Our School Aims, which set out what we want the pupils to experience, translate directly to the experiences that we want the staff of the School to have as they spend time in our community. Above all, we believe in the *Work of Each for the Weal of All* as we educate children *Head, Hand and Heart*.

#### **Equal Opportunities**

The School aims to be an equal opportunity employer and is determined to ensure that no applicant or employee receives less favourable treatment on the grounds of race, gender, age, disability, religion, belief, sexual orientation, marital status, or is disadvantaged by conditions or requirements which cannot be shown to be justifiable. Each year, we publish our Gender Pay Gap report.

#### **Consultation and Employee Voice**

Consultation with staff is central to the Bedales ethos as a community and the School aims to take the views of its employees into account when decisions are made that are likely to affect their interests. The Staff Liaison Group provides a route for consultation and for employee voice direct to senior management and Governors through the governor representative on the Group.

The staff of the School are made aware of the financial performance of the School and are able to talk to the Bursar about this performance at any time. The work to be undertaken in 2022/23 to redefine the vision and strategy for the School for the next 10 years involves consultation groups and a wide range of the School's staff. Every member of staff has the opportunity to contribute to this work.

The School encourages a questioning staff body and provides as many routes as possible for this. The staff have the opportunity to contribute in surveys and their feedback is welcomed and can help shape the School. The most recent survey was completed during the Summer term 2021 and lessons identified will be taken forward in consultation with the Staff Liaison Group. There are opportunities for staff to suggest improvements and their help in finding better ways to meet requirements or find efficiencies is actively encouraged.

### **SUSTAINABILITY AND CARBON REPORTING**

The School is committed to reducing the impact that its operation has on the environment and takes this responsibility very seriously. The School engaged the Carbon Trust to help in this work by identifying the emissions for the School in terms of tCO<sub>2</sub>e for the Scopes 1 and 2 to provide a baseline from which to work and monitor progress towards achieving our first aim of being Carbon Neutral and working towards the second aim of reaching Net Zero.

To inform our work and enable us to plan for changes, it was decided that FY18/19 should be the baseline for our data as this was the last full academic year before interruptions due to COVID. We were keen to ensure that our baseline represented normal operations of the School, but also factors that the School can control and measure accurately going forwards.

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

Our emissions data follows:

|                                                                           | Baseline Year (18/19) |         | 2021/22 |
|---------------------------------------------------------------------------|-----------------------|---------|---------|
|                                                                           | tCO2e                 |         | tCO2e   |
| Scope 1                                                                   | 1,425                 | Scope 1 | 1,256   |
| Scope 2                                                                   | 490                   | Scope 2 | 295     |
| TOTAL                                                                     | 1,915                 | TOTAL   | 1,551   |
| Intensity ratio<br>(Scope 1 and 2 emissions per pupil or member of staff) | 1.71                  |         | 1.32    |

### Meeting our Sustainability Objectives

The School purchases all electricity from certified 100% renewable sources and although under Scope 2 we have shown emissions based on the grid electricity factor, our emissions would be less. However, we will continue to seek to both reduce electricity consumption, but also to increase generation opportunities through Solar PVs and other possible technologies. The first significant installation of Solar PVs was completed during the current year. Our scope 1 emissions are those that we wish to reduce as a priority, but doing so will take time and financial resources so this will be a programme over the next ten plus years. Bedales is set in a remote location and one that is not supplied by natural gas. All heating is therefore provided using oil and LPG.

We have developed plans to enable the School to replace all heating for the main school buildings that use oil of LPG. However, the priority must firstly be to improve the thermal efficiency of our buildings to enable other forms of heating in the longer term. This will mean replacing windows and installing further insulation. We will further our work to change lighting to LEDs (something that we started many years ago) and we will continue to drive to reduce energy consumption wherever we can. All building refurbishments will be to the latest building regulation standards and the completion of our most recent development, which replaced an old and inefficient building with one that was constructed with sustainability at its heart, will have made a significant difference.

Our long term aim is to reach Carbon Net Zero including Scope 3 emissions, but the first target will be to achieve carbon neutrality under scope 1 and 2 and, in partnership with all members of our community and those who engage with the School, we are confident that this can be achieved.

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

### Statement of Governing body responsibilities

The Governors, who are also the directors of Bedales School for the purpose of company law and the Trustees for the purpose of Charity law, are responsible for preparing the Governing Body Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Governing body report, including the strategic report, was approved by the Board of Governors.



**S A Nokes (Chair)**

Dated: 25th November 2022

# BEDALES SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF BEDALES SCHOOL

---

### Opinion

We have audited the financial statements of Bedales School (the 'Charity') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 FRS 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 Charity's affairs as at 31 August 2022 and of its incoming resources and application of resources, 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 Charity in accordance with the ethical requirements that are relevant to our audit of 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 Governing body'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 Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 course of 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.

# **BEDALES SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF BEDALES SCHOOL**

---

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

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

- the information given in the financial statements is inconsistent in any material respect with the Governing body report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Governors**

As explained more fully in the statement of Governing body responsibilities, the Governors, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under Chapter 3 of Part 16 of the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **BEDALES SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF BEDALES SCHOOL**

---

### **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 design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Charity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the Charity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the Charity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the Charity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# BEDALES SCHOOL

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF BEDALES SCHOOL

---

### Use of our report

This report is made solely to the Charity's Governors, 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 Charity's Governors those matters we are required to state to them in an auditors' 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 Charity and the Charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.



**Alex Temlett CA ACA CTA (Senior Statutory Auditor)**  
**For and on behalf of Azets Audit Services Limited**

**Date: 25 November 2022**

**Chartered Accountants**  
**Statutory Auditor**

Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
United Kingdom  
GU7 1LQ

# BEDALES SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

|                                                            |       | Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total             |
|------------------------------------------------------------|-------|-----------------------|--------------------|---------------------|-----------------------------|--------------------|---------------------|-------------------|
|                                                            |       | 2022                  | 2022               | 2022                | 2022                        | 2021               | 2021                | 2021              |
|                                                            | Notes | £                     | £                  | £                   | £                           | £                  | £                   | £                 |
| <b><u>Income and endowments from:</u></b>                  |       |                       |                    |                     |                             |                    |                     |                   |
| Donations and legacies                                     | 3     | -                     | -                  | 5,000               | 5,000                       | -                  | -                   | -                 |
| Income from charitable activities                          | 4     | 20,184,322            | -                  | -                   | 20,184,322                  | 19,085,339         | -                   | 19,085,339        |
| Other income                                               | 5     | 286,355               | -                  | -                   | 286,355                     | 287,873            | -                   | 287,873           |
| <b>Total income</b>                                        |       | <b>20,470,677</b>     | <b>-</b>           | <b>5,000</b>        | <b>20,475,677</b>           | <b>19,373,212</b>  | <b>-</b>            | <b>19,373,212</b> |
| <b><u>Expenditure on:</u></b>                              |       |                       |                    |                     |                             |                    |                     |                   |
| Expenditure on charitable activities                       | 6     | 19,569,501            | 54,000             | 250                 | 19,623,751                  | 17,971,460         | 48,000              | 18,020,343        |
| Other Expenditure                                          | 11    | 203,598               | -                  | -                   | 203,598                     | 225,373            | -                   | 225,373           |
| <b>Total resources expended</b>                            |       | <b>19,773,099</b>     | <b>54,000</b>      | <b>250</b>          | <b>19,827,349</b>           | <b>18,196,833</b>  | <b>48,000</b>       | <b>18,245,716</b> |
| <b>Net income for the year/<br/>Net incoming resources</b> |       | <b>697,578</b>        | <b>(54,000)</b>    | <b>4,750</b>        | <b>648,328</b>              | <b>1,176,379</b>   | <b>(48,000)</b>     | <b>1,127,496</b>  |

# BEDALES SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

|                                                            | Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total      |
|------------------------------------------------------------|-----------------------|--------------------|---------------------|-----------------------------|--------------------|---------------------|------------|
|                                                            | 2022<br>£             | 2022<br>£          | 2022<br>£           | 2022<br>£                   | 2021<br>£          | 2021<br>£           | 2021<br>£  |
| <b>Net income for the year/<br/>Net incoming resources</b> | 697,578               | (54,000)           | 4,750               | 648,328                     | 1,176,379          | (48,000)            | 1,127,496  |
| <b>Other recognised gains and losses</b>                   |                       |                    |                     |                             |                    |                     |            |
| Actuarial gain on defined benefit pension schemes          | -                     | 2,809,000          | -                   | 2,809,000                   | -                  | 1,387,000           | 1,387,000  |
| <b>Net movement in funds</b>                               | 697,578               | 2,755,000          | 4,750               | 3,457,328                   | 1,176,379          | 1,339,000           | 2,514,496  |
| Fund balances at 1 September 2021                          | 23,829,632            | (2,755,000)        | 33,550              | 21,108,182                  | 22,653,253         | (4,094,000)         | 18,593,686 |
| <b>Fund balances at 31 August 2022</b>                     | 24,527,210            | -                  | 38,300              | 24,565,510                  | 23,829,632         | (2,755,000)         | 21,108,182 |

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

All income and expenditure derive from continuing activities.

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

The funds breakdowns for the current and comparative period are shown in notes 23 and 24.

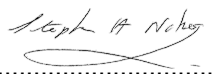
# BEDALES SCHOOL

## BALANCE SHEET

AS AT 31 AUGUST 2022

|                                                                | Notes | 2022<br>£    | £           | 2021<br>£    | £           |
|----------------------------------------------------------------|-------|--------------|-------------|--------------|-------------|
| <b>Fixed assets</b>                                            |       |              |             |              |             |
| Tangible assets                                                | 12    | 32,163,490   |             | 31,770,691   |             |
| Investments                                                    | 13    |              | 2           |              | 2           |
|                                                                |       |              |             |              |             |
|                                                                |       | 32,163,492   |             | 31,770,693   |             |
| <b>Current assets</b>                                          |       |              |             |              |             |
| Stocks                                                         | 15    | 18,403       |             | 25,082       |             |
| Debtors                                                        | 16    | 5,395,388    |             | 4,811,023    |             |
| Cash at bank and in hand                                       |       | 3,694,290    |             | 4,000,564    |             |
|                                                                |       |              |             |              |             |
|                                                                |       | 9,108,081    |             | 8,836,669    |             |
| <b>Creditors: amounts falling due within one year</b>          | 18    | (11,067,863) |             | (10,475,863) |             |
|                                                                |       |              |             |              |             |
| Net current liabilities                                        |       |              | (1,959,782) |              | (1,639,194) |
| <b>Total assets less current liabilities</b>                   |       |              | 30,203,710  |              | 30,131,499  |
|                                                                |       |              |             |              |             |
| <b>Creditors: amounts falling due after more than one year</b> | 19    |              | (5,638,200) |              | (6,268,317) |
|                                                                |       |              |             |              |             |
| <b>Net assets excluding pension deficit</b>                    |       |              | 24,565,510  |              | 23,863,182  |
|                                                                |       |              |             |              |             |
| <b>Defined benefit pension liability</b>                       | 20    |              | -           |              | (2,755,000) |
|                                                                |       |              |             |              |             |
| <b>Net assets excluding pension deficit</b>                    |       |              | 24,565,510  |              | 21,108,182  |
|                                                                |       |              |             |              |             |
| <b>Income funds</b>                                            |       |              |             |              |             |
| Restricted funds                                               | 25    |              | 38,300      |              | 33,550      |
| <u>Unrestricted funds</u>                                      |       |              |             |              |             |
| General                                                        | 24    | 24,527,210   |             | 23,829,632   |             |
| Pension reserve                                                | 24    | -            |             | (2,755,000)  |             |
|                                                                |       |              |             |              |             |
|                                                                |       |              | 24,527,210  |              | 21,074,632  |
|                                                                |       |              |             |              |             |
|                                                                |       |              | 24,565,510  |              | 21,108,182  |

The financial statements were approved by the Governors, and authorised for issue, on 25th November 2022 and signed on their behalf by:



S A Nokes (Chair)  
Chairman

Company Registration No. 00276785

# BEDALES SCHOOL

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2022**

|                                                       | Notes | 2022<br>£   | £           | 2021<br>£   | £           |
|-------------------------------------------------------|-------|-------------|-------------|-------------|-------------|
| <b>Cash flows from operating activities</b>           |       |             |             |             |             |
| Cash generated from operations                        | 22    |             | 2,615,198   |             | 2,679,245   |
| <b>Investing activities</b>                           |       |             |             |             |             |
| Purchase of tangible fixed assets                     |       | (2,021,556) |             | (2,910,172) |             |
| Proceeds on disposal of tangible fixed assets         |       | 15,667      |             | -           |             |
| Interest receivable                                   |       | 26,878      |             | 25,418      |             |
| Interest payable                                      |       | (187,794)   |             | (151,590)   |             |
| Net cash used in investing activities                 |       |             | (2,166,805) |             | (3,036,344) |
| <b>Financing activities</b>                           |       |             |             |             |             |
| Repayment of bank loans                               |       | (754,667)   |             | (377,333)   |             |
| Net cash used in financing activities                 |       |             | (754,667)   |             | (377,333)   |
| Net decrease in cash and cash equivalents             |       |             | (306,274)   |             | (734,432)   |
| <b>Cash and cash equivalents at beginning of year</b> |       |             | 4,000,564   |             | 4,734,996   |
| <b>Cash and cash equivalents at end of year</b>       |       |             | 3,694,290   |             | 4,000,564   |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2022

---

#### 1 Accounting policies

##### **Summary of significant accounting policies and key accounting estimate**

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

##### **Statement of compliance**

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

#### 1.1 Accounting convention

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

#### 1.2 Consolidated accounts exemption

The charity has taken advantage of the exemption under section 402 and 405 of the Companies Act 2006 to exclude the results of its subsidiary, Bedales Services Limited, from these financial statements on the basis that the subsidiary's results are immaterial for the purposes of these financial statements.

#### 1.3 Going concern

The Governors consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the Charity. The Board has paid particular attention to the ongoing effects of the COVID-19 pandemic as well as the current UK and global economic uncertainty and inflationary pressures and remains confident that sufficient funding is in place and there are adequate resources to service its liabilities as they fall due.

#### 1.4 Income and endowments

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

#### 1.5 Fees

Fees receivable are accounted for in the period in which the service is provided and are stated after deducting allowances, scholarships and other remissions allowed by the School, but include contributions received from bursaries and other trusts

#### 1.6 Donations

Donations receivable for the general purposes of the School are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds.

#### 1.7 Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

The charity has received Government support during the period in the form of the Coronavirus Job Retention Scheme, which has been accounted for under the accruals method within donations and legacies.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

---

#### 1 Accounting policies

(Continued)

##### 1.8 Rent receivable and interest receivable

Rent receivable, bank and other interest are accounted for as they accrue and over the period to which they relate.

##### 1.9 Expenditure

Resources expended are accounted for on an accruals basis. Expenditure is allocated to expense headings on a direct basis except for:

- Depreciation on buildings which is apportioned according to area taken up and central costs which are apportioned on the basis of the Governors' estimate of time spent on the relevant functions; and

- Support costs not directly attributable to particular functional activity categories, which are apportioned over the relevant categories on the basis of the Governors' estimates of the amounts attributable to that activity in the period, either by reference to staff time or space occupied, as appropriate.

The irrecoverable element of VAT is included within the item of expense to which it relates, as far as is practicable, or otherwise under the most appropriate heading.

Governance costs are included in support costs and comprise the costs of running the School, including strategic planning for its future development, auditors' remuneration, certain legal costs and all costs of complying with constitutional and statutory requirements, such as Board meetings and preparing statutory financial statements.

Payments in relation to the termination of employment are recognised when the relevant decision-making process has been completed and communicated to all affected parties.

Costs incurred in trading activities that raise funds are classified separately.

##### 1.10 Tangible fixed assets

Tangible fixed assets are included at cost. Expenditure on items of furniture, equipment and computer equipment since 1 September 1973 is written down to nil over three periods on the basis of 33 1/3% per annum straight line. Major catering equipment and furniture is written down to nil over 15 years. Small items of expenditure and short life assets are charged direct to revenue.

Depreciation is provided on tangible fixed assets (charged the month after purchase) so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

|                       |                                |
|-----------------------|--------------------------------|
| Buildings             | 2-10% per annum straight line  |
| Fixtures and fittings | 6.67% per annum straight line  |
| IT Equipment          | 6.67-25% straight line         |
| Motor vehicles        | 10-25% straight line           |
| Equipment             | 10-20% per annum straight line |

Freehold land and assets in the course of construction are not depreciated.

The anticipated average life of buildings is estimated by reference to 1 September 1981 (date of commencement of depreciation policy) or date of expenditure since that date.

# BEDALES SCHOOL

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

---

### 1 Accounting policies

(Continued)

#### 1.11 Taxation

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

#### 1.12 Leased assets

Where assets are financed by leasing arrangements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation of the relevant assets is charged to the Statement of Financial Activities.

#### 1.13 Lease payments

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the Statement of Financial Activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital portion reduces the amounts payable to the lessor. All other leases are treated as operating leases. The annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

#### 1.14 Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

#### 1.15 Debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### 1.16 Cash and cash equivalents

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

#### 1.17 Creditors

Short term creditors are recognised initially at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transactions costs, and are subsequently measured at amortised cost using the effective interest method.

#### 1.18 Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

### **1 Accounting policies**

**(Continued)**

#### **1.19 Pension costs**

The School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the Governors by the Scheme Administrator. For the purposes of complying with the relevant accounting standards, the Teachers' Pension Scheme is accounted for as a defined contribution scheme, in accordance with FRS 102, as the School is not responsible for or entitled to receive benefit for any surplus or deficit on the scheme. Contributions are charged to the Statement of Financial Activities in the period which they become payable.

The School also operates a Group Personal Pension Plan for the support staff which is a defined contribution scheme and contributions are accounted for as a charge to the Statement of Financial Activities in the period to which they relate.

The School also contributes to a defined benefit pension scheme for support staff. The scheme is no longer open to new staff. Rates are set by the scheme actuary and advised to the School by the scheme administrator. This scheme is accounted for in accordance with FRS 102: Retirement Benefits, with the annually calculated notional surplus (to the extent that the School is expected to benefit through future reductions in contributions or refunds) or deficit on the funding of the scheme shown as a designated fund entitled "Pension Reserve", which is deducted from unrestricted funds on the balance sheet. Current service costs, curtailments, settlement gains and losses, net financial returns and actuarial gains and losses are included in the Statement of Financial Activities in the period to which they relate.

Changes in the assets and liabilities of the scheme in the period are disclosed and allocated as follows:

Changes relating to current or past service costs and gains and losses on settlements and curtailments, and pension finance costs arising from changes in the net of the interest costs and expected return on assets, are allocated to the relevant activity heading based on staff costs of employees within the scheme. Pension finance income arising from similar changes is recognised as an incoming resource. Actuarial gains and losses arising are recognised as other recognised gains and losses. The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation.

Details of the scheme assets and liabilities, and major assumptions are shown in note 20.

#### **1.20 Foreign exchange**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

#### **1.21 Fund structure**

Unrestricted funds are those available to further the School's charitable objectives at the discretion of the Governors

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the Governors.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions

#### **1.22 Financial instruments**

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the instrument is measured at the present value of the future receipts discounted at a market rate of interest.

# BEDALES SCHOOL

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

### 1 Accounting policies

(Continued)

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the instrument is measured at the present value of the future receipts discounted at a market rate of interest.

### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key areas subject to judgement and estimation are as follows:

#### Pension scheme accounting

Judgement is applied when selecting the assumptions forming the basis of the School's defined benefit pension scheme valuation.

#### Fixed asset depreciation

Judgement is applied when assigning anticipated average lives to the fixed assets of the School.

#### Bad debt provision

Judgement is applied when assessing the expected amounts to be received from outstanding term fees, each individual debtor balance is reviewed and a provision is recognised based on a considered expectation of the proportion of the debt that may not be recovered.

### 3 Donations and legacies

|                     | Restricted<br>funds | Total     |
|---------------------|---------------------|-----------|
|                     | 2022<br>£           | 2021<br>£ |
| Legacies receivable | 5,000               | -         |

# BEDALES SCHOOL

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

### 4 Income from charitable activities

|                                                                 | Unrestricted<br>funds<br>2022<br>£ | Unrestricted<br>funds<br>2021<br>£ |
|-----------------------------------------------------------------|------------------------------------|------------------------------------|
| Gross fees                                                      | 21,531,026                         | 20,516,859                         |
| Extra lessons income                                            | 833,644                            | 802,306                            |
| Registration fees                                               | 65,544                             | 69,589                             |
| The John Badley Foundation bursaries                            | 137,278                            | 129,079                            |
| Bedales Grant Trust Fund bursaries                              | 272,778                            | 257,222                            |
| Less: Total scholarships, bursaries, other remissions and costs | (2,655,948)                        | (2,689,716)                        |
|                                                                 | <u>20,184,322</u>                  | <u>19,085,339</u>                  |

### 5 Other income

|                                               | Unrestricted<br>funds<br>2022<br>£ | Unrestricted<br>funds<br>2021<br>£ |
|-----------------------------------------------|------------------------------------|------------------------------------|
| Net gain on disposal of tangible fixed assets | 15,667                             | -                                  |
| Other income                                  | 5,223                              | 85                                 |
| Interest receivable                           | 26,878                             | 25,418                             |
| Rental income                                 | 238,587                            | 51,632                             |
| Coronavirus Job Retention Scheme grants       | -                                  | 210,738                            |
|                                               | <u>286,355</u>                     | <u>287,873</u>                     |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

### 6 Expenditure on charitable activities

|                                                    | Unrestricted<br>funds<br>2022<br>£ | Pension<br>reserve<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ | Unrestricted<br>funds<br>2021<br>£ | Pension<br>reserve<br>2021<br>£ | Restricted<br>funds<br>2021<br>£ | Total<br>2021<br>£ |
|----------------------------------------------------|------------------------------------|---------------------------------|----------------------------------|--------------------|------------------------------------|---------------------------------|----------------------------------|--------------------|
| Teaching costs                                     | 13,439,448                         | -                               | 250                              | 13,439,698         | 12,946,580                         | -                               | 883                              | 12,947,463         |
| Depreciation, amortisation and other similar costs | 1,628,757                          | -                               | -                                | 1,628,757          | 1,515,528                          | -                               | -                                | 1,515,528          |
| Premises                                           | 3,076,426                          | -                               | -                                | 3,076,426          | 2,151,143                          | -                               | -                                | 2,151,143          |
| Support costs                                      | 1,343,919                          | 54,000                          | -                                | 1,397,919          | 1,311,732                          | 48,000                          | -                                | 1,359,732          |
| Welfare                                            | 80,951                             | -                               | -                                | 80,951             | 46,477                             | -                               | -                                | 46,477             |
|                                                    | 19,569,501                         | 54,000                          | 250                              | 19,623,751         | 17,971,460                         | 48,000                          | 883                              | 18,020,343         |

# BEDALES SCHOOL

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

### 7 Analysis of support costs

#### Support costs allocated to charitable activities

|                        | Printing,<br>postage and<br>stationery | Marketing and<br>communications | Information<br>technology | Staff costs       | Professional<br>fees |
|------------------------|----------------------------------------|---------------------------------|---------------------------|-------------------|----------------------|
|                        | £                                      | £                               | £                         | £                 | £                    |
| School operating costs | 87,646                                 | 152,145                         | 218,356                   | 138,423           | 76,677               |
|                        | <u>          </u>                      | <u>          </u>               | <u>          </u>         | <u>          </u> | <u>          </u>    |
|                        | Premises<br>costs                      | Other support<br>costs          | Total 2021                |                   |                      |
|                        | £                                      | £                               | £                         |                   |                      |
| School operating costs | 593,482                                | 45,003                          | 1,311,732                 |                   |                      |
|                        | <u>          </u>                      | <u>          </u>               | <u>          </u>         |                   |                      |

### 8 Net movement in funds

**2022**  
**£**

**2021**  
**£**

Net movement in funds is stated after charging/(crediting)

|                                                                                           |                   |                   |
|-------------------------------------------------------------------------------------------|-------------------|-------------------|
| Fees payable to the company's auditor for the audit of the company's financial statements | 26,940            | 20,330            |
| Depreciation of owned tangible fixed assets                                               | 1,628,757         | 1,515,528         |
| Profit on disposal of tangible fixed assets                                               | (15,667)          | -                 |
| Pension scheme actuarial (gains)/losses                                                   | (2,809,000)       | (1,387,000)       |
| Other pension scheme movements                                                            | 333,000           | 282,000           |
| Pension contributions                                                                     | 279,000           | 234,000           |
|                                                                                           | <u>          </u> | <u>          </u> |

### 9 Governors' remuneration and expenses

No remuneration or benefits were provided to any Governor during the period, other than the School purchasing Governors' indemnity insurance to provide cover of up to £5,000,000. The premium was part of the public liability premium and is not separately identified.

Travel and accommodation expenses to and from meetings of £658 (2021: £Nil) in relation to two Governors (2021: Nil) were reimbursed to the Governors during the period. No other payments were made to any Governors.

# BEDALES SCHOOL

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

### 10 Employees

The average monthly number of employees (including senior management team) during the year was:

|          | 2022<br>Number | 2021<br>Number |
|----------|----------------|----------------|
| Teaching | 151            | 151            |
| Support  | 223            | 211            |
| Total    | 374            | 362            |

The staff full time equivalents in the year were 276 (2021: 260).

| Employment costs      | 2022<br>£  | 2021<br>£  |
|-----------------------|------------|------------|
| Wages and salaries    | 10,570,185 | 10,247,451 |
| Social security costs | 1,072,629  | 987,283    |
| Other pension costs   | 1,796,884  | 1,712,729  |
|                       | 13,439,698 | 12,947,463 |

The number of employees whose annual remuneration was £60,000 or more were:

|                     | 2022<br>Number | 2021<br>Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000   | 8              | 6              |
| £70,001 - £80,000   | 2              | 2              |
| £80,001 - £90,000   | -              | 3              |
| £90,001 - £120,000  | 2              | 3              |
| £120,001 - £130,000 | 2              | 1              |
| £160,001 - £170,000 | 1              | 1              |

During the year, the school made redundancy and/or termination payments which totalled £132,935 (2021: £156,463) relating to 6 individuals (2021: 8).

All of the higher paid employees are either in the Teachers' Pension Scheme, the School's Defined Benefit Pension Scheme or the School's Defined Contribution Pension Scheme.

#### Key management personnel

The key management roles in the School for the period were the Governors, who are not paid, the Head, Bedales School, the Bursar and Clerk to the Governors, Director of External Relations, the Head of Dunhurst and the Head of Dunannie. Their total emoluments including pensions paid and Employers National Insurance were £620,794 (2021: £612,846).

# BEDALES SCHOOL

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

---

### 11 Other Expenditure

|                    | Unrestricted<br>funds | Unrestricted<br>funds |
|--------------------|-----------------------|-----------------------|
|                    | 2022                  | 2021                  |
| Bank loan interest | 146,806               | 100,246               |
| Bank charges       | 7,656                 | 8,945                 |
| Bad debt provision | 8,148                 | 64,838                |
| Financing costs    | 40,988                | 51,344                |
|                    | <u>203,598</u>        | <u>225,373</u>        |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 12 Tangible fixed assets

|                                    | Freehold Land | Buildings  | Assets under construction | Fixtures and fittings | IT Equipment | Motor vehicles | Equipment | Total      |
|------------------------------------|---------------|------------|---------------------------|-----------------------|--------------|----------------|-----------|------------|
|                                    | £             | £          | £                         | £                     | £            | £              | £         | £          |
| <b>Cost</b>                        |               |            |                           |                       |              |                |           |            |
| At 1 September 2021                | 15,489        | 48,200,534 | -                         | 207,100               | 2,697,418    | 423,613        | 943,770   | 52,487,924 |
| Additions                          | -             | 1,010,446  | 744,188                   | -                     | 179,764      | 67,075         | 20,083    | 2,021,556  |
| Disposals                          | -             | -          | -                         | -                     | -            | (3,000)        | -         | (3,000)    |
| At 31 August 2022                  | 15,489        | 49,210,980 | 744,188                   | 207,100               | 2,877,182    | 487,688        | 963,853   | 54,506,480 |
| <b>Depreciation and impairment</b> |               |            |                           |                       |              |                |           |            |
| At 1 September 2021                | -             | 17,628,429 | -                         | 206,602               | 2,032,793    | 291,509        | 557,900   | 20,717,233 |
| Depreciation charged in the year   | -             | 1,260,454  | -                         | 42                    | 232,036      | 54,150         | 82,075    | 1,628,757  |
| Eliminated in respect of disposals | -             | -          | -                         | -                     | -            | (3,000)        | -         | (3,000)    |
| At 31 August 2022                  | -             | 18,888,883 | -                         | 206,644               | 2,264,829    | 342,659        | 639,975   | 22,342,990 |
| <b>Carrying amount</b>             |               |            |                           |                       |              |                |           |            |
| At 31 August 2022                  | 15,489        | 30,322,097 | 744,188                   | 456                   | 612,353      | 145,029        | 323,878   | 32,163,490 |
| At 31 August 2021                  | 15,489        | 30,572,105 | -                         | 498                   | 664,625      | 132,104        | 385,870   | 31,770,691 |

# BEDALES SCHOOL

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

### 12 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts:

|                | 2022<br>£     | 2021<br>£     |
|----------------|---------------|---------------|
| Motor vehicles | 2,183         | 15,398        |
| IT Equipment   | 50,526        | 56,193        |
|                | <u>52,709</u> | <u>71,591</u> |

### 13 Fixed asset investments

Other  
investments

#### Cost or valuation

At 1 September 2021 & 31 August 2022

2

#### Carrying amount

At 31 August 2022

2

At 31 August 2021

2

|                             | Notes | 2022<br>£ | 2021<br>£ |
|-----------------------------|-------|-----------|-----------|
| Other investments comprise: |       |           |           |
| Investments in subsidiaries | 14    | <u>2</u>  | <u>2</u>  |

### 14 Subsidiaries

Details of the Charity's subsidiaries at 31 August 2022 are as follows:

| Name of undertaking      | Registered office                                                                               | Nature of business | Class of shares held | % Held<br>Direct Indirect |
|--------------------------|-------------------------------------------------------------------------------------------------|--------------------|----------------------|---------------------------|
| Bedales Services Limited | Bedales School, Non-trading<br>Church Road,<br>Steep,<br>Petersfield,<br>Hampshire,<br>GU32 2DG |                    | Ordinary             | 100.00                    |

# BEDALES SCHOOL

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

### 14 Subsidiaries

(Continued)

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

| Name of undertaking      | Profit/(Loss)<br>£ | Capital and<br>Reserves<br>£ |
|--------------------------|--------------------|------------------------------|
| Bedales Services Limited | -                  | (16,860)                     |

### 15 Stocks

|                                     | 2022<br>£ | 2021<br>£ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 18,403    | 25,082    |

### 16 Debtors

|                                             | 2022<br>£        | 2021<br>£        |
|---------------------------------------------|------------------|------------------|
| <b>Amounts falling due within one year:</b> |                  |                  |
| Trade debtors                               | 5,100,599        | 4,503,670        |
| Amounts owed by fellow group undertakings   | 8,040            | 6,000            |
| Other debtors                               | 54,116           | 22,681           |
| Prepayments                                 | 232,633          | 278,672          |
|                                             | <u>5,395,388</u> | <u>4,811,023</u> |

### 17 Loans and overdrafts

|                                                         | 2022<br>£        | 2021<br>£        |
|---------------------------------------------------------|------------------|------------------|
| Bank loans                                              | <u>4,807,334</u> | <u>5,562,001</u> |
| Payable within one year                                 | 754,667          | 754,666          |
| Payable after one year                                  | <u>4,052,667</u> | <u>4,807,335</u> |
| Amounts included above which fall due after five years: |                  |                  |
| Payable by instalments                                  | <u>1,400,000</u> | <u>1,788,668</u> |

The bank loans are secured on the freehold premises of the School. Interest is charged at 0.78% above base rate on the original loan which is repayable by 2025 and 2.28% above base rate on the second loan which is repayable by March 2027.

# BEDALES SCHOOL

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

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

|                                    | Notes | 2022<br>£         | 2021<br>£         |
|------------------------------------|-------|-------------------|-------------------|
| Bank loans                         | 17    | 754,667           | 754,666           |
| Other taxation and social security |       | 245,550           | 238,817           |
| Trade creditors                    |       | 361,441           | 387,248           |
| Fees received in advance           |       | 7,267,123         | 6,606,939         |
| Fees in advance scheme             |       | 791,716           | 926,193           |
| Entrance deposits                  |       | 1,248,270         | 1,099,991         |
| Other creditors                    |       | 259,813           | 350,377           |
| Accruals and deferred income       |       | 139,283           | 111,632           |
|                                    |       | <u>11,067,863</u> | <u>10,475,863</u> |

#### Fees in advance scheme

Parents may enter into a contract to pay the school tuition fees in advance. The money may be returned subject to specific conditions. Assuming pupils remain in the school, the fees in advance will be applied as follows:

|                   | 2022<br>£        | 2021<br>£        |
|-------------------|------------------|------------------|
| Within one year   | 791,716          | 926,193          |
| One to two years  | 400,996          | 820,095          |
| Two to five years | 824,768          | 428,064          |
| After five years  | 359,769          | 212,823          |
|                   | <u>2,377,249</u> | <u>2,387,175</u> |

### 19 Creditors: amounts falling due after more than one year

|                        | Notes | 2022<br>£        | 2021<br>£        |
|------------------------|-------|------------------|------------------|
| Bank loans             | 17    | 4,052,667        | 4,807,335        |
| Fees in advance scheme |       | 1,585,533        | 1,460,982        |
|                        |       | <u>5,638,200</u> | <u>6,268,317</u> |

### 20 Retirement benefit schemes

#### Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

# BEDALES SCHOOL

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

### 20 Retirement benefit schemes

(Continued)

#### Defined benefit schemes

##### Teachers' Pension Agency

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge accrued at the year-end in respect of contributions to this scheme was £131,828 (2021 - £132,512).

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 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.

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 a remedy to the discrimination conclusion has been determined by the Employment Tribunal 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.

##### Hampshire Pension Fund ("the fund")

The figures below relate to the funded liabilities within the Fund which is part of the Local Government Pension Scheme (the "LGPS"). The funded nature of the LGPS requires the Employer and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets.

# BEDALES SCHOOL

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

### 20 Retirement benefit schemes

(Continued)

The date of the most recent comprehensive actuarial valuation was 31 March 2019 and these results allow for the 2019 Actuarial Valuation of the Fund. The key and demographic assumptions below have been updated to reflect the 2022 year end data, where available. The effect of allowing for the 31 March 2019 Actuarial Valuation and the changes in key and demographic assumptions is reflected in the balance sheet position.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £54,000 (2021: £48,000).

#### Key assumptions

|                                                  | 2022<br>% | 2021<br>% |
|--------------------------------------------------|-----------|-----------|
| Discount rate                                    | 4.2       | 1.7       |
| Expected rate of increase of pensions in payment | 2.9       | 2.7       |
| Expected rate of salary increases                | 3.9       | 3.7       |
| Expected rate of inflation (CPI)                 | 2.9       | 2.7       |

#### Mortality assumptions

The assumed life expectations on retirement at age 65 are:

|                      | 2022<br>Years | 2021<br>Years |
|----------------------|---------------|---------------|
| Retiring today       |               |               |
| - Males              | 23            | 23            |
| - Females            | 25            | 26            |
| Retiring in 20 years |               |               |
| - Males              | 25            | 25            |
| - Females            | 27            | 27            |

Amounts recognised in the profit and loss account:

|                                                   | 2022<br>£ | 2021<br>£ |
|---------------------------------------------------|-----------|-----------|
| Current service cost                              | 289,000   | 219,000   |
| Net interest on defined benefit liability/(asset) | 44,000    | 63,000    |
| Contributions by the employer                     | (279,000) | (234,000) |
| Total costs                                       | 54,000    | 48,000    |

# BEDALES SCHOOL

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

### 20 Retirement benefit schemes

(Continued)

Amounts taken to other comprehensive income:

|                                                   | 2022<br>£   | 2021<br>£   |
|---------------------------------------------------|-------------|-------------|
| Actual return on scheme assets                    | 774,000     | (1,829,000) |
| Less: calculated interest element                 | 199,000     | 159,000     |
| Return on scheme assets excluding interest income | 973,000     | (1,670,000) |
| Actuarial changes related to obligations          | (4,829,000) | 283,000     |
| Restriction of defined benefit pension surplus    | 1,047,000   | -           |
| Total (gains)/losses                              | (2,809,000) | (1,387,000) |

The actuarial valuation on which the defined benefit pension surplus/deficit is based produced a surplus of £1.047m. Under accounting standards, a surplus can only be recognised if the School has the ability to reduce contributions to the pension scheme in future or reclaim refunds through the scheme. On the basis that this may not be possible, the Governors believe that the surplus should be restricted to £Nil.

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

|                                              | 2022<br>£    | 2021<br>£    |
|----------------------------------------------|--------------|--------------|
| Present value of defined benefit obligations | 9,828,000    | 14,465,000   |
| Fair value of plan assets                    | (10,875,000) | (11,710,000) |
| (Surplus)/deficit in scheme                  | (1,047,000)  | 2,755,000    |
| Restriction of surplus                       | 1,047,000    | -            |
| Total liability recognised                   | -            | 2,755,000    |

Movements in the present value of defined benefit obligations:

|                                        | 2022<br>£   |
|----------------------------------------|-------------|
| Present value at 1 September 2021      | 14,465,000  |
| Current service cost                   | 289,000     |
| Benefits paid                          | (367,000)   |
| Contributions from scheme participants | 27,000      |
| Actuarial gains and losses             | (4,829,000) |
| Interest cost                          | 243,000     |
| At 31 August 2022                      | 9,828,000   |

# BEDALES SCHOOL

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

### 20 Retirement benefit schemes

(Continued)

The defined benefit obligations arise from plans funded as follows:

|                                     | <b>2022</b><br><b>£</b> |
|-------------------------------------|-------------------------|
| Wholly unfunded obligations         | -                       |
| Wholly or partly funded obligations | 9,828,000               |
|                                     | <u>9,828,000</u>        |

Movements in the fair value of plan assets:

|                                          | <b>2022</b><br><b>£</b> |
|------------------------------------------|-------------------------|
| Fair value of assets at 1 September 2021 | 11,710,000              |
| Interest income                          | 199,000                 |
| Actuarial gains and losses               | (973,000)               |
| Benefits paid                            | (367,000)               |
| Contributions by the employer            | 279,000                 |
| Contributions from scheme participants   | 27,000                  |
|                                          | <u>10,875,000</u>       |
| At 31 August 2022                        | <u>10,875,000</u>       |

The fair value of plan assets at the reporting period end was as follows:

|                           | <b>2022</b><br><b>£</b> | <b>2021</b><br><b>£</b> |
|---------------------------|-------------------------|-------------------------|
| Equity instruments        | 2,773,000               | 6,721,540               |
| Cash and cash equivalents | 6,297,000               | 4,274,150               |
| Property                  | 1,805,000               | 714,310                 |
|                           | <u>10,875,000</u>       | <u>11,710,000</u>       |

### 21 Capital commitments

At 31 August 2022 the Charity had capital commitments which were not provided for in the financial statements of £705,000 (2021: £910,000).

# BEDALES SCHOOL

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

| 22 | Cash generated from operations                           | 2022<br>£        | 2021<br>£        |
|----|----------------------------------------------------------|------------------|------------------|
|    | Surplus for the year                                     | 648,328          | 1,127,496        |
|    | Adjustments for:                                         |                  |                  |
|    | Interest receivable                                      | (26,878)         | (25,418)         |
|    | Interest payable                                         | 187,794          | 151,590          |
|    | Gain on disposal of tangible fixed assets                | (15,667)         | -                |
|    | Depreciation and impairment of tangible fixed assets     | 1,628,757        | 1,515,528        |
|    | Difference between pension charge and cash contributions | 54,000           | 48,000           |
|    | Movements in working capital:                            |                  |                  |
|    | Decrease/(increase) in stocks                            | 6,679            | (10,846)         |
|    | (Increase) in debtors                                    | (584,365)        | (363,779)        |
|    | Increase in creditors                                    | 716,550          | 236,674          |
|    | <b>Cash generated from operations</b>                    | <b>2,615,198</b> | <b>2,679,245</b> |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 23 Analysis of net assets between funds

|                                                     | Unrestricted<br>funds<br>2022<br>£ | Pension<br>reserve<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total Unrestricted<br>funds<br>2022<br>£ | Total Unrestricted<br>funds<br>2021<br>£ | Pension<br>reserve<br>2021<br>£ | Restricted<br>funds<br>2021<br>£ | Total<br>2021<br>£ |
|-----------------------------------------------------|------------------------------------|---------------------------------|----------------------------------|------------------------------------------|------------------------------------------|---------------------------------|----------------------------------|--------------------|
| Fund balances at 31 August 2022 are represented by: |                                    |                                 |                                  |                                          |                                          |                                 |                                  |                    |
| Tangible assets                                     | 32,163,492                         | -                               | -                                | 32,163,492                               | 31,770,693                               | -                               | -                                | 31,770,693         |
| Net current liabilities                             | (1,998,082)                        | -                               | 38,300                           | (1,959,782)                              | (1,672,744)                              | -                               | 33,550                           | (1,639,194)        |
| Long term liabilities                               | (5,638,200)                        | -                               | -                                | (5,638,200)                              | (6,268,317)                              | -                               | -                                | (6,268,317)        |
| Pension scheme liability                            |                                    | -                               | -                                | -                                        | -                                        | (2,755,000)                     | -                                | (2,755,000)        |
|                                                     | <u>24,527,210</u>                  | <u>-</u>                        | <u>38,300</u>                    | <u>24,565,510</u>                        | <u>23,829,632</u>                        | <u>(2,755,000)</u>              | <u>33,550</u>                    | <u>21,108,182</u>  |

#### 24 Unrestricted funds

The income funds of the charity include the following unrestricted funds which have no restrictions:

|                 | Movement in funds                      |                            |                            |                                           | Movement in funds                      |                            |                            |                                           |                                      |
|-----------------|----------------------------------------|----------------------------|----------------------------|-------------------------------------------|----------------------------------------|----------------------------|----------------------------|-------------------------------------------|--------------------------------------|
|                 | Balance at<br>1 September<br>2020<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Revaluations,<br>gains and<br>losses<br>£ | Balance at<br>1 September<br>2021<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Revaluations,<br>gains and<br>losses<br>£ | Balance at<br>31 August<br>2022<br>£ |
| General         | 22,653,253                             | 19,373,212                 | (18,196,833)               | -                                         | 23,829,632                             | 20,470,677                 | (19,773,099)               | -                                         | 24,527,210                           |
| Pension reserve | (4,094,000)                            | -                          | (48,000)                   | 1,387,000                                 | (2,755,000)                            | -                          | (54,000)                   | 2,809,000                                 | -                                    |
|                 | <u>18,559,253</u>                      | <u>19,373,212</u>          | <u>(18,244,833)</u>        | <u>1,387,000</u>                          | <u>21,074,632</u>                      | <u>20,470,677</u>          | <u>(19,827,099)</u>        | <u>2,809,000</u>                          | <u>24,527,210</u>                    |

# BEDALES SCHOOL

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

### 25 Restricted funds

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

|                         | Balance at<br>1 September<br>2020 | Resources<br>expended | Balance at<br>1 September<br>2021 | Movement in funds     |                       | Balance at<br>31 August<br>2022 |
|-------------------------|-----------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------|---------------------------------|
|                         | £                                 | £                     | £                                 | Incoming<br>resources | Resources<br>expended | £                               |
| Kadian Observatory Fund | 13,117                            | (883)                 | 12,234                            | -                     | (250)                 | 11,984                          |
| Digital Library Fund    | 21,316                            | -                     | 21,316                            | 5,000                 | -                     | 26,316                          |
|                         | <u>34,433</u>                     | <u>(883)</u>          | <u>33,550</u>                     | <u>5,000</u>          | <u>(250)</u>          | <u>38,300</u>                   |

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

The Kadian Observatory Fund has been set up for the maintenance of the new observatory, to provide for an annual Kadian Harding Science and Technology prize and to provide a guest speaker for the annual astronomy lecture.

The Digital Library Fund has been set up to digitize old Bedales archives.

### 26 Contingent assets

The sale of a small parcel of land was completed for a consideration of £305,000 in December 1998. In addition, the School will receive 75% of the development value should development permission be granted to the purchaser. It is not practicable to make an estimate of the 75% of future development value.

### 27 Related party transactions

The Bedales Grant Trust Fund, charity number 1036179, was set up to provide grants to pupils at Bedales in need of financial aid to pay their tuition fees. In making such grants or loans preference shall be given to a parents or parents who was or were a pupil at Bedales School. During the period the Fund contributed £272,778 (2021: £257,222) to the school.

The John Badley Foundation, charity number 1138332, was set up to advance the education of pupils at the School. In the period, the School received donations from the Trust of £137,278 (2021: £129,079) towards the awarding of bursaries.

One Governor (2021: one Governor) and two members of key management (2021: two members of key management), of which details of the relevant roles can be found in note 10, have children at the School that paid normal fees and received no bursaries or scholarships.

# BEDALES SCHOOL

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

---

### 28 Analysis of changes in net (debt)/funds

|                                            | At 1 September<br>2021<br>£ | Cash flows<br>£ | At 31 August<br>2022<br>£ |
|--------------------------------------------|-----------------------------|-----------------|---------------------------|
| Cash at bank and in hand                   | 4,000,564                   | (306,274)       | 3,694,290                 |
| Loans falling due within one year          | (754,666)                   | (1)             | (754,667)                 |
| Loans falling due after more than one year | (4,807,335)                 | 754,668         | (4,052,667)               |
|                                            | <u>(1,561,437)</u>          | <u>448,393</u>  | <u>(1,113,044)</u>        |

---

# Accounts

---

Charity Registration No. 307332

Company Registration No. 00276785 (England and Wales)

**BEDALES SCHOOL**

**(A company limited by guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**Principal Address and Registered Office**

**Bedales School, Church Road, Steep, Petersfield, Hampshire, GU32 2DG**

**Website**

**[www.bedales.org.uk](http://www.bedales.org.uk)**

# BEDALES SCHOOL

## LEGAL AND ADMINISTRATIVE INFORMATION

---

|                                                           |                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Governors</b>                                          | S A Nokes (Chair, from 1 September 2021)<br>O Jonathan<br>C I Arney<br>T Wise (Vice Chair)<br>E J Rees<br>C L Bradbury<br>M Rice (Chair, until 31 August 2021)<br>J Hanson<br>J M Johnson<br>J Boyd (Appointed 13 April 2021)<br>F Grey<br>Dr A J Keay |
| <b>Acting Head of Bedales Schools</b>                     | W Goldsmith                                                                                                                                                                                                                                            |
| <b>Bursar and Clerk to the Board of Governors</b>         | R D L Lushington                                                                                                                                                                                                                                       |
| <b>Head of Bedales Preparatory School, Dunhurst</b>       | C R Baty                                                                                                                                                                                                                                               |
| <b>Head of Bedales Pre-Preparatory School, Dunannie</b>   | F M Read                                                                                                                                                                                                                                               |
| <b>Other Current Members of Governing Body Committees</b> | N Blanchard<br>R T Reynolds<br>A R Wiggins<br>P A Thackrey<br>W Goldsmith<br>J C Moore (DSL)                                                                                                                                                           |
| <b>Company number</b>                                     | 00276785                                                                                                                                                                                                                                               |
| <b>Registered office</b>                                  | Church Road<br>Steep<br>Petersfield<br>United Kingdom<br>GU32 2DG                                                                                                                                                                                      |
| <b>Auditor</b>                                            | Azets Audit Services Limited<br>Ashcombe Court<br>Woolsack Way<br>Godalming<br>United Kingdom<br>GU7 1LQ                                                                                                                                               |
| <b>Bankers</b>                                            | National Westminster Bank PLC<br>4 High Street<br>Petersfield<br>Hampshire<br>GU32 3JF                                                                                                                                                                 |

---

# BEDALES SCHOOL

## LEGAL AND ADMINISTRATIVE INFORMATION

---

### Insurance Brokers

Marsh  
Capital House  
1-5 Perrymount Road  
Haywards Heath  
West Sussex  
RH16 3SY

### Solicitors

Veale Wasborough Vizards  
Orchard Court  
Orchard Lane  
Bristol  
United Kingdom  
BS1 5WS

Farrer & Co  
66 Lincoln's Inn Fields  
London  
United Kingdom  
WC2A 3LH

---

# BEDALES SCHOOL

## CONTENTS

---

|                                   | <b>Page</b> |
|-----------------------------------|-------------|
| Governing Body report             | 1 - 13      |
| Independent auditor's report      | 14 - 17     |
| Statement of financial activities | 18 - 19     |
| Balance sheet                     | 20          |
| Statement of cash flows           | 21          |
| Notes to the financial statements | 22 - 41     |

---

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

***FOR THE YEAR ENDED 31 AUGUST 2021***

---

The Board of Governors present their Annual Report and audited financial statements for the year ended 31 August 2021.

The Board of Governors confirms that the financial statements comply with the charity's governing document, with current statutory requirements, with applicable accounting standards in the United Kingdom, with the Charities Statement of Recommended Practice (The Charities SORP (FRS102)) and the Charities Act 2011.

### **Objectives and activities**

The objects of the Charity are to provide education and training in particular by carrying on a School in or near Petersfield. As such, the School promotes, sustains and increases individual and collective knowledge and understanding in the specific area of study, skills and expertise. The Powers of the Charity are set out in the Articles of Association adopted on 25th October 2012. The Governors give consideration to the Charity Commission's guidance on public benefit when setting objectives and formulating plans.

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

### **Aims of the School**

Bedales started in 1893 with a determination to be different and to educate 'Head, Hand and Heart'. Today the school's vision is shaped partly by John Badley's founding ideals, but it also recognises the strong Badley view that schools like ours must evolve and re-define themselves. We must respond to the external environment in two distinct ways – the first is common to all schools, the second much less so: we must provide a suitable preparation for life after school and for the world of work; but also, if we are to keep faith with our tradition, we must also seek to overturn influences and tendencies in society that damage children's development and welfare. This approach is reflected in the school's five aims outlined below.

### **Bedales Aims**

Aim 1: To develop inquisitive thinkers with a love of learning who cherish independent thought

Aim 2: To enable pupils' talents to develop through doing and making

Aim 3: To foster individuality and encourage initiative, creativity and the appreciation of the beautiful

Aim 4: To enable pupils, former pupils, parents and staff to take pride in the community's distinctiveness and to feel valued and nourished by the community

Aim 5: To foster interest beyond the school: engaging with the local community and developing a national and international awareness

### **GROUP STRUCTURE**

#### **Status and Administration**

Bedales School is a Public Benefit Entity registered as a charity in England and Wales, number 307332. Its registered company number is 276785. The School is governed by its Memorandum and Articles of Association last amended in August 2012; the Board of Governors ensure that the Articles of Association remain current by reviewing them annually. The Governors confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Connected Charities**

The School has a wholly owned trading subsidiary, Bedales Services Limited (BSL), formerly responsible for non-charitable operations but now non trading/dormant.

---

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2021***

---

The Bedales Grants Trust Fund, founded in 1927, charity number 1036179, was set up to provide grants to parents of pupils at Bedales in need of financial aid to pay their tuition fees with a preference towards those parents who were themselves at Bedales School. During the year the Bedales Grants Trust Fund supported 24 pupils with grants with a total value of £257,222.

The John Badley Foundation, founded in 2010, charity number 1138332, was set up to support and promote the activities of the school and advance the education of its pupils primarily through 100% Bursaries. The John Badley Foundation provided half of the funding for each of the 8 pupils supported with a total value of £129,079.

### **Governors**

The Governors act both as Trustees and Directors and have overall responsibility for matters in relation to the charitable company. A Governor nominations sub-committee proposes any new Governors for the full Board to appoint.

Governors may be elected at any general meeting and may stay in office until the conclusion of the annual general meeting in the eighth calendar year following the year of their election. Under special circumstances a Governor may be asked to serve an additional term of up to 4 years and a governor can be re-elected after retirement.

The Governors determine the general policy of the School and the Board of Governors meets at least three times in each academic year. The day to day management of the School is delegated to the Head of Bedales Schools and the Bursar. The Governors' principal responsibilities are to:

- Ensure that the School is run in accordance with its charitable objects and that all the functions of the school are authorised by the powers, as set out in the Articles of Association, and by Charity Law;
- Act in the best interests of the School and current and future beneficiaries at all times;
- Appoint the Head and the Bursar and advise on the appointment of Deputy Heads and the Heads of Dunhurst and Dunannie as necessary;
- In consultation with the Head and his management team, set the strategy and policies by which the School will be run;
- Approve the financial reinvestment plan in accordance with the aim of maintaining and developing the School;
- Control finance by approving realistic budgets and longer term plans and by monitoring these documents;
- Ensure the effective and efficient administration of the School and its resources, striving for best practice in good governance;
- Ensure that the School is compliant with appropriate statutory and advisory regulations and aims for best practice in this area;
- Understand risk management and legal compliance and be satisfied that there are appropriate measures in place to reduce risk and achieve compliance;
- Ensure competent professional advice is taken when necessary;
- Appoint a Chair and Vice Chair; and
- Review and approve the terms of reference of its committees and appoint members to these committees.

### **Organisational Management**

The sub committees of the Board and the Governors with special responsibilities are listed on the Legal and Administrative page. The Finance & General Purposes Committee is chaired by T P Wise, the External Relations Committee is chaired by M F W Rice, the Buildings and Landscapes Committee is chaired by A J Keay, and the Education Committee is chaired by F Grey. In addition to these committees: C L Bradbury has special responsibility for Safeguarding; J P M Johnson is the Governor Representative on the Staff Liaison Group and oversees Nominations; and O R Jonathan has responsibility for Strategic Risk.

---

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2021***

---

The key management personnel include the governors, who are not paid, and members of the Three Schools' Senior Team who for the year are: the Acting Head, Bedales School; the Bursar and Clerk to the Governors; Director of External Relations; the Head of Dunhurst; and the Head of Dunannie. The pay and remuneration of the key management personnel is considered, as required, by the Governors' Remuneration Committee in view of the market rates for each post and the performance of the individuals fulfilling the roles. The Committee considers recommendations from the Head.

### **Recruitment and Training of Governors**

A Governors' nominations committee has been set up to recommend and oversee the appointment of Governors, it meets when necessary to plan the future membership of Governors in light of likely retirements. The Governors have a wealth of experience and many have been professionally trained through their employers; it is vital that the Board of Governors as a whole covers the full spectrum of specialisms that are required to oversee the school and the appointment of new Governors is carefully managed to ensure that this requirement is met; there is a clear succession plan. Any training gaps are filled by making the most of opportunities provided by AGBIS and other organisations. The Governors receive an update on Safeguarding and Child Protection at each Board meeting and carried out a full annual review of Safeguarding at the June Board meeting. Governors appointed during the year complete an induction process which includes Safeguarding training.

### **PRIORITIES FOR THE YEAR**

#### **Strategic Goals 2019-2022**

Although pupil numbers remain strong, the need for a particularly prudent approach in response to continuing global economic uncertainty remains valid. The Trustees of the School continue to take a sensible and cautious approach and will continue the focus on upgrading of existing facilities and buildings (with a view to reducing running costs and ensuring that they are fit for the needs of a Bedales education), before it considers embarking on any further major projects.

The strategic goals fall under three themes:

- To develop pupil achievement within a distinctive ethos;
- To increase revenue, control costs and maintain the School's ability to invest; and
- To develop social engagement and breadth of access.

### **FINANCIAL INSTRUMENTS**

The Charity's principal financial instruments comprise bank balances, other debtors, other creditors and bank loans. The main purpose of these instruments is to finance the Charity's operations.

The nature of the financial instruments used by the Charity is such that their market value does not fluctuate as a result of changes in market prices. The Charity's approach to managing other risks applicable to the financial instruments concerned is shown below.

The interest rate on bank loans is variable. The Governors regularly consider the potential impact of changes in interest rates and the actions that would need to be taken if any changes were likely to occur. The bank loans are secured by charges over some of the School's property and repayment terms are linked to those secured assets. Other debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding. Other creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2021***

---

### **STRATEGIC REPORT**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Governors to present a strategic report.

### **ACHIEVEMENTS AND PERFORMANCE**

Total pupil numbers at the three Bedales schools continued to be strong: Bedales 456, Dunhurst 211 and Dunannie 91 (total pupils across the three schools: 758). The School's discipline over costs and containment of fee increases has ensured that the School's finances are robust enough to help with the continuing uncertain challenges of the current economic and political climate. The School will continue to exercise prudence in the planning and execution of all its future capital commitments. This and last year have been unprecedented years with the effects of the COVID-19 pandemic impacting on the school. The governors wish to express their gratitude to the dedication and immense effort put in by the staff of the school to ensure that teaching and learning continued either online or face-face. Many staff faced furlough or part-furlough and did so with grace and understanding. Without the efforts of all concerned the school would have suffered detriment.

Turning to the academic life of the school, despite the challenges faced as a result of there being no formal exams and having to rely on centre assessed grades, students at Bedales - including many who progressed from Bedales Prep, Dunhurst – secured places at some of the most prestigious educational institutions in the world - including QS World Top 100 universities and a number of leading music conservatoires and art colleges. 90% of students secured their first choice university.

Alongside their A Levels, Sixth Form pupils benefit from a programme of termly Enrichment Courses which enable them to broaden and develop their interests, go beyond their courses, work independently and to love learning.

Block 5 students (year 11) had much to celebrate with their GCSE and Bedales Assessed Course (BAC) results in the summer. 16 students achieved the equivalent of at least nine 8/9 grades (equivalent to A\*).

Bedales students are in the unique position of taking a combination of the school's own BACs combined with a core of IGCSEs and GCSEs. Having been introduced in 2006, BACs are now well established and involve a broader range of content, choice and assessment methods than the more traditional GCSE. This provided particular reassurance to Bedales students this year with the cancellation of all end of course GCSE exams.

Pupils can choose from the following BAC options: Ancient Civilisation; Art; Classical Music; Dance; Design; Digital Game Design; English Literature; Geography; Global Awareness; History; Philosophy, Religion and Ethics; Outdoor Work; Sports Science and Theatre Studies. BACs are graded according to their own assessment criteria and this year followed the new numerical GCSE grading convention for the first time. Internally assessed and moderated externally by experts in each field, the level of attainment is at least as difficult as the corresponding GCSE grade, and in many cases the demand goes beyond GCSE.

- A Level: A\*: 32.3%; A\*- A: 65.8%; A\* - B: 84.3%
- BAC: 9: 12%; 9 - 8: 39%; 9 – 7: 67%
- IGCSE: 9: 21%; 9 - 8: 41%; 9 – 7: 67%

### **RESPONDING TO THE CHALLENGES**

Like its predecessor, 2020-21 was a profoundly challenging year for people and institutions, with schools no exception.

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

Amongst other things, the pandemic, and the government's responses to it, required schools to be organisationally responsive, to innovate in terms of educational provision, and – for independent schools – to absorb the accompanying pressure on finances. Given this, it would have been easy for us to focus exclusively on the immediate needs of the three Bedales schools and the pupils and families we serve. That is not what we did, however.

Across our schools, we underpin the importance of partnership and philanthropy to the everyday experience of pupils. Formal activities at the whole school level include the provision of scholarships and bursaries, the staging of charity events, partnerships with other schools at home and abroad, and making school facilities available to the local public. On an educational level, we encourage our students to engage generously with the world, to collaborate, and to appreciate their own positions and those of others.

Alongside the difficulties it has presented, the pandemic has also brought opportunities for learning, reflection and reaching out. Prior to the outbreak of COVID-19, there had been a growing dissatisfaction with both GCSEs and government's fixation with exams as the only meaningful measure of learning. Bedales has argued that recent experience of exams being replaced by teacher assessment, alongside alternatives to traditional classroom learning, brings an unprecedented opportunity to reset. We have also taken every opportunity to emphasise the benefits across all ages in promoting pupil wellbeing and the value of getting outdoors as part of a broad and rich holistic education.

#### Fee Support 2020-21

|                                               |                                                                 |
|-----------------------------------------------|-----------------------------------------------------------------|
| Bursary Support                               | £1.52m                                                          |
| Bursary support as % of gross income          | 7.4%                                                            |
| Exhibition and scholarship support            | £0.12m                                                          |
| Total fee support as % of gross income        | 8.0%                                                            |
| Number of pupils benefitting from fee support | 99 (up from 80 in 2019-20), of which 24 had support of over 70% |

#### Bursaries and scholarships

Bedales pupils can benefit from the award of a bursary, a scholarship, or both. Bursaries range from part-fee contributions up to full 100% support, and enable pupils for whom the fee would otherwise be prohibitive to attend our schools. Bedales partners with other education charities to maximise the scope of its bursary provision, including the Royal National Children's Springboard Foundation and Buttle UK. We also work to increase the reach of our own Bedales Grants Trust Fund and John Badley Foundation (JBF). The school launched the JBF to extend the transformational effect of full bursaries for young people whose financial circumstances preclude an independent school education. Since the first student on the scheme entered the school in 2011, the JBF has helped many who have joined from difficult home or school situations in both the UK and abroad. Bedales is on course to increase the number of JBF students at the school from 9 to 14 by 2025, to be funded through additional fundraising.

#### Marcus' story:

"My five years at Bedales have been some of the greatest I've had, and it has changed me completely. I've matured and grown more confident and I've seen others develop into fuller people alongside me.

I've led a cookery activity, been the general editor of the B-daily newsletter, performed in plays, dances, rock shows and helped people with learning disabilities. I've been to multiple countries with the school, and much more. The opportunities are vast, and if they do not exist they are only a conversation away from being created.

I pushed myself and got my place to study French and Beginner's Russian at St Edmund Hall (University of Oxford). Bedales and the JBF fund have changed my situation around, and I could not have imagined being where I am today without them."

---

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2021***

---

### **Collaboration and partnerships**

Bedales continues to invest in its partnership with the local Bohunt Education Trust, with joint initiatives and events including workshop for disadvantaged pupils, Oxbridge coaching, teacher training and shared student council collaboration. COVID has made collaboration with local schools more important than ever. In 2020-21, as well as sharing lockdown events with Bohunt, Bedales worked with two other local schools – neighbouring Steep Primary School and Trosnant School in Havant. For Steep we provided additional classroom space for pupils struggling with learning at home, and helped with outdoor work projects. For Trosnant, we provided Christmas hampers for distribution to local children and included pupils in school events.

Bedales remained active in the national educational reform coalition Rethinking Assessment, which challenges the status quo around assessment in English secondary schools. Comprising independent schools, headteachers and key figures from the state sector, scientists, business people, universities and others, Rethinking Assessment makes the argument for change as well as working to provide practical solutions. Independently, in 2021 we made the case for reform to assessment and university admissions orthodoxies in formal consultation representation, and enjoyed significant press coverage.

In 2021 Bedales won two national awards – The TES Independent-State School Partnership Award and the AMCIS (Admissions, Marketing and Communications in Independent Schools) Award for Partnership/Outreach Impact – for its work with the Key Education Centre, a pupil referral unit in Gosport. The aim has been to give students at The Key experiences to which they would not ordinarily have access, and developing their vocational skills.

Internationally, Bedales has joined Round Square – a group of 200 schools from around the world that share a commitment to character education and experiential learning round the themes of International Understanding, Democracy, Environmental Stewardship, Adventure, Leadership and Service.

### **Volunteering and fundraising**

The Bedales educational ethos demands that our activities with regard to partnership, collaboration and being in the world are rooted in the school curriculum. Students are involved in outreach projects, bringing their practical skills to bear in voluntary capacities both locally and internationally – often assessed as part of their formal education.

Whilst many opportunities for student volunteering activity were disrupted in 2020-21, fundraising remained a strong feature of school life. Children at Bedales Pre-prep, Dunannie chose an endangered animal charity to support and raised £800 for a Sumatran tigress through its end-of-year Dunannie Festival. Bedales Prep, Dunhurst pupils raised £4,000 for charities through their Christmas fair; staff, students and parents raised funds and volunteered for Fitzroy, a national charity supporting people with autism and learning difficulties; and students continued to work closely with the Rural Refugee Network, accompanied by the introduction of a cross-curricular course on refugees for Block 3 (year 9) students.

We encourage and recognise collaborative learning in assessment on Bedales Assessed Courses (BACs), which are pursued as alternatives to non-core GCSE programmes. We also strive to ensure that students have the opportunity to properly explore the social issues that matter to them.

### **Sharing our facilities**

The programme of Bedales Events invites local people and schools to Bedales for poetry, music, drama, dance and more. More widely, we continue to make school facilities such as the theatre and swimming pool available to community organisations and local schools. We are proud of our 25-year support of the Petersfield Youth Theatre (PYT) with promotion of theatre education and subsidised use of our premises. PYT founder and Director Lynn Hill commented:

# BEDALES SCHOOL

## GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

---

"Bedales has played such a big part in PYT over the years and we are always so very grateful for your support which means so much to us."

### **Approach to learning**

#### *Bedales:*

Through an intricate support network of teachers and tutors, our students are encouraged to think for themselves and develop their own lines of academic argument. Discussion actively engages minds and spurs on inquisitive thinkers. It also means students are extremely well prepared for life beyond Bedales.

Students are pulled, not pushed, towards learning. This creates an environment in which they want to achieve their best. Qualifications are one part of the learning process. Bedales students achieve excellent results and arrive at similar destinations - A Levels and universities - as those who have followed a more rigid educational format. They have just taken a different and more personal route, such as through pursuing Bedales alternative to GCSES - Bedales Assessed Courses (BACs) and Project Based Learning in Block 3.

We urge students to follow their natural curiosity. They have a huge range of chances to engage with subjects that interest them, both in and outside the classroom: evidenced, for example, through their engagement with outside speakers, project work and impressive creativity and performances in the arts.

As each student progresses, they're helped to organise their own time and we guide them in developing their own sense of discipline and academic motivation, with support from their tutor. By providing structure and support, we encourage independence and responsibility to grow from an early age.

#### *Dunhurst:*

We provide stability and continuity at this time of intense emotional development, recognising that the balance between a carefree childhood and the responsibilities that come with growing up can be a difficult one to achieve. The school is committed to developing a growth mindset approach to learning; this involves praising effort before achievement. An important part of our approach is to instil a lifelong love of learning amongst our pupils.

At four points in the year, teachers contribute grades for each subject together with a comment for each child; these grades inform discussions with pupils and parents.

"No carrot or stick approach to learning here: it's not an awards assembly sort of place" Good Schools Guide

Additional support is available in all classes so that pupils get the help they need throughout their learning. We offer a wide range of in-class and extra-curricular activities for pupils of all gifts, talents and interests to pursue their skills in an inquisitive and independent manner. Pupils may be set individual preps and class work, be involved in independent projects and be asked to attend workshops or particular events. Lessons in English as an Additional Language are also available.

In the first three years (years 4-6), much of the pastoral care is the responsibility of the class teachers who see the children for approximately half of their timetable. Years 7-8 have a personal tutor who guides them through their academic progress and monitors their general welfare in weekly tutorials.

The support network of house staff, tutors, teachers, parents and school counsellors is extremely effective; however, the school has found that some pupils prefer to talk to fellow pupils. Our Peer Listening scheme offers yet another way for pupils to express any concerns and encourages them to find their own solutions.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2021***

---

*Dunannie:*

We want children to take delight in exploring the new and unknown. Children are most receptive to learning when they are happy. Dunannie's curriculum is designed to be engaging so that information is received with excitement and curiosity. By the time they move on to prep school, the aim is for children to be fluent readers, spontaneous and literate writers, sound mathematicians and able to apply rigorous creative imaginations to any practical and theoretical challenges.

We have created a structured yet flexible curriculum for all year groups - including the Nursery - that reflects the schools aims and ethos, and we give equal value to intellectual, creative, emotional, social and physical development. Children are encouraged to enquire and we encourage critical thinking from an early age.

The performing and creative arts are important at Dunannie – notably music, drama and dance, and art and design. We have access to specialist teachers as well as Dunhurst's excellent music school resources. We encourage children to take individual music lessons. Pupils benefit from being part of the Bedales family: there are close links with Dunhurst and Bedales, academically and in areas such as sport. All three schools share facilities, such as the swimming pool, sports fields and Olivier Theatre.

We encourage our children to have a curiosity about life and help them to develop enquiring minds through a broad, creative and language-rich curriculum which generates purposeful discussion, interest, application, enjoyment and high achievement. A cross-curricular approach which emphasises first hand, practical experiences; educational trips and visiting speakers provide the opportunity for young children to build the language and communication skills that they will need throughout life.

We believe that to learn the lesson, you should live it. Where possible, school trips are frequent as we want to inspire the children to learn through first-hand experiences. Just as discovering something exciting in a pond may produce a future scientist, grating soap in a Victorian kitchen may spark a love of history.

Our primary aim is to develop inquisitive thinkers with a love of learning who cherish independent thought.

Parents play a critical part in educating their children, and we therefore welcome opportunities for parents to get involved and stay informed (see our 'Principles of Partnership'). There are formal structures such as the Friends of Dunannie Committee and regular parents' meetings. More informally, we are always happy to talk with parents and work with you to create the best possible learning opportunities for the children.

### **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The financial performance of Bedales School was adversely affected by the Covid-19 crisis. Fee income was reduced as a result of the need to close the school site for part of the spring term. There was also a loss in letting income and the overall impact was a loss of income of just over £0.6m. The school had to take the very hard decision to furlough many of its staff as it was otherwise unable to meet salary costs, but this ensured their continued employment at the school.

Costs were reduced where possible and some projects were delayed. The overall effect was an unprecedented and significant loss of funds and this will have an impact on future years. The school has been able to work with its bankers and ensure that there is sufficient financial resilience to ensure the survival of the school.

The net income for the year amounted to £1,127,496 (2020: net expenditure £252,265). Additions to fixed assets during the year are outlined in note 12 of the accounts. These amounted to £2,910,172 (2020: £1,529,060) and consisted mainly of building a new sixth form centre and upgrading the heads house.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2021***

---

A total of £1,646,058 was provided in the form of means tested bursaries, scholarships and free music lessons; this total included grants from the Bedales Grants Trust Fund, the John Badley Foundation, Rank Foundation and Royal National Children's Springboard Foundation. As a total the bursary support represents 8% of gross fee income.

#### **Policy on reserves**

The School's assets are sufficient to meet its obligations and are all held for use by the School. The unrestricted School funds are being held to finance current and future capital projects.

At 31 August 2021, the total funds of the School were £21,108,182 (2020: £18,593,686) after taking into account the pension funding deficit. Of these £33,550 (2020: £34,433) are restricted funds. Of the remaining reserves, £31,770,691 (2020: £30,376,047) is represented by tangible fixed assets. Therefore, the School has currently allocated all of its free reserves, supplemented by borrowings, on fixed assets.

The School has a 10 year plan which sets out its expected expenditure on fixed assets which will continue to improve the facilities of the School. This plan is managed in detail over the first 5 years with expenditure approved by the Board for the first 2 years.

The School believes that it is able to operate without free reserves and wishes to continue upgrading the facilities of the School through steady surpluses supplemented by borrowings.

Total unrestricted funds include a funding deficit of £2,755,000 (2020: £4,094,000) calculated under FRS 102 in respect of the Schools defined benefit pension scheme for support staff. The Governors believe that this notional funding calculation, which can vary between surplus and deficit according to the assumptions made at the year end, does not have a significant effect on the School's cash flow in the short term and that in the longer term its effects are sustainable out of future income.

The reserves policy of the School is reviewed on an annual basis by the Governors.

#### **Fundraising**

The role of the school's Head of Development is to work with colleagues and volunteer parents and alumni to create and manage a fundraising programme, which overall in 2020/21 raised around £634,000. The long term aim is to raise sufficient donor income to build an endowment fund whilst also providing direct bursary support from donations. In 2020/21 the focus was fundraising for full bursary support via the John Badley Foundation and £508,000 was raised. An additional £56,000 was raised for the Bedales Grants Trust Fund, another bursary fund affiliated to the School, and £135,000 for capital improvements and general school donations.

With COVID having an impact on our ability to organise events, we are very appreciative of members of the wider school community for their generous support of our fundraising activities which included auctions, sponsored remote events and individual approaches. Donors choose a variety of ways to support the School, such as through single donations, sponsoring events, offering auction prizes, regular donations, and making legacy commitments. There were no complaints received during the year relating to the School's fundraising activities. The School has robust policies in place regarding vulnerable people and treating donors fairly.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2021***

---

The governing body is responsible for the identification and management of risks. The major risks to which the School is exposed, as identified by the Governors, have been reviewed and systems and procedures established to manage those risks. Detailed examination of the risks and establishment of controls to mitigate them is delegated to the Three Schools' Senior Team and the process is overseen by the lead Governor for Strategic Risk in close liaison with the Finance & General Purposes Committee on behalf of the governing body. A formal review of the risk management processes is undertaken annually at the March Board meeting. The focus is primarily on where risk is either increasing or decreasing and this then allows for the direction of resources.

The principal risks to which the School is exposed include those affecting protection of pupils and the security and preservation of charitable assets both now and in the future. Significant risk areas are:

### **- The Political Environment:**

The Board of governors regularly considers the political environment and how this impacts on the School and how to best prepare for challenges that may come about through changes. The potential threat to independent schools from any changes in government policies surrounding charities and in particular fee charging schools remains, especially with the Labour Party threatening to add VAT to school fees. Government decision making surrounding the handling of the Covid-19 crisis has had a dramatic effect on the School during the year and resulted in the School closure for the first part of the Spring term and a move once again to remote learning. However, the impact of this was lessened by the School being well prepared and offering a high quality remote learning experience to the children in all three schools including a full co-curricular programme. Political risks are outside of the control of the Governors, but the possible impact of these is being considered regularly by the Governors and any possible mitigation taken by the School.

### **- Competitive Market**

The market in which the School operates is highly competitive and developments in education are monitored to ensure that pupils always receive an excellent, holistic and varied educational experience in the School. Bedales sets out to be different and preserving this is vital to its continuing success. Maintenance of strong pupil numbers in all three schools is imperative and a strong and target focussed External Relations team market the School effectively.

### **- Safe Environment**

The School strives to ensure that all staff and pupils are able to work in a safe and supportive environment. Covid-19 has added challenges that the School has had to adapt to. Being able to operate a safe school in this heightened threat environment is essential and all possible measures were taken to keep staff and pupils safe. We have formed a Covid-19 Management Team which ensures that the School adapts on a weekly if not daily basis. A detailed Covid-19 Risk Assessment is in place. Safeguarding procedures are tightly managed with clear policies and procedures in place supplemented by appropriate training for staff.

Appropriate employment policies and procedures are in place under the management of the Bursar and the Human Resources team. Health and Safety procedures are clear and under regular review by the Health and Safety Manager and the Health and Safety Strategy and Policy Committee chaired by the Head of Bedales Schools. There are separate Health and Safety committees for: Bedales; Support Staff; and one covering Dunhurst and Dunannie. The Health and Safety Policy and Strategy group is chaired by the Acting Head, Bedales School, and this sets the tone for a culture of safety throughout the School.

### **- Compliance**

The School operates in a highly regulated sector and the Three Schools' Senior Team ensures that the School is up to date with legal and regulatory requirements. School or individual membership of bodies, being the constituent associations of the Independent Schools Council, also ensure that it has access to up to date information and support.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2021***

---

### **- Legal & Financial**

The School operates in an increasingly litigious environment and appoints appropriate professional advisers and purchases insurance using specialist brokers and advisers so that we can address requirements and meet potential challenges.

### **- External Economic Conditions**

All organisations face difficult economic conditions and the Three Schools' Senior Team keep abreast of economic conditions locally, nationally and internationally to identify trends and develop plans to address issues. The Board of Governors regularly considers the economic impacts on the School and its focus has been on the continuing impact of the Covid-19 crisis on the ability of parents to afford an independent education for their children; this could impact on pupil numbers over the next 2-3 years, but interest in Bedales remains strong. The full effect of Brexit remains unclear and this too could impact on the ability to pay for education. This remains an unusually uncertain economic period and the governors are doing all they can to protect the School during this period.

Key controls used by the School to help mitigate risk and uncertainties include:

- formal agendas and minutes for all meetings of the governing body and committees;
- terms of reference for all committees;
- comprehensive strategic planning, financial forecasting, budgeting and management accounting;
- established and identifiable organisational structures and reporting lines which are regularly reviewed;
- comprehensive formal written policies;
- clear authorisation limits and anti-fraud measures;
- vetting procedures, as required by law, for protection of the vulnerable;
- comprehensive crisis management procedures involving governors right from the outset; and
- legal and specialist advice.

The School plans strategically; having regard for risk. The Three Schools' Senior Team provide the governing body with regular reports which include details of principal strategic objectives and the activity being undertaken to achieve those objectives. The School also records significant achievements and updates the governing body on short-term plans.

## **EMPLOYMENT POLICY**

### **An Employer of Choice**

Bedales is first and foremost a community and as such the staff are central to this; it is vital that there is a sense of belonging in our staff and that they feel valued for their contribution. Working for Bedales should bring pleasure and a sense of purpose, built on strong friendships and a shared belief in learning and developing one's talents. Our School Aims, which set out what we want the pupils to experience, translate directly to the experiences that we want the staff of the School to have as they spend time in our community. Above all, we believe in the Work of Each for the Weal of All as we educate children Head, Hand and Heart.

### **Equal Opportunities**

The School aims to be an equal opportunity employer and is determined to ensure that no applicant or employee receives less favourable treatment on the grounds of race, gender, age, disability, religion, belief, sexual orientation, marital status, or is disadvantaged by conditions or requirements which cannot be shown to be justifiable. Each year, we publish our Gender Pay Gap report.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2021***

---

### **Consultation and Employee Voice**

Consultation with staff is central to the Bedales ethos as a community and the School aims to take the views of its employees into account when decisions are made that are likely to affect their interests. The Staff Liaison Group provides a route for consultation and for employee voice direct to senior management and Governors through the governor representative on the Group.

The staff of the School are made aware of the financial performance of the School and are able to talk to the Bursar about this performance at any time. A number of major initiatives are on-going, with thorough consultation at each stage which aims to ensure that the right decisions are made and understood.

The School encourages a questioning staff body and provides as many routes as possible for this. The staff have the opportunity to contribute in surveys and their feedback is welcomed and can help shape the School. The most recent survey was completed during the Summer term 2021 and lessons identified will be taken forward in consultation with the Staff Liaison Group. There are opportunities for staff to suggest improvements and their help in finding better ways to meet requirements is actively encouraged.

### **SUSTAINABILITY AND CARBON REPORTING**

The School is committed to reducing the impact that its operation has on the environment and takes this responsibility very seriously. The School has recently engaged the Carbon Trust to help in this work by identifying the tCO<sub>2</sub>e for the Scope 1, 2 and 3 emissions and to provide a baseline from which to work and achieve our aim of being Carbon Net Zero by 2040.

To inform our work and enable us to plan in changes, we have used FY 18/19 as the baseline for our data. The operations of the school were severely disrupted by COVID during 2019/20 and 2020/21 and the school site was closed for parts of each of these periods. We were keen therefore to ensure that our baseline represented normal operations of the school, so although this data is not based on the most recent financial year, it represents the best data from which to work.

Our emissions baseline data follows:

|         |                          |
|---------|--------------------------|
| Scope 1 | 1,425 tCO <sub>2</sub> e |
| Scope 2 | 490 tCO <sub>2</sub> e   |
| Scope 3 | 1,769 tCO <sub>2</sub> e |

|       |                          |
|-------|--------------------------|
| TOTAL | 3,684 tCO <sub>2</sub> e |
|-------|--------------------------|

|                 |                                                                  |
|-----------------|------------------------------------------------------------------|
| Intensity ratio | 3.29 tCO <sub>2</sub> e (Emissions per pupil or member of staff) |
|-----------------|------------------------------------------------------------------|

### **Our plans to meet our Sustainability Objectives**

The school already purchases all electricity from renewable sources and has done for several years. We will continue to seek to both reduce electricity consumption but also to increase generation opportunities through Solar PVs and other possible technologies. We will embark on the installation of Solar PVs within the next year. Our scope 1 emissions are those that we wish to reduce as a priority, but doing so will take time and financial resources so this will be a programme over the next ten plus years. Bedales is set in a remote location and one that is not supplied by natural gas. All heating is therefore provided using oil and LPG. We have developed plans to enable the school to move to Ground Source Heat Pumps and replace all heating for the main school buildings that use oil or LPG. We are looking to install the first of these within the next two years.

# **BEDALES SCHOOL**

## **GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2021***

---

We will continue sustainability investment into buildings to ensure that they are capable of being heated efficiently by Ground Source Heat Pumps and this will mean replacing windows and installing further insulation. We will further our work to change lighting to LEDs – something that we started many years ago and we will continue to drive to reduce energy consumption wherever we can. All refurbishments of buildings will bring these buildings up to the latest building regulation standards and the completion of our most recent development, which replaced an old and inefficient building with one that was constructed with sustainability at its heart, will have made a significant difference.

Our aim is to reach Carbon Net Zero including Scope 3 emissions, but the first target will be to achieve net zero for our own operations and, in partnership with all members of our community and those who engage with the school, we are confident that this can be achieved.

### **Statement of Governing body responsibilities**

The Governors, who are also the directors of Bedales School for the purpose of company law, are responsible for preparing the Governing Body Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Disclosure of information to auditor**

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Governing body report, including the strategic report, was approved by the Board of Governors.



**S A Nokes (Chair, from 1 September 2021)**

Dated: 26 November 2021

# **BEDALES SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE GOVERNORS OF BEDALES SCHOOL**

---

#### **Opinion**

We have audited the financial statements of Bedales School (the 'Charity') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 FRS 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 Charity's affairs as at 31 August 2021 and of its incoming resources and application of resources, 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 Charity in accordance with the ethical requirements that are relevant to our audit of 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 Governing body'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 Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 course of 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.

# **BEDALES SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE GOVERNORS OF BEDALES SCHOOL**

---

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

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

- the information given in the financial statements is inconsistent in any material respect with the Governing body report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Governors**

As explained more fully in the statement of Governing body responsibilities, the Governors, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under Chapter 3 of Part 16 of the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **BEDALES SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE GOVERNORS OF BEDALES SCHOOL**

---

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 design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Charity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the Charity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the Charity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the Charity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# **BEDALES SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE GOVERNORS OF BEDALES SCHOOL**

---

#### **Use of our report**

This report is made solely to the Charity's Governors, 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 Charity's Governors those matters we are required to state to them in an auditors' 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 Charity and the Charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

**Alex Temlett CA ACA CTA (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services Limited**

  
.....

**Chartered Accountants**  
**Statutory Auditor**

Azets Audit Services Limited  
Ashcombe Court  
Godalming  
Surrey  
United Kingdom  
GU7 1LQ

**Date: 1 December 2021**

# BEDALES SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

|                                                                                     |       | Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total          |
|-------------------------------------------------------------------------------------|-------|-----------------------|--------------------|---------------------|-----------------------------|--------------------|---------------------|----------------|
|                                                                                     |       | 2021                  | 2021               | 2021                | 2021                        | 2020               | 2020                | 2020           |
|                                                                                     | Notes | £                     | £                  | £                   | £                           | £                  | £                   | £              |
| <b><u>Income and endowments from:</u></b>                                           |       |                       |                    |                     |                             |                    |                     |                |
| Donations and legacies                                                              | 3     | -                     | -                  | -                   | -                           | 100                | -                   | 21,416         |
| Income from charitable activities                                                   | 4     | 19,085,339            | -                  | -                   | 19,085,339                  | 17,262,118         | -                   | 17,262,118     |
| Other income                                                                        | 5     | 287,873               | -                  | -                   | 287,873                     | 1,304,472          | -                   | 1,304,472      |
| <b>Total income</b>                                                                 |       | <u>19,373,212</u>     | <u>-</u>           | <u>-</u>            | <u>19,373,212</u>           | <u>18,566,690</u>  | <u>-</u>            | <u>21,316</u>  |
| <b><u>Expenditure on:</u></b>                                                       |       |                       |                    |                     |                             |                    |                     |                |
| Expenditure on charitable activities                                                | 6     | <u>17,971,460</u>     | <u>48,000</u>      | <u>883</u>          | <u>18,020,343</u>           | <u>18,452,774</u>  | <u>90,000</u>       | <u>200</u>     |
| Other Expenditure                                                                   | 11    | <u>225,373</u>        | <u>-</u>           | <u>-</u>            | <u>225,373</u>              | <u>297,297</u>     | <u>-</u>            | <u>297,297</u> |
| <b>Total resources expended</b>                                                     |       | <u>18,196,833</u>     | <u>48,000</u>      | <u>883</u>          | <u>18,245,716</u>           | <u>18,750,071</u>  | <u>90,000</u>       | <u>200</u>     |
| <b>Net income/(expenditure) for the year/<br/>Net incoming/(outgoing) resources</b> |       | 1,176,379             | (48,000)           | (883)               | 1,127,496                   | (183,381)          | (90,000)            | 21,116         |
|                                                                                     |       |                       |                    |                     |                             |                    |                     | (252,265)      |

# BEDALES SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 AUGUST 2021**

|                                                                                     | Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total      | Unrestricted<br>funds | Pension<br>reserve | Restricted<br>funds | Total      |
|-------------------------------------------------------------------------------------|-----------------------|--------------------|---------------------|------------|-----------------------|--------------------|---------------------|------------|
|                                                                                     | 2021<br>£             | 2021<br>£          | 2021<br>£           | 2021<br>£  | 2020<br>£             | 2020<br>£          | 2020<br>£           | 2020<br>£  |
| <b>Net income/(expenditure) for the year/<br/>Net incoming/(outgoing) resources</b> | 1,176,379             | (48,000)           | (883)               | 1,127,496  | (183,381)             | (90,000)           | 21,116              | (252,265)  |
| <b>Other recognised gains and losses</b>                                            |                       |                    |                     |            |                       |                    |                     |            |
| Actuarial gain on defined benefit pension schemes                                   | -                     | 1,387,000          | -                   | 1,387,000  | -                     | 3,000              | -                   | 3,000      |
| <b>Net movement in funds</b>                                                        | 1,176,379             | 1,339,000          | (883)               | 2,514,496  | (183,381)             | (87,000)           | 21,116              | (249,265)  |
| Fund balances at 1 September 2020                                                   | 22,653,253            | (4,094,000)        | 34,433              | 18,593,686 | 22,836,634            | (4,007,000)        | 13,317              | 18,842,951 |
| <b>Fund balances at 31 August 2021</b>                                              | 23,829,632            | (2,755,000)        | 33,550              | 21,108,182 | 22,653,253            | (4,094,000)        | 34,433              | 18,593,686 |

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

All income and expenditure derive from continuing activities.

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

The funds breakdowns for the current and comparative period are shown in notes 27 and 28.

# BEDALES SCHOOL

## BALANCE SHEET

AS AT 31 AUGUST 2021

|                                                                | Notes | 2021<br>£           | £                        | 2020<br>£          | £                        |
|----------------------------------------------------------------|-------|---------------------|--------------------------|--------------------|--------------------------|
| <b>Fixed assets</b>                                            |       |                     |                          |                    |                          |
| Tangible assets                                                | 12    | 31,770,691          |                          | 30,376,047         |                          |
| Investments                                                    | 13    |                     | 2                        |                    | 2                        |
|                                                                |       | <u>31,770,693</u>   |                          | <u>30,376,049</u>  |                          |
| <b>Current assets</b>                                          |       |                     |                          |                    |                          |
| Stocks                                                         | 15    | 25,082              |                          | 14,236             |                          |
| Debtors                                                        | 16    | 4,811,023           |                          | 4,447,244          |                          |
| Cash at bank and in hand                                       |       | <u>4,000,564</u>    |                          | <u>4,734,996</u>   |                          |
|                                                                |       | 8,836,669           |                          | 9,196,476          |                          |
| <b>Creditors: amounts falling due within one year</b>          | 17    | <u>(10,475,863)</u> |                          | <u>(9,880,349)</u> |                          |
| Net current liabilities                                        |       |                     | (1,639,194)              |                    | (683,873)                |
| <b>Total assets less current liabilities</b>                   |       |                     | <u>30,131,499</u>        |                    | <u>29,692,176</u>        |
| <b>Creditors: amounts falling due after more than one year</b> | 18    |                     | (6,268,317)              |                    | (7,004,490)              |
| <b>Net assets excluding pension deficit</b>                    |       |                     | <u>23,863,182</u>        |                    | <u>22,687,686</u>        |
| <b>Defined benefit pension liability</b>                       | 20    |                     | <u>(2,755,000)</u>       |                    | <u>(4,094,000)</u>       |
| <b>Net assets excluding pension deficit</b>                    |       |                     | <u><u>21,108,182</u></u> |                    | <u><u>18,593,686</u></u> |
| <b>Income funds</b>                                            |       |                     |                          |                    |                          |
| Restricted funds                                               | 28    |                     | 33,550                   |                    | 34,433                   |
| <u>Unrestricted funds</u>                                      |       |                     |                          |                    |                          |
| General                                                        | 27    | 23,829,632          |                          | 22,653,253         |                          |
| Pension reserve                                                | 27    | <u>(2,755,000)</u>  |                          | <u>(4,094,000)</u> |                          |
|                                                                |       |                     | <u>21,074,632</u>        |                    | <u>18,559,253</u>        |
|                                                                |       |                     | <u><u>21,108,182</u></u> |                    | <u><u>18,593,686</u></u> |

The financial statements were approved by the Governors, and authorised for issue, on 26/11/2021 and signed on their behalf by:



S A Nokes (Chair, from 1 September 2021)  
**Chairman**

**Company Registration No. 00276785**

# BEDALES SCHOOL

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2021**

---

|                                                       | Notes     | 2021<br>£   | £                | 2020<br>£   | £                |
|-------------------------------------------------------|-----------|-------------|------------------|-------------|------------------|
| <b>Cash flows from operating activities</b>           |           |             |                  |             |                  |
| Cash generated from operations                        | <b>24</b> |             | 2,679,245        |             | 1,781,852        |
| <b>Investing activities</b>                           |           |             |                  |             |                  |
| Purchase of tangible fixed assets                     |           | (2,910,172) |                  | (1,529,060) |                  |
| Interest receivable                                   |           | 25,418      |                  | 36,268      |                  |
| Interest payable                                      |           | (151,590)   |                  | (152,811)   |                  |
| Net cash used in investing activities                 |           |             | (3,036,344)      |             | (1,645,603)      |
| <b>Financing activities</b>                           |           |             |                  |             |                  |
| Repayment of bank loans                               |           | (377,333)   |                  | (418,001)   |                  |
| Net cash used in financing activities                 |           |             | (377,333)        |             | (418,001)        |
| Net decrease in cash and cash equivalents             |           |             | (734,432)        |             | (281,752)        |
| <b>Cash and cash equivalents at beginning of year</b> |           |             | 4,734,996        |             | 5,016,748        |
| <b>Cash and cash equivalents at end of year</b>       |           |             | <u>4,000,564</u> |             | <u>4,734,996</u> |

---

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 1 Accounting policies

##### **Summary of significant accounting policies and key accounting estimate**

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

##### **Statement of compliance**

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

#### 1.1 Accounting convention

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

#### 1.2 Consolidated accounts exemption

The charity has taken advantage of the exemption under section 402 and 405 of the Companies Act 2006 to exclude the results of its subsidiary, Bedales Services Limited, from these financial statements on the basis that the subsidiary's results are immaterial for the purposes of these financial statements.

#### 1.3 Going concern

The Governors consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the Charity. The Board has paid particular attention to the ongoing uncertainty as a result of the Covid-19 pandemic and remains confident that sufficient funding is in place and there are adequate resources to service its liabilities as they fall due.

#### 1.4 Income and endowments

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

#### 1.5 Fees

Fees receivable are accounted for in the period in which the service is provided and are stated after deducting allowances, scholarships and other remissions allowed by the School, but include contributions received from bursaries and other trusts

#### 1.6 Donations

Donations receivable for the general purposes of the School are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds.

#### 1.7 Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

The charity has received Government support during the period in the form of the Coronavirus Job Retention Scheme, which has been accounted for under the accruals method within donations and legacies.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 1 Accounting policies

##### 1.8 Rent receivable and interest receivable

Rent receivable, bank and other interest are accounted for as they accrue and over the period to which they relate.

##### 1.9 Expenditure

Resources expended are accounted for on an accruals basis. Expenditure is allocated to expense headings on a direct basis except for:

- Depreciation on buildings which is apportioned according to area taken up and central costs which are apportioned on the basis of the Governors' estimate of time spent on the relevant functions; and

- Support costs not directly attributable to particular functional activity categories, which are apportioned over the relevant categories on the basis of the Governors' estimates of the amounts attributable to that activity in the period, either by reference to staff time or space occupied, as appropriate.

The irrecoverable element of VAT is included within the item of expense to which it relates, as far as is practicable, or otherwise under the most appropriate heading.

Governance costs are included in support costs and comprise the costs of running the School, including strategic planning for its future development, auditors' remuneration, certain legal costs and all costs of complying with constitutional and statutory requirements, such as Board meetings and preparing statutory financial statements.

Payments in relation to the termination of employment are recognised when the relevant decision-making process has been completed and communicated to all affected parties.

Costs incurred in trading activities that raise funds are classified separately.

##### 1.10 Tangible fixed assets

Tangible fixed assets are included at cost. Expenditure on items of furniture, equipment and computer equipment since 1 September 1973 is written down to nil over three periods on the basis of 33 1/3% per annum straight line. Major catering equipment and furniture is written down to nil over 15 years. Small items of expenditure and short life assets are charged direct to revenue.

Depreciation is provided on tangible fixed assets (charged the month after purchase) so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

|                       |                                |
|-----------------------|--------------------------------|
| Buildings             | 2-10% per annum straight line  |
| Fixtures and fittings | 6.67% per annum straight line  |
| Equipment             | 6.67-25% straight line         |
| Motor vehicles        | 10-25% straight line           |
| Equipment             | 10-20% per annum straight line |

The anticipated average life of buildings is estimated by reference to 1 September 1981 (date of commencement of depreciation policy) or date of expenditure since that date. No depreciation is provided on freehold land.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 1 Accounting policies

##### 1.11 Taxation

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

##### 1.12 Leased assets

Where assets are financed by leasing arrangements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation of the relevant assets is charged to the Statement of Financial Activities.

##### 1.13 Lease payments

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the Statement of Financial Activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital portion reduces the amounts payable to the lessor. All other leases are treated as operating leases. The annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

##### 1.14 Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

##### 1.15 Debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

##### 1.16 Cash and cash equivalents

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

##### 1.17 Creditors

Short term creditors are recognised initially at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transactions costs, and are subsequently measured at amortised cost using the effective interest method.

##### 1.18 Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### **1 Accounting policies**

##### **1.19 Pension costs**

The School contributes to the Teachers' Superannuation Scheme at rates set by the scheme actuary and advised to the Governors by the Scheme Administrator. For the purposes of complying with the relevant accounting standards, the Teachers' Superannuation Scheme is accounted for as a defined contribution scheme, in accordance with FRS 102, as the School is not responsible for or entitled to receive benefit for any surplus or deficit on the scheme. Contributions are charged to the Statement of Financial Activities in the period which they become payable.

The School also operates a Group Personal Pension Plan for the support staff which is a defined contribution scheme and contributions are accounted for as a charge to the Statement of Financial Activities in the period to which they relate.

The School also contributes to a defined benefit pension scheme for support staff. The scheme is no longer open to new staff. Rates are set by the scheme actuary and advised to the School by the scheme administrator. This scheme is accounted for in accordance with FRS 102: Retirement Benefits, with the annually calculated notional surplus or deficit on the funding of the scheme shown as a designated fund entitled "Pension Reserve", which is deducted from unrestricted funds on the balance sheet. Current service costs, curtailments, settlement gains and losses, net financial returns and actuarial gains and losses are included in the Statement of Financial Activities in the period to which they relate.

Changes in the assets and liabilities of the scheme in the period are disclosed and allocated as follows:

Changes relating to current or past service costs and gains and losses on settlements and curtailments, and pension finance costs arising from changes in the net of the interest costs and expected return on assets, are allocated to the relevant activity heading based on staff costs of employees within the scheme. Pension finance income arising from similar changes is recognised as an incoming resource. Actuarial gains and losses arising are recognised as other recognised gains and losses. The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation.

Details of the scheme assets and liabilities, and major assumptions are shown in note 20.

##### **1.20 Foreign exchange**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

##### **1.21 Fund structure**

Unrestricted funds are those available to further the School's charitable objectives at the discretion of the Governors

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the Governors.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions

##### **1.22 Financial instruments**

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the instrument is measured at the present value of the future receipts discounted at a market rate of interest.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 1 Accounting policies

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the instrument is measured at the present value of the future receipts discounted at a market rate of interest.

#### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key areas subject to judgement and estimation are as follows:

Pension scheme accounting

Judgement is applied when selecting the assumptions forming the basis of the School's defined benefit pension scheme valuation.

Fixed asset depreciation

Judgement is applied when assigning anticipated average lives to the fixed assets of the School.

#### 3 Donations and legacies

|                     | Total Unrestricted funds |      | Restricted funds | Total  |
|---------------------|--------------------------|------|------------------|--------|
|                     | 2021                     | 2020 | 2020             | 2020   |
|                     | £                        | £    | £                | £      |
| Donations and gifts | -                        | 100  | 21,316           | 21,416 |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 4 Income from charitable activities

|                                                                 | Unrestricted funds<br>2021<br>£ | Unrestricted funds<br>2020<br>£ |
|-----------------------------------------------------------------|---------------------------------|---------------------------------|
| Gross fees                                                      | 20,516,859                      | 18,582,478                      |
| Extra lessons income                                            | 802,306                         | 687,873                         |
| Registration fees                                               | 69,589                          | 50,033                          |
| The John Badley Foundation bursaries                            | 129,079                         | 142,739                         |
| Bedales Grant Trust Fund bursaries                              | 257,222                         | 243,219                         |
| Less: Total scholarships, bursaries, other remissions and costs | (2,689,716)                     | (2,444,224)                     |
|                                                                 | <u>19,085,339</u>               | <u>17,262,118</u>               |

#### 5 Other income

|                                         | Unrestricted funds<br>2021<br>£ | Unrestricted funds<br>2020<br>£ |
|-----------------------------------------|---------------------------------|---------------------------------|
| Other income                            | 85                              | 232                             |
| Interest receivable                     | 25,418                          | 36,268                          |
| Rental income                           | 51,632                          | 35,258                          |
| Coronavirus Job Retention Scheme grants | 210,738                         | 1,232,714                       |
|                                         | <u>287,873</u>                  | <u>1,304,472</u>                |

Government grants have been received in the year in respect of the Coronavirus Job Retention Scheme.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 6 Expenditure on charitable activities

|                                                    | Unrestricted<br>funds<br>2021<br>£ | Pension<br>reserve<br>2021<br>£ | Restricted<br>funds<br>2021<br>£ | Total<br>2021<br>£ | Unrestricted<br>funds<br>2020<br>£ | Pension<br>reserve<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>2020<br>£ |
|----------------------------------------------------|------------------------------------|---------------------------------|----------------------------------|--------------------|------------------------------------|---------------------------------|----------------------------------|--------------------|
| Teaching costs                                     | 12,946,580                         | -                               | 883                              | 12,947,463         | 13,398,219                         | -                               | 200                              | 13,398,419         |
| Depreciation, amortisation and other similar costs | 1,515,528                          | -                               | -                                | 1,515,528          | 1,502,562                          | -                               | -                                | 1,502,562          |
| Premises                                           | 2,151,143                          | -                               | -                                | 2,151,143          | 1,918,097                          | -                               | -                                | 1,918,097          |
| Support costs                                      | 1,311,732                          | 48,000                          | -                                | 1,359,732          | 1,567,141                          | 90,000                          | -                                | 1,657,141          |
| Welfare                                            | 46,477                             | -                               | -                                | 46,477             | 66,755                             | -                               | -                                | 66,755             |
|                                                    | 17,971,460                         | 48,000                          | 883                              | 18,020,343         | 18,452,774                         | 90,000                          | 200                              | 18,542,974         |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 7 Analysis of support costs

##### Support costs allocated to charitable activities

|                        | Printing,<br>postage and<br>stationery | Marketing and<br>communications | Information<br>technology | Staff costs | Professional<br>fees |
|------------------------|----------------------------------------|---------------------------------|---------------------------|-------------|----------------------|
|                        | £                                      | £                               | £                         | £           | £                    |
| School operating costs | 87,646                                 | 152,145                         | 218,356                   | 138,423     | 76,677               |
|                        | <u>Premises costs</u>                  | <u>Other support<br/>costs</u>  | <u>Total 2021</u>         |             |                      |
|                        | £                                      | £                               | £                         |             |                      |
| School operating costs | 593,482                                | 45,003                          | 1,311,732                 |             |                      |

#### 8 Net movement in funds

2021  
£

2020  
£

Net movement in funds is stated after charging/(crediting)

|                                                                                           |             |           |
|-------------------------------------------------------------------------------------------|-------------|-----------|
| Fees payable to the company's auditor for the audit of the company's financial statements | 20,330      | 19,660    |
| Depreciation of owned tangible fixed assets                                               | 1,515,528   | 1,502,562 |
| Pension scheme actuarial (gains)/losses                                                   | (1,387,000) | (3,000)   |
| Other pension scheme movements                                                            | 282,000     | 306,000   |
| Pension contributions                                                                     | 234,000     | 216,000   |

#### 9 Governors' remuneration and expenses

No remuneration or benefits were provided to any Governor during the period, other than the School purchasing Governors' indemnity insurance to provide cover of up to £5,000,000. The premium was part of the public liability premium and is not separately identified.

Travel and accommodation expenses to and from meetings of £Nil (2020: £357) were reimbursed to the Governors (2020: 1 Governor) during the period. No other payments were made to any Governors.

#### 10 Employees

The average monthly number of employees (including senior management team) during the year was:

|          | 2021<br>Number | 2020<br>Number |
|----------|----------------|----------------|
| Teaching | 151            | 161            |
| Support  | 211            | 223            |
| Total    | 362            | 384            |

The staff full time equivalents in the year were 260 (2020: 277).

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 10 Employees

| Employment costs      | 2021<br>£         | 2020<br>£         |
|-----------------------|-------------------|-------------------|
| Wages and salaries    | 10,247,451        | 10,525,562        |
| Social security costs | 987,283           | 1,011,404         |
| Other pension costs   | 1,712,729         | 1,861,453         |
|                       | <u>12,947,463</u> | <u>13,398,419</u> |

The number of employees whose annual remuneration was £60,000 or more were:

|                     | 2021<br>Number | 2020<br>Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000   | 6              | 5              |
| £70,001 - £80,000   | 2              | 3              |
| £80,001 - £90,000   | 3              | 2              |
| £120,001 - £130,000 | 1              | 1              |
| £160,001 - £170,000 | 1              | 1              |

During the year, the school made redundancy and/or termination payments which totalled £156,463 (2020: £24,024) relating to 8 individuals (2020: 2).

All of the higher paid employees are either in the Teachers' Pension Scheme, the School's Defined benefit Pension Scheme or the School's Defined Contribution Pension Scheme.

#### Key management personnel

The key management roles in the School for the period were the Governors, who are not paid, the Head, Bedales School, the Bursar and Clerk to the Governors, Director of External Relations, the Head of Dunhurst and the Head of Dunannie. Their total emoluments including pensions paid and Employers National Insurance was £612,846 (2020: £734,517). The comparative figure includes remuneration for the Senior Deputy Head of Bedales, however, this role ended on 31 August 2020. Therefore, no remuneration for this role is included in the current year disclosure.

#### 11 Other Expenditure

|                    | Unrestricted<br>funds<br>2021 | Unrestricted<br>funds<br>2020 |
|--------------------|-------------------------------|-------------------------------|
| Bank loan interest | 100,246                       | 103,137                       |
| Bank charges       | 8,945                         | 39,941                        |
| Bad debt provision | 64,838                        | 104,545                       |
| Financing costs    | 51,344                        | 49,674                        |
|                    | <u>225,373</u>                | <u>297,297</u>                |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 12 Tangible fixed assets

|                                    | Freehold Land | Buildings  | Fixtures and fittings | Equipment | Motor vehicles | Equipment | Total      |
|------------------------------------|---------------|------------|-----------------------|-----------|----------------|-----------|------------|
|                                    | £             | £          | £                     | £         | £              | £         | £          |
| <b>Cost</b>                        |               |            |                       |           |                |           |            |
| At 1 September 2020                | 15,489        | 45,602,388 | 207,100               | 2,509,455 | 423,613        | 819,707   | 49,577,752 |
| Additions                          | -             | 2,598,146  | -                     | 187,963   | -              | 124,063   | 2,910,172  |
| At 31 August 2021                  | 15,489        | 48,200,534 | 207,100               | 2,697,418 | 423,613        | 943,770   | 52,487,924 |
| <b>Depreciation and impairment</b> |               |            |                       |           |                |           |            |
| At 1 September 2020                | -             | 16,473,359 | 206,561               | 1,806,308 | 234,276        | 481,201   | 19,201,705 |
| Depreciation charged in the year   | -             | 1,155,070  | 41                    | 226,485   | 57,233         | 76,699    | 1,515,528  |
| At 31 August 2021                  | -             | 17,628,429 | 206,602               | 2,032,793 | 291,509        | 557,900   | 20,717,233 |
| <b>Carrying amount</b>             |               |            |                       |           |                |           |            |
| At 31 August 2021                  | 15,489        | 30,572,105 | 498                   | 664,625   | 132,104        | 385,870   | 31,770,691 |
| At 31 August 2020                  | 15,489        | 29,129,029 | 539                   | 703,147   | 189,337        | 338,506   | 30,376,047 |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 12 Tangible fixed assets

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts:

|                | 2021<br>£     | 2020<br>£     |
|----------------|---------------|---------------|
| Motor vehicles | 15,398        | 40,563        |
| Equipment      | 56,193        | -             |
|                | <u>71,591</u> | <u>40,563</u> |

#### 13 Fixed asset investments

|                                      | Other<br>investments |
|--------------------------------------|----------------------|
| <b>Cost or valuation</b>             |                      |
| At 1 September 2020 & 31 August 2021 | <u>2</u>             |
| <b>Carrying amount</b>               |                      |
| At 31 August 2021                    | <u>2</u>             |
| At 31 August 2020                    | <u>2</u>             |

|                             | Notes | 2021<br>£ | 2020<br>£ |
|-----------------------------|-------|-----------|-----------|
| Other investments comprise: |       |           |           |
| Investments in subsidiaries | 14    | <u>2</u>  | <u>2</u>  |

#### 14 Subsidiaries

Details of the Charity's subsidiaries at 31 August 2021 are as follows:

| Name of undertaking      | Registered office                                                    | Nature of business | Class of shares held | % Held<br>Direct Indirect |
|--------------------------|----------------------------------------------------------------------|--------------------|----------------------|---------------------------|
| Bedales Services Limited | Bedales School, Church Road, Steep, Petersfield, Hampshire, GU32 2DG | Non-trading        | Ordinary             | 100.00                    |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 14 Subsidiaries

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

| Name of undertaking      | Profit/(Loss)<br>£ | Capital and<br>Reserves<br>£ |
|--------------------------|--------------------|------------------------------|
| Bedales Services Limited | (5,854)            | (16,860)                     |

#### 15 Stocks

|                                     | 2021<br>£ | 2020<br>£ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 25,082    | 14,236    |

#### 16 Debtors

|                                           | 2021<br>£ | 2020<br>£ |
|-------------------------------------------|-----------|-----------|
| Amounts falling due within one year:      |           |           |
| Trade debtors                             | 4,503,670 | 4,313,189 |
| Amounts owed by fellow group undertakings | 6,000     | 11,019    |
| Other debtors                             | 22,681    | 895       |
| Prepayments                               | 278,672   | 122,141   |
|                                           | 4,811,023 | 4,447,244 |

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

|                                    | Notes | 2021<br>£  | 2020<br>£ |
|------------------------------------|-------|------------|-----------|
| Bank loans                         | 19    | 754,666    | 525,335   |
| Other taxation and social security |       | 238,817    | 305,839   |
| Trade creditors                    |       | 387,248    | 181,224   |
| Fees received in advance           |       | 6,026,112  | 6,115,537 |
| Fees in advance scheme             |       | 926,193    | 1,081,656 |
| Entrance deposits                  |       | 1,099,991  | 1,180,005 |
| Other creditors                    |       | 931,204    | 368,873   |
| Accruals and deferred income       |       | 111,632    | 121,880   |
|                                    |       | 10,475,863 | 9,880,349 |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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

##### Fees in advance scheme

Parents may enter into a contract to pay the school tuition fees in advance. The money may be returned subject to specific conditions. Assuming pupils remain in the school, the fees in advance will be applied as follows:

|                   | 2021<br>£        | 2020<br>£        |
|-------------------|------------------|------------------|
| Within one year   | 926,193          | 1,081,656        |
| One to two years  | 820,095          | 978,466          |
| Two to five years | 428,064          | 389,419          |
| After five years  | 212,823          | 222,606          |
|                   | <u>2,387,175</u> | <u>2,672,147</u> |

#### 18 Creditors: amounts falling due after more than one year

|                        | Notes | 2021<br>£        | 2020<br>£        |
|------------------------|-------|------------------|------------------|
| Bank loans             | 19    | 4,807,335        | 5,413,999        |
| Fees in advance scheme |       | 1,460,982        | 1,590,491        |
|                        |       | <u>6,268,317</u> | <u>7,004,490</u> |

#### 19 Loans and overdrafts

|                                                         | 2021<br>£        | 2020<br>£        |
|---------------------------------------------------------|------------------|------------------|
| Bank loans                                              | <u>5,562,001</u> | <u>5,939,334</u> |
| Payable within one year                                 | 754,666          | 525,335          |
| Payable after one year                                  | <u>4,807,335</u> | <u>5,413,999</u> |
| Amounts included above which fall due after five years: |                  |                  |
| Payable by instalments                                  | <u>1,788,668</u> | <u>2,395,334</u> |

The bank loans are secured on the freehold premises of the School. Interest is charged at 0.78% above base rate on the original loan which is repayable by 2025 and 2.28% above base rate on the second loan which is repayable by March 2027.

#### 20 Retirement benefit schemes

##### Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 20 Retirement benefit schemes

##### Defined benefit schemes

###### Teachers' Pension Agency

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge accrued at the year-end in respect of contributions to this scheme was £132,512 (2020 - £166,008).

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 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.

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 a remedy to the discrimination conclusion has been determined by the Employment Tribunal 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.

###### Hampshire Pension Fund ("the fund")

The figures below relate to the funded liabilities within the Fund which is part of the Local Government Pension Scheme (the "LGPS"). The funded nature of the LGPS requires the Employer and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 20 Retirement benefit schemes

The date of the most recent comprehensive actuarial valuation was 31 March 2019 and these results allow for the 2019 Actuarial Valuation of the Fund. The key and demographic assumptions below have been updated to reflect the 2021 year end data, where available. The effect of allowing for the 31 March 2019 Actuarial Valuation and the changes in key and demographic assumptions is reflected in the balance sheet position.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £48,000 (2020: £90,000).

#### Key assumptions

|                                                  | 2021<br>% | 2020<br>% |
|--------------------------------------------------|-----------|-----------|
| Discount rate                                    | 1.7       | 1.6       |
| Expected rate of increase of pensions in payment | 2.7       | 2.4       |
| Expected rate of salary increases                | 3.7       | 3.4       |
| Expected rate of inflation (CPI)                 | 2.7       | 2.4       |

#### Mortality assumptions

The assumed life expectations on retirement at age 65 are:

|                      | 2021<br>Years | 2020<br>Years |
|----------------------|---------------|---------------|
| Retiring today       |               |               |
| - Males              | 23            | 23            |
| - Females            | 26            | 26            |
| Retiring in 20 years |               |               |
| - Males              | 25            | 25            |
| - Females            | 27            | 27            |

Amounts recognised in the profit and loss account:

|                                                   | 2021<br>£ | 2020<br>£ |
|---------------------------------------------------|-----------|-----------|
| Current service cost                              | 219,000   | 202,000   |
| Net interest on defined benefit liability/(asset) | 63,000    | 70,000    |
| Contributions by the employer                     | 234,000   | 216,000   |
| Past service cost                                 | -         | 34,000    |
| Total costs                                       | 48,000    | 90,000    |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 20 Retirement benefit schemes

Amounts taken to other comprehensive income:

|                                                   | 2021<br>£   | 2020<br>£ |
|---------------------------------------------------|-------------|-----------|
| Actual return on scheme assets                    | (1,829,000) | (631,000) |
| Less: calculated interest element                 | 159,000     | 169,000   |
| Return on scheme assets excluding interest income | (1,670,000) | (462,000) |
| Actuarial changes related to obligations          | 283,000     | 459,000   |
| Total (gains)/losses                              | (1,387,000) | (3,000)   |

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

|                                              | 2021<br>£    | 2020<br>£   |
|----------------------------------------------|--------------|-------------|
| Present value of defined benefit obligations | 14,465,000   | 14,050,000  |
| Fair value of plan assets                    | (11,710,000) | (9,956,000) |
| Deficit in scheme                            | 2,755,000    | 4,094,000   |

Movements in the present value of defined benefit obligations:

|                                        | 2021<br>£  |
|----------------------------------------|------------|
| Present value at 1 September 2020      | 14,050,000 |
| Current service cost                   | 219,000    |
| Benefits paid                          | (338,000)  |
| Contributions from scheme participants | 29,000     |
| Actuarial gains and losses             | 283,000    |
| Interest cost                          | 222,000    |
| At 31 August 2021                      | 14,465,000 |

The defined benefit obligations arise from plans funded as follows:

|                                     | 2021<br>£  |
|-------------------------------------|------------|
| Wholly unfunded obligations         | -          |
| Wholly or partly funded obligations | 14,465,000 |
|                                     | 14,465,000 |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 20 Retirement benefit schemes

Movements in the fair value of plan assets:

|                                          | 2021<br>£         |
|------------------------------------------|-------------------|
| Fair value of assets at 1 September 2020 | 9,956,000         |
| Interest income                          | 159,000           |
| Actuarial gains and losses               | 1,670,000         |
| Benefits paid                            | (338,000)         |
| Contributions by the employer            | 234,000           |
| Contributions from scheme participants   | 29,000            |
| At 31 August 2021                        | <u>11,710,000</u> |

The fair value of plan assets at the reporting period end was as follows:

|                           | 2021<br>£         | 2020<br>£        |
|---------------------------|-------------------|------------------|
| Equity instruments        | 6,721,540         | 5,645,000        |
| Cash and cash equivalents | 4,274,150         | 3,714,000        |
| Property                  | 714,310           | 597,000          |
|                           | <u>11,710,000</u> | <u>9,956,000</u> |

#### 21 Capital commitments

At 31 August 2021 the Charity had capital commitments which were not provided for in the financial statements of £910,000 (2020: £1,845,500).

#### 22 Contingent assets

The sale of a small parcel of land was completed for a consideration of £305,000 in December 1998. In addition, the School will receive 75% of the development value should development permission be granted to the purchaser. It is not practicable to make an estimate of the 75% of future development value.

#### 23 Related party transactions

The Bedales Grant Trust Fund, charity number 1036179, was set up to provide grants to pupils at Bedales in need of financial aid to pay their tuition fees. In making such grants or loans preference shall be given to a parents or parents who was or were a pupil at Bedales School. During the period the Fund contributed £257,222 (2020: £243,219) to the school.

The John Badley Foundation, charity number 1138332, was set up to advance the education of pupils at the School. In the period, the School received donations from the Trust of £129,079 (2020: £142,739) towards the awarding of bursaries.

One Governor (2020: one Governor) and two members of key management (2020: three members of key management), of which details of the relevant roles can be found in note 10, have children at the School that paid normal fees and received no bursaries or scholarships.

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

|    |                                                          |                             |                 |                           |
|----|----------------------------------------------------------|-----------------------------|-----------------|---------------------------|
| 24 | Cash generated from operations                           | 2021<br>£                   | 2020<br>£       |                           |
|    | Surplus/(deficit) for the year                           | 1,127,496                   | (252,265)       |                           |
|    | Adjustments for:                                         |                             |                 |                           |
|    | Interest receivable                                      | (25,418)                    | (36,268)        |                           |
|    | Interest payable                                         | 151,590                     | 152,811         |                           |
|    | Depreciation and impairment of tangible fixed assets     | 1,515,528                   | 1,502,562       |                           |
|    | Difference between pension charge and cash contributions | 48,000                      | 90,000          |                           |
|    | Movements in working capital:                            |                             |                 |                           |
|    | (Increase) in stocks                                     | (10,846)                    | (14,236)        |                           |
|    | (Increase) in debtors                                    | (363,779)                   | (3,539,448)     |                           |
|    | Increase in creditors                                    | 236,674                     | 3,878,696       |                           |
|    | Cash generated from operations                           | 2,679,245                   | 1,781,852       |                           |
| 25 | Analysis of changes in net (debt)/funds                  |                             |                 |                           |
|    |                                                          | At 1 September<br>2020<br>£ | Cash flows<br>£ | At 31 August<br>2021<br>£ |
|    | Cash at bank and in hand                                 | 4,734,996                   | (734,432)       | 4,000,564                 |
|    | Loans falling due within one year                        | (525,335)                   | (229,331)       | (754,666)                 |
|    | Loans falling due after more than one year               | (5,413,999)                 | 606,664         | (4,807,335)               |
|    |                                                          | (1,204,338)                 | (357,099)       | (1,561,437)               |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 26 Analysis of net assets between funds

|                                                     | Unrestricted<br>funds<br>2021<br>£ | Pension<br>reserve<br>2021<br>£ | Restricted<br>funds<br>2021<br>£ | Total<br>2021<br>£ | Unrestricted<br>funds<br>2020<br>£ | Pension<br>reserve<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>2020<br>£ |
|-----------------------------------------------------|------------------------------------|---------------------------------|----------------------------------|--------------------|------------------------------------|---------------------------------|----------------------------------|--------------------|
| Fund balances at 31 August 2021 are represented by: |                                    |                                 |                                  |                    |                                    |                                 |                                  |                    |
| Tangible assets                                     | 31,770,693                         | -                               | -                                | 31,770,693         | 30,376,049                         | -                               | -                                | 30,376,049         |
| Net current liabilities                             | (1,672,744)                        | -                               | 33,550                           | (1,639,194)        | (718,306)                          | -                               | 34,433                           | (683,873)          |
| Long term liabilities                               | (6,268,317)                        | -                               | -                                | (6,268,317)        | (7,004,490)                        | -                               | -                                | (7,004,490)        |
| Pension scheme liability                            |                                    | (2,755,000)                     | -                                | (2,755,000)        | -                                  | (4,094,000)                     | -                                | (4,094,000)        |
|                                                     | <u>23,829,632</u>                  | <u>(2,755,000)</u>              | <u>33,550</u>                    | <u>21,108,182</u>  | <u>22,653,253</u>                  | <u>(4,094,000)</u>              | <u>34,433</u>                    | <u>18,593,686</u>  |

#### 27 Unrestricted funds

The income funds of the charity include the following unrestricted funds which have no restrictions:

|                 | Movement in funds                      |                            |                            |                                           | Movement in funds                      |                            |                            |                                           |                                      |
|-----------------|----------------------------------------|----------------------------|----------------------------|-------------------------------------------|----------------------------------------|----------------------------|----------------------------|-------------------------------------------|--------------------------------------|
|                 | Balance at<br>1 September<br>2019<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Revaluations,<br>gains and<br>losses<br>£ | Balance at<br>1 September<br>2020<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Revaluations,<br>gains and<br>losses<br>£ | Balance at<br>31 August<br>2021<br>£ |
| General         | 22,830,834                             | 18,572,490                 | (18,750,071)               | -                                         | 22,653,253                             | 19,373,212                 | (18,196,833)               | -                                         | 23,829,632                           |
| Pension reserve | (4,007,000)                            | -                          | (90,000)                   | 3,000                                     | (4,094,000)                            | -                          | (48,000)                   | 1,387,000                                 | (2,755,000)                          |
|                 | <u>18,823,834</u>                      | <u>18,572,490</u>          | <u>(18,840,071)</u>        | <u>3,000</u>                              | <u>18,559,253</u>                      | <u>19,373,212</u>          | <u>(18,244,833)</u>        | <u>1,387,000</u>                          | <u>21,074,632</u>                    |

# BEDALES SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 28 Restricted funds

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

|                         | Movement in funds                 |                       |                       |                                   |                       |                                 |
|-------------------------|-----------------------------------|-----------------------|-----------------------|-----------------------------------|-----------------------|---------------------------------|
|                         | Balance at<br>1 September<br>2019 | Incoming<br>resources | Resources<br>expended | Balance at<br>1 September<br>2020 | Resources<br>expended | Balance at<br>31 August<br>2021 |
|                         | £                                 | £                     | £                     | £                                 | £                     | £                               |
| Kadian Observatory Fund | 13,317                            | -                     | (200)                 | 13,117                            | (883)                 | 12,234                          |
| Digital Library Fund    | -                                 | 21,316                | -                     | 21,316                            | -                     | 21,316                          |
|                         | <u>13,317</u>                     | <u>21,316</u>         | <u>(200)</u>          | <u>34,433</u>                     | <u>(883)</u>          | <u>33,550</u>                   |

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

The Kadian Observatory Fund has been set up for the maintenance of the new observatory, to provide for an annual Kadian Harding Science and Technology prize and to provide a guest speaker for the annual astronomy lecture.

The Digital Library Fund has been set up to digitize old Bedales archives.