

BERKHAMSTED SCHOOLS GROUP

England & Wales · Charity number 310630

Details

Other names	BERKHAMSTED SCHOOLS GROUP, HEATHERTON HOUSE SCHOOL, HEATHERTON HOUSE SCHOOL LIMITED
Status	Registered
Legal form	Charitable company
Company number	00622349
Registered	1962-11-15
Register	View on the Charity Commission register

Contact

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Activities

Objects: THE OBJECTS OF THE CHARITY (THE "OBJECTS") ARE TO PROMOTE THE EDUCATION (INCLUDING SOCIAL AND PHYSICAL TRAINING) OF BOYS AND GIRLS AND IN PARTICULAR BUT PREJUDICE TO THE GENERALITY OF THE FOREGOING TO CONDUCT AND MAINTAIN DAY OR DAY BOARDING SCHOOLS IN OR NEAR BERKHAMSTED AT WHICH RELIGIOUS EDUCATION IN ACCORDANCE WITH THE CHURCH OF ENGLAND IS PROVIDED.

Activities: The education (including social and physical training) of boys and girls aged 3 -18, with a subsidiary nursery school for children from 5 months old.

Classification

- **How:** Makes Grants To Individuals, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- Buckinghamshire
- Hertfordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£49,855,000	£46,266,000	£55,606,000	588
2024-07-31	£48,408,000	£44,238,000	£51,875,000	591
2023-07-31	£41,786,000	£39,760,000	£47,407,000	585
2022-07-31	£39,245,000	£37,305,000	£45,451,000	559
2021-07-31	£37,113,000	£34,281,000	£43,675,000	552

Trustees

Name	Role	Appointed
Carol Gail Copland	Chair	2023-03-18
Andrew Russell Hart		2018-12-01
Benjamin Jacob Leo Conolly		2024-12-07
Clare Elizabeth Edwards		2022-09-01
Georgina Fienberg		2026-03-21
Grant Cameron Imlah		2022-12-03
JACQUELINE BRABAZON		2023-09-01
Jonathan David Williams		2018-03-01
Joseph John Smith		2020-09-01
Philippa Greenslade		2026-05-05
Sarah Ann Shields		2017-03-25
Suna James Peter Bull		2025-01-24
Victoria Mary Mayne Bingham		2022-12-03

Linked charities

- BERKHAMSTED SCHOOLS GROUP TRUST (310630-1)
- BERKHAMSTED COLLEGIATE SCHOOL SCHOLARSHIP AND PRIZE FUND (310630-2)

BERKHAMSTED SCHOOLS GROUP

England & Wales - Charity number 310630

Accounts

Berkhamsted Schools Group

REPORT AND FINANCIAL STATEMENTS

For the year ended
31 July 2025

Berkhamsted Schools Group

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Berkhamsted Schools Group

WHO WE ARE

Berkhamsted Schools Group is a prestigious group of independent day schools in Hertfordshire and Buckinghamshire which also offers boarding for the senior year groups. Founded in 1541, we are a school that is firmly rooted in our local community and also has an international outlook with overseas students joining the school from Year 10.

Berkhamsted has an outstanding reputation based on the following key characteristics:

A **'diamond school'** - one of just a handful in the country, Berkhamsted offers co-educational tuition up to age 11 and single sex classroom education from the age of 11 to 16 - at a time when we believe girls and boys benefit most from being taught separately in the classroom, whilst extra-curricular activities are undertaken co-educationally at all ages. Girls and boys come back together in a co-educational Sixth Form. We also have a girls-only Prep School, Heatherton, in Amersham, which has a co-educational nursery class.

A **passion for learning and well-being** - the world is changing at an ever-increasing pace. We believe life-long learning will be required of all of us and awareness of the skills that enable us to learn effectively are a key requirement. At the school we develop these skills alongside a focus on the development of character, with the aim that our students will have both the cognitive skills and character strengths (such as mental toughness and resilience) to cope with whatever life throws at them. Our well-being programme and framework is comparable with any school programme in the country, and we care deeply about the well-being of our school community and the individuals within it.

A **broad education** - we develop outstanding, well-rounded, remarkable young people through a broad education based not just on academic excellence, but also through activities outside the classroom, including sport, outdoor education, music, art and drama. We are proud to have produced excellence at national and international levels while maintaining very high levels of pupil participation in extra-curricular activities. We have one of the most outstanding outdoor education programmes at any school in the country, demonstrated by the high numbers of participants in the Duke of Edinburgh's Award at all levels, and the range of experiences offered through our Combined Cadet Force. Every pupil in senior school attends Bushcraft training and spends a night under canvas as part of the introduction to the Duke of Edinburgh Award.

A **school that 'grows with you'** - we offer our pupils fantastic experiences and opportunities that stretch their abilities and help develop their full potential at all stages throughout their formative years. Our pupils leave us with the qualifications and life skills needed to make a successful transition to the next stage of life, be that a top university, or the start of their career in the workplace. These are gained through initiatives such as our innovative Student Consultancy, pioneered at Berkhamsted in conjunction with the Oxford University Careers Service and since rolled out nationally, or the work experience opportunities we provide to our Sixth Formers. Other opportunities exist at our Sports Centre as a lifeguard or with our in-house caterers to gain customer service experience at School events.

Outstanding **pastoral care** - we are predominantly a day school running on structures built up through a history of being a traditional boarding school. We have a vertical house system, run by Heads of House and their teams of tutors, who oversee and support each child's personal development.

A **large school** with a **small school** feel - we are based on four campuses in Berkhamsted and one in Amersham, each structured to cater for the different age groups taught at those sites from Pre-Prep in the woodland setting of the Haresfoot campus to a Sixth Form moving between Castle and Kings campuses as a taster of what lies ahead at university. Each school benefits from outstanding whole school facilities in close proximity, which smaller schools are unable to provide. Examples include our 500 seat Centenary Theatre, the Knox-Johnston Sports Centre and 25 metre swimming pool, nine Eton Fives courts, a wooded Gruffalo Trail and our High Ropes course.

Berkhamsted Schools Group

A school **with community spirit** - our pupils are consistently helping in the community and looking to uphold the school's value of 'Serving Others'. From the Prep school children visiting the local care home for regular musical performances, to Year 7 boys litter picking across town, through to our Sixth Formers helping at local primary schools and in High Street charity shops. The introduction of The Berkhamsted Society has also offered our local neighbours the opportunity to use the school's facilities and attend a number of cultural events which are open to all. We work with maintained sector schools in Berkhamsted, Hemel Hempstead and Luton, and co-sponsor the Wren Academies Trust.

A school which **supports working parents** - we provide care at all stages of a child's school journey, so parents need never be concerned if they are delayed at the office, have to go on a business trip, or wish to find activities for their child in the holidays. We provide wrap-around care at both ends of the day up to Prep School, flexi-boarding at the senior schools, and work with specialist companies to lay on a range of courses and activities during half terms. We offer all year-round nursery provision from five months to three years old. In addition, our travel network also offers a coach service from home to school each day with late services available to cater for those pupils taking part in after-school activities.

A key aim of the Berkhamsted Schools Group is to deliver teaching and learning excellence for the benefit of pupils throughout the group. Investment in the continuous training, professional development and well-being of our staff is a priority. We are proud to have been awarded the Investors in People Gold Award three times in recent years, an unprecedented achievement for an independent school, reflecting our commitment to this aim.

Berkhamsted Schools Group

GOVERNORS

The Board of Governors is appointed in accordance with the terms and conditions laid down in the Scheme of the Charity Commissioners for England and Wales sealed on 29 August 1996. Except as otherwise indicated, the Governors who served throughout the year are as follows:

	Appointed /Resigned	(1)	(2)	(3)	(4)	(5)	(6)
C. Copland	Appointed 18 March 2023 <i>Chair with effect from 1 September 2023</i>	▪ (c)		▪		▪ (c)	▪ (c)
V. Bingham	Appointed 3 December 2022				▪		
J. Brabazon	Appointed 1 September 2023			▪			
S. Bull	Appointed 24 January 2025			▪			
B. Conolly	Appointed 7 December 2024		▪				
C. Edwards	Appointed 1 September 2022		▪				
A.R. Hart	Appointed 1 December 2018			▪			
G. Imlah	Appointed 3 December 2022		▪				
K. Musgrave	Appointed 1 December 2018 Resigned 30 November 2024		▪				
C. Nicholls	Appointed 1 September 2015 Resigned 1 September 2024				▪		
S. Shields	Appointed 25 March 2017			▪			
J.J. Smith	Appointed 1 September 2020				▪		▪
N. Twogood	Appointed 1 September 2015	▪	▪ (c)			▪	▪
A. Wilcock	Appointed 26 November 2016	▪			▪ (c)	▪	
J. Williams	Appointed 1 March 2018	▪		▪ (c)		▪	

- (1) Chair's Committee
 - (2) Finance and Property Committee
 - (3) Risk and Regulatory Committee
 - (4) Education Committee
 - (5) Nominations Committee
 - (6) Remuneration Committee
-
- (c) Chair

Berkhamsted Schools Group

OFFICERS AND ADVISERS

Principal	R P Backhouse MA (Cantab)
Clerk to the Governors	J McCulloch BSc, FIA
Vice Principal (left 31 Aug 2024)	A Ford BA
Vice Principal (from 1 Sept 2024)	M Walker BA
Chief Operating Officer	J Anthony BSc, FCA
Chief People Officer	T L Evans CIPD, FlntLM
Assistant Vice Principal (External Relations)	R C Thompson BA
Headteacher, Berkhamsted Sixth (left post 31 Aug 2024)	M Walker BA
Headteacher, Berkhamsted Sixth (from 1 Sept 2024)	N J Cale BA (Hons)
Headteacher, Berkhamsted Boys (left 21 April 2025)	T L Hadcroft BA (Hons), MSc, MRes, MEd
Headteacher, Berkhamsted Boys (from 22 April 2025)	T E Hockedy BSc (Hons), MSc
Headteacher, Berkhamsted Girls (left 31 Aug 2025)	E Watson BEng
Headteacher, Berkhamsted Girls (from 1 Sept 2025)	J Vila BA (Hons)
Headteacher, Heatherton	N Nicoll MEd, BEd (Hons)
Headteacher, Berkhamsted Prep and Pre-Prep	K O'Connor BA (Hons), PGCE, NPQH

Principal address and Registered Office

6 Chesham Road
Berkhamsted
Hertfordshire HP4 3AA

Bankers	NatWest Bank 250 Bishopsgate London EC2M 4AA	HSBC plc 8 Canada Square London E14 5HQ
Solicitors	Veale Wasbrough Vizards Orchard Lane Bristol BS1 5WS	
Auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW	
Investment Advisers	Brewin Dolphin 12 Smithfield Street London EC1A 9BD	
Insurance Brokers	Aon UK Limited 8 Devonshire Square London EC2M 4PL	
Property Advisers	Aitchison Raffety 8 Cavendish Square London W1G 0PD	Bidwells Trumpington Road Cambridge CB2 9LD
ESG Advisers	Orbis Advisory 1 St Katherine's Way London E1W 1UN	

Berkhamsted Schools Group

ANNUAL REPORT OF THE GOVERNORS CHAIR'S REPORT

CHAIR'S REPORT

The academic year 2024-25 was characterised by continued success and development for Berkhamsted students of all ages and the flourishing of the schools' communities, alongside measures taken to mitigate increases in taxation of private schools. A particular highlight was the opening of the new Zaha Hadid building for Sixth students (named after a former pupil), which generated outstanding feedback from pupils, parents and staff.

The School's brand of holistic education flourished in academic, super-curricular and extra-curricular pursuits. This was reflected in excellent exam results, with record numbers achieving higher, or highest, grades at GCSE and A level and more students than ever going to the UK's most selective universities. *The community, as it promises on its website, has been developing remarkable people.*

Parental feedback continued to be exceptionally strong – and the Group undertook a large-scale piece of research with nearly 40% of families responding to telephone interviews from an independent firm of researchers. Enquiries for places were strong, and the School was able to finish the year anticipating broadly the same pupil numbers in 25-26 as in 24-25.

The Executive and Trustee Board continue to spend focused time ensuring the financial stability of the group, looking not just at the present but also to the short and medium-term future – at opportunities as well as threats. We run the school on conservative financial principles with strict financial governance policies and procedures in place. A further focus this year was on the stewardship of the property and land owned by the Group, with careful plans being laid for the coming years.

Our aim is also to be a school which provides an excellent current experience for pupils, while also investing strongly in their future via learning experiences which enable them to develop into ambitious, adventurous, caring adults. Technological innovations during the year enabled analysis of all teaching observations and learning walk information, and an app which assists the tracking of pupils' extracurricular engagement. Excellence in technology was recognised as a significant strength in an ISI Inspection of the Senior School.

The breadth of education offered at our schools was manifest in diverse performing arts (from formal evensong to talent shows), adventurous activities (CCF, DofE and overseas expeditions) and charitable activities – including a successful repeat of our annual Service Day, when all pupils in the Senior School undertake a day of community service. Senior pupils engaged in a redeveloped extra-curricular programme: 'Stretch'.

In addition to the opening of the Zaha Hadid building, further projects included the refurbishment of a dining hall, substantial works to improve an entrance on the Kings Road site, and refurbishment of prep classrooms. Maintaining historic assets, investing in sustainable initiatives and the affordability of school fees are carefully balanced by the Trustees and Executive. Our goal is to provide an outstanding all-round education at a competitive price and therefore we have continued to strive to constrain our fee increases for the past few years whilst finding efficiencies within the schools to allow continued investment in staff and facilities. The unusually high levels of sunshine in the Summer of 2025 yielded a strong return on the substantial investment in solar energy made last year.

Our partnership work continues to be busy: as co-sponsor of the Wren Multi-Academy Trust, we have supported the excellent achievements of its schools in Enfield and Finchley, as well as helping with plans for expansion of the Trust from 1st September 2025 when St Mary and St John School, Barnet joins the trust,

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as well as support of the senior leadership. We support the people of the area through the provision of wraparound care and holiday camps to help working parents. We continue to host booster weeks for Looked-After-Children in partnership with Hertfordshire Virtual Schools in both Easter and Summer. The Berkhamsted Society has links with over 40 local organisations and provides a programme of cultural and topical events for local people including an 'Audience with Kevin Sinfield'. Whether it's visiting a senior citizens' home, a hospice, reading with pupils at local primary schools, or working with disabled adults and children, Berkhamstedians' time and effort makes a difference to the lives of so many in our community. We also open up our facilities to the community, and the Centenary Theatre and Knox-Johnston Sports Centre are very well used outside of school hours.

On behalf of all the trustees, I would like to thank parents for their trust and support, staff for their skill, commitment and industry, and the pupils for the frequent and inspiring indications of their growth and potential.



Carol Copland
Chair of Governors

Date 29 November 2025

Berkhamsted Schools Group

STRATEGIC REPORT

CONSTITUTION AND OBJECTS

Berkhamsted Grammar School was founded on 14 October 1541, re-founded by an Act of Parliament in 1549, and is regulated by a scheme made under the Endowed Schools Act on 13 May 1887 and subsequent amendments. Berkhamsted Girls Grammar School was constituted by the above scheme on 13 May 1887. The administration and management of these two charities and other subsidiary charities were amalgamated by a scheme dated 14 August 1975 approved by the Charity Commissioners for England and Wales.

With effect from 1 August 2011, the School merged with Heatherton House, a Prep School for Girls in Amersham. As part of the merger process, Berkhamsted School changed its name to Berkhamsted Schools Group and became an incorporated charity. The registered charity number is 310630 and the registered company number is 622349.

The Charity has two operating wholly owned non-charitable subsidiaries, Berkhamsted School Enterprises Limited and Berkhamsted Day Nursery Limited. The school actively supports the provision of the highest standards of education in the independent sector and collaborates with many local charities, schools and organisations to widen public access to the education and facilities it provides for the public benefit.

The School's objects and principal activity, as set out in the Articles of Association, are to promote the education (including social and physical training) of boys and girls and in particular but without prejudice to the generality of the foregoing to conduct and maintain day or day and boarding schools in or near Berkhamsted, at which religious education in accordance with the principles of the Church of England is provided.

GOVERNANCE AND MANAGEMENT

Governing Body

There is one Governing Body for all the schools in the Group. Details of the Governing Body, together with the school's officers and principal advisors, are given on pages 4-5.

The Governing Body consists of between twelve and sixteen people with each Governor term limited to three years. Each Governor is limited to a maximum of three consecutive terms, unless elected to become the Chair or Vice Chair, or if the Board consider it would be in the best interest of the Charity for a Governor to be eligible for re-election, in which case further terms are permissible.

Recruitment and Training of Governors

The school's Governors are appointed at a meeting of the Governing Body on the basis of recommendations made by the Nominations Committee, taking into account the balance of skills, experience, and commitment to uphold the School's strategic vision and legal responsibilities.

New Governors are inducted into the workings of the school and of the Charity, including Strategy, Policies and Procedures, at an induction meeting organised by the Clerk to the Governors. Governor training is carried out by using seminars either organised nationally or arranged internally.

Governor performance is reviewed annually, including attendance, contribution, and engagement with training. Feedback is used to tailor future development opportunities.

The Governing Board refer to the Charity Governance Code to ensure that the Charity both applies the principles of the Code, and that governance is executed excellently at the School.

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Organisational Management

The School Governors, as the Trustees of the Charity, are legally responsible for the overall management and control of the school and normally meet (as a full board) four times each year, plus one biennial meeting usually in Lent Term to review strategy.

The School's Committees (the first four of which meet termly) are:

- The Finance and Property Committee, whose responsibility is to plan and oversee delivery of the Board's strategies in relation to all financial and property matters.
- The Education Committee, whose responsibility is to plan and oversee the delivery of all academic, co-curricular and pastoral education.
- The Risk and Regulatory Committee, which has responsibility for the implementation, ongoing management and review of performance in practice of the Group's regulatory, statutory and general policies. It also acts to ensure that major risks for the Group are actively managed, and that an appropriate balance is struck between controls to mitigate risk and the costs (financial or non-financial) associated with doing so and to monitor the environmental and sustainability activities being done across the group to ensure we continually work to improve our environmental impact.
- The Chair's Committee, comprising the Chair of Governors, the Chairs of the other Governor Committees, the Principal, Vice Principal, Chief Operating Officer and Chief People Officer. The function of this Committee is to review strategic issues prior to consideration by the full Governing Body.
- The Nominations Committee, which has responsibility for overseeing Governor and Executive appointments.
- The Remuneration Committee, which has responsibility for setting the remuneration of the Principal and overseeing the remuneration of other senior personnel.

The day-to-day management of the school is delegated to the Principal, Vice Principal, Chief Operating Officer and Chief People Officer who, together with the Headteachers of the respective schools in the group and the Assistant Vice Principal, External Relations, form the Executive. The Executive is supported by the Senior Management Team which includes the Deputy Heads and other key educational and operational roles.

Remuneration of staff is set by the Governors with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the school's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools and the maintained sector to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere.

We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the school's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our expenditure.

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Employment Policy

The school is an equal opportunities employer. Equal consideration is given to job applications from all candidates irrespective of race, colour, religion, nationality, ethnicity, sex, disability, or age, whilst due consideration is given to any particular training and employment needs. Our applicant tracking system has been refined to further strengthen the process by adopting a blind shortlisting approach to recruitment. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

The school follows its Recruitment of Staff policies and Equal Opportunities policy, which is compliant with the Equality Act 2010, and has regard to the guidance issued by the Equality and Human Rights Commission “What equality law means for you as an education provider: schools”. The Equal Opportunities policy states that the School will satisfy its duties under the Equality Act 2010 to eliminate all behaviour prohibited by the Equality Act 2010, to foster good relations between persons with and without protected characteristics and promote equality of opportunity regardless of whether a person has a protected characteristic.

In addition, the school has a strict Staff Code of Conduct policy that sets the standards of behaviour for all staff to ensure the ethos of the school is maintained.

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AIMS, OBJECTIVES AND ACTIVITIES

Aims

The School's aim is to be the first-choice independent school in a wide catchment area for families seeking educational excellence and to develop remarkable people with an awareness, understanding and care for their community and the wider world.

The governors are mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Board has monitored closely the guidance of public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Primary Objectives

The School continues to place huge importance on its Core Values. At the heart of every decision made and practice used we continue to cultivate a culture in which our values are evident. Our Values are as follows:

- Aim High with Integrity

We believe that we should strive to be the best possible version of ourselves, in the classroom or debating chamber, on the stage or sports pitches, to be the best we can be in everything we do. To aim high *with integrity* means being successful without exercising sharp elbows. Try, as CS Lewis suggested, to 'do the right thing even when no one is looking'. Whatever we achieve in life will be all the more worthy if it is done in support and not at the expense, of others.

- Be Adventurous

Being adventurous is an important ingredient of aiming high. We need to discover what our talents might be before we can develop them, and this will only happen if we are adventurous in thought, word, and deed. We must all have the courage to fail and the resilience to do so repeatedly...because we will. We should all think of mistakes – whether made by ourselves or others – as opportunities to learn. As Nelson Mandela once said: 'Do not judge me by my successes; judge me by how many times I fell down and got up again.' If we are all brave enough to try, fail and then start again, we will all, in time, become the best we can be.

- Serve Others

We want our students to grow in moral purpose, character, and courage as they go through our school, and in doing so, contribute to the wellbeing of our community. We want them to become remarkable people. Our definition of success is an inclusive one, and our expectation of school life is for it to be a team game: we believe it is as important to contribute to the successes of others as to our own. Our definition of leadership includes elements of altruism, and being a school community, we often find that, in giving, we are also receiving. We celebrate and encourage the work of our students in the local community, as volunteers for example, and as those who engineer change for good, inside and outside the School. Our expectation is that Berkhamstedians will not just go on and do well, although of course, we expect that they will, but that they will also go on and do good.

The implementation of these values in the provision of education which is both excellent and broad, boarding and day, single sex and co-educational, large in scale, but small school in feel, traditional and forward looking continues to be the aim of the Group.

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STRATEGIES TO ACHIEVE PRIMARY OBJECTIVES

The Group has selected seven areas of focus, which will not only help us to meet our primary aims and objectives but move us to a position where we are recognised to be world class. It must be noted that this list does not preclude our pursuit of excellence in all areas.

Teaching and Learning / ICT

The “Learning Powered Approach”, a whole school approach to teaching and learning, is embedded across the group to provide a core focus on dispositions within the four learning types (emotional, social, cognitive, and strategic). There is a focus on meta-cognition and self-regulation, as well as critical thinking to enable pupils to flourish in the world beyond School. We continue to work with schools in both the independent and maintained sectors, universities, and teacher training institutions to share best practice with Berkhamsted being a centre of excellence for teaching and learning. Alongside a strong focus on cyber security each pupil in Y5-13 has their own Microsoft Surface device, with younger children having access to class sets of iPads.

Wellbeing

The school recognises the importance of wellbeing amongst its pupils and staff and employs several strategies to encourage and promote it. The senior school operates a house system which ensures a high level of pastoral care for pupils which is further supported by the availability of counselling services and other initiatives such as the presence of wellbeing dogs throughout the school week. The School has also employed a dedicated Psychologist to further support pupils’ wellbeing. In all parts of the school, class sizes are small enough to enable our teachers to notice any behavioural changes that may require their intervention. Staff wellbeing is also deemed very important and all staff have access to counselling services on request and provision is made for other beneficial activities such as mindfulness sessions, yoga, wellbeing treatments and a wide range of other social activities.

Outdoor Education

Very few schools in the South-East have strong Outdoor Education – this is seen as a market differentiator. The School has a long and distinguished Duke of Edinburgh Award programme and Combined Cadet Force (CCF). Today pupils from Stepping Stones through to Year 13 have extensive opportunities to have a range of outdoor education experiences both at school and around the country and world. An Outdoor Education centre for the Group has been established on the site of the Pre-Prep school.

Business Education and Skills

Berkhamsted is a business community and many of our parents are business professionals. Berkhamsted School is well placed to be a leader in Business Education and Skills and looks to achieve this by closing the gap between academic education and the world of work. We give our pupils an understanding of how business works and also work experiences outside of the main curriculum. By developing links with alumni and the local community we can offer insights into business and provide enterprise opportunities to enable pupils to develop the skills required for the modern workplace. The new Sixth Form Centre is complete and is designed to help bridge the gap between school, university and work, and we continue to seek international opportunities that could give pupils a taste of international culture and diversity that will prepare them for careers in a global market.

Early Years

Berkhamsted is a centre of excellence for Early Years Education, regularly hosting national Early Years’ conferences and is seen as a beacon of best practice. We have a highly innovative curriculum and some of

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the best facilities in the country. The teaching facilities at the Pre-Prep in a wonderful woodland setting enable the school to provide the very best in Early Years Education as recognised by us being winners of the Independent Pre-Prep School of the Year, 2023. These facilities have been augmented during a period of significant investment in the facilities used by children between the ages of 5 months to three years old.

Sport

Berkhamsted has a distinguished sporting heritage for both boys' and girls' sport. We aim to be one of the top sporting schools in England by being consistently:

- in the top 4 schools nationally at Lacrosse, with Regional and National representatives;
- in the top 18 schools nationally at Netball;
- in the top 12 schools nationally at Rugby, with Regional and National representatives;
- the best Fives school in the country for boys and girls, attaining National Championship titles.

Furthermore, we actively seek to have some of the highest participation rates in school sport for a large school as evidenced by the number of pupils who actively participate in physical activity each and every week.

Music and Drama

Berkhamsted offers pupils the opportunity of music and drama within the curriculum across the age span, but many pupils undertake additional lessons with 401 Senior pupils playing an instrument and 124 music exams taken by Senior pupils in the 2024/25 academic year. Drama also has many participants with over 289 Senior pupils taking LAMDA lessons each term.

FUTURE PLANS

A new version of the Group's current 5 year Strategic Plan was agreed by Governors in 2022. This was updated in January 2024 and will continue to be subject to bi-annual review by Governors. Significant progress has been made towards the objectives identified in this plan. Future plans to underpin the Group's primary aims and objectives include:

- Further implementation of our plans to 'develop remarkable people', focusing on education of character, skills, and leadership, in order that the education offered to pupils meets excellently the challenges posed by contemporary changes in society, the economy, further education and the workplace;
- Developing our campus to support the education we seek to offer our pupils in every way;
- Intentionally developing the culture of the school to be, ambitious, adventurous, humble, kind, and inclusive;
- Continuing to develop and sustain a quality of community among pupils, staff, parents and the locality that sets us apart as a school;
- Excellence in our commercial practices to support the public benefit activity, bursaries and outreach schemes operated by the School;

Progress on each of the above strands is presented to Governors via RAG status dashboard at each termly full Governing Board meeting.

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STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

2024/25 has been a very successful year for the school. During the year, the school averaged 2,153 pupils, of whom 1,993 were day pupils and we have started the 2025/26 academic year with 2,143 pupils, whilst also processing some late joiners, which in the current climate is celebrated. Demand for places continues to be high.

Berkhamsted students achieved an outstanding set of GCSE & A Levels. 25.3% of GCSE results were at grade 9 an increase of 4% from last year, and 75.2% at grade 7 or above 4.6% increase on last year. The continued increase in both attainment and value-added continues to show that Berkhamsted adds significant improvement to pupil outcomes when measured against other participating independent schools.

A Level results – 21.4% of A Levels were graded A* 2.8% increase from last year; 55.4% at A* or A 2.5% up on last year; and 82.2% at A*, A or B, replicating last year. An increase was seen in all the highest grades by our hard-working pupils. Value-added results also remained very strong.

2024-2025 Sporting Results & Success

In athletics the School participated in the Hertfordshire County League, the Achilles Relays, the County Championships, the ESAA Track & Field Cup, and several Saturday Invitational events. This was our most successful County Championships to date: the junior girls secured the team title, nine individual county champions were crowned, six athletes achieved English Schools qualifying standards, and nine school records were broken. Both the junior girls and inter boys reached the Track & Field A Cup final, with the junior girls qualifying for the National Cup for the first time since 2013.

The basketball 1st Team competed in the North London U18 League, playing seven fixtures and recording notable victories over Merchant Taylors' and Mill Hill. The sport continues to increase in popularity across the School, leading to the introduction of two recreational after-school clubs and a Prep basketball club, ensuring opportunities for pupils of all ages and abilities.

The cricket programme fielded 32 teams across boys' and girls' competitions. The boys' 1st XI achieved strong wins against Merchant Taylors', Haberdashers', and Buckinghamshire U18s. The girls' programme was particularly successful: the U13 and U15 teams were crowned indoor county champions, while the U13, U15, and U18 teams finished as runners-up in the County Cup. Both the U15 and 1st XI teams progressed to the last 16 in the National 100-Ball and T20 Cups. The girls also undertook their first overseas tour, winning the La Manga T20 Classic.

The equestrian squad performed strongly at the County Showjumping Championships at Bury Farm, winning the 70, 90 and 1m finals. Three pupils achieved individual victories, qualifying to represent Hertfordshire at the County Finals. Pupils also competed at the Eventer Challenges and the Hickstead Open Championships, where one Year 9 pupil placed third overall in her category.

A highly successful year for Eton Fives saw 64 fixtures contested across the U11–U18 age groups. At the Boys' Nationals, the U12s won a national title, three teams finished as runners-up, and five plate titles were secured. In the girls' and mixed categories, the School achieved one runner-up finish and one plate win. Participation continues to be strong, particularly at Castle and Prep, with internal competitions such as *Scholars and Rogues* and the *Derek Whitehead Trophy* attracting large entries.

Football remains a major sport at Berkhamsted, with 41 teams fielded across the Senior School, including regular fixtures for the girls' U13, U15, and U18 sides. The 1st XI recorded its most successful season on record, winning 75% of matches and narrowly missing out on the league title. The 2nd and 3rd XI both secured league championships, while the U15 and U16 squads undertook a successful tour to Madrid. Junior football continues to thrive, with A–H teams competing regularly. Girls' football also made significant

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progress: the U18s won the ISFA Shield for the first time in the School's history, the U13s claimed the SNS Plate, and the U11s reached finals day at St George's Park.

The golf programme, supported through the ongoing partnership with Berkhamsted Golf Course, continues to grow. After-school clubs ran regularly for pupils in Years 6–13, supplemented by 11 friendly fixtures. The U18 team reached the ISGA National Final, and the annual fixture against Old Berkhamstedians once again proved a highlight of the calendar.

The School enjoyed an exceptional lacrosse season. The U13 and U15 teams were crowned National Champions, while every A team became County Champions. The 1st Team completed their Saturday season unbeaten. Across the year, 390 pupils represented the School in 206 fixtures across 22 teams. The School successfully hosted the Berko 10s tournament, welcoming 30 schools, and the 1st XI again played Moreton Hall in the annual exhibition match at StoneX. A Year 13 pupil also gained her first England U20 cap in the Home Internationals in Edinburgh.

The 2024–25 netball season was highly successful, with 266 fixtures played by 387 pupils, achieving a 59% win rate. The 1st VII achieved multiple honours: National Finalists (runners-up), ISL Champions, SNS Cup semi-finalists, Regional Champions, County Champions, and County League winners. The 2nd VII won the SNS National Shield, while the U15A team were crowned School Sport Magazine National Champions and SNS Cup Finalists. Individual achievements included England Roses Academy selection, NPL U19 Championship titles with London Pulse, U17 representation for Ireland, and NPL silver medals with London Mavericks.

The rugby programme competed across 7s, 10s, and 15s formats. In the Senior School, 124 fixtures were played with 329 boys representing the School. The U14 and U15 teams reached the fourth round of the Cup, while the U16s progressed to the last 16. Overall, the School achieved a 49.7% win rate, with the senior teams achieving an outstanding 88%. For the first time, Berkhamsted was invited to the prestigious St Joseph's Festival with the U15 and U18 squads. At junior level, Years 7 and 8 played 43 fixtures, involving 135 boys — a marked increase in participation.

The 7s season was one of the strongest in recent memory:

- **U18s:** 75% win rate, winners of The Schools Championship Trophy, finalists at the Surrey 7s (a school first), and top six nationally at Rosslyn Park.
- **U16s:** 80% win rate, Hertfordshire 7s champions, winners of QE Barnet 7s, and top ten nationally at Rosslyn Park.
- **U15s:** 70% win rate, winners of the Merchant Taylors' 7s.
- **U14s:** 63% win rate.
- **U13s:** winners of the Summerfields Schools 7s.
- **U12s:** runners-up at Summerfields, winners of the Reigate 7s and the Hertfordshire U12 Festival. A girls' team also competed at Rosslyn Park for the first time in many years.

The School's ski racing programme continued to develop. The U15 girls competed at the ESSKIA English National Finals, all placing within the top 30. At the British Schools Indoor Race, one pupil achieved bronze in the U16 category. Further highlights included a third-place team finish for the U13 and U15 girls at the ERSK Championships, and overall victory for the U19 girls at the National Indoor Championships. Both boys' and girls' teams qualified for the British School Alpine Championships. One pupil represented Great Britain, finishing in the top ten at every race entered.

This was the School's most successful squash season in recent history. All age groups reached the National Finals at Edgbaston, with the U14A and U16A teams finishing in the national top eight and the U14B and 1st V sides reaching the National Plate Finals. Weekly participation exceeded 200 pupils during the winter, while fixtures against strong opposition, including Bedford, Stowe, Eton, Harrow, and Aylesbury Grammar, further enhanced the programme. Two boys were crowned county champions in the U17 and U13 age groups.

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Swimming continues to be integral to the School's sporting offer. All pupils in Years 1–8 swim as part of the PE curriculum, with additional morning squad and after-school development sessions available. The School qualified for the Hertfordshire League finals in all categories, with every year group bar Year 7 placing in the top three. Senior and intermediate teams qualified for the ESSA finals, and the School again competed at the Warwick Invitationals. Six swimmers were selected to represent Dacorum at intercounties, and two represented Hertfordshire at the National County Championships.

The tennis programme delivered a wide range of fixtures and competition opportunities. At the prestigious ISTA National Doubles at Eton, the U15 girls' pair reached the Plate Semi-Final, while the U14 girls' doubles team won the Plate Competition.

2024-2025 Drama Achievements

Edinburgh Festival Production of 'Hungry Like the Future'

In the Summer holidays of 2024 The Drama Department took fourteen Year 12 and 13 students to the Edinburgh Festival for a week with a production of **'Hungry Like the Future'**. The show was written by Sixth Form students and was re-rehearsed for a week in the summer holidays before being taken to Edinburgh. The production was performed over 6 days and the students involved went to see over 30 shows whilst they were in Edinburgh. They stayed in Pollock Halls which is a campus of Edinburgh University. It was a tremendous experience for those who were involved.

Years 10-13 production of 'Legally Blonde'

The first production that took place in the Michaelmas term was **'Legally Blonde'** performed over three nights with a matinee performance. This production involved over 80 students from Year 10-13 both on stage and in the wings and was extremely well attended and a tremendous success.

Actor of the Year

Over 35 students performed in the 'Actor of the Year' competition which took place in the Lent Term. This was adjudicated by an ex-student, George Warburton and was a tremendous success with students sharing LAMDA examination pieces from Shakespeare to Chekhov in the Centenary Theatre Studio Theatre setting.

Year 9 Production of 'Brainstorm'

In the Lent Term there was also a Year 9 production of **'Brainstorm'** which involved over thirty-six students who performed 4 performances over three days.

Following this there was then the Year 7 and 8 production of **'Peter and the Starcatcher'** in the Trinity Term involving over seventy Year 7 and 8 students who performed the production 4 times.

Staff Production of 'Berkmythsted'

Following the Year 7 and 8 production in the Trinity Term there was a staff production of **'Berkmythsted'** performed by over 80 staff over three nights in the Centenary Theatre written by our English Teacher, Mr Harrison. The show was a sell out and raised a large amount of money for our chosen charity, Crohns and Colitis UK.

'Prize Day Performances'

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The Drama Department put together a few different performances for the seven Prize Day presentations which involved a medley form 'Legally Blonde' involving over 30 students. This was performed at all 7 Prize Days.

We also prepared separate performances to make each Prize Day bespoke for the parents attending of:-

Year 12 A-Level students performing a section from their recent A-Level piece

Year 9 performance of 'Brainstorm',

Year 10 performance of a section from a recent GCSE exam performance and a duologue from a recent LAMDA examination

A selection of scenes from 'Peter and the Starcatcher.'

LAMDA

Over 300 students took LAMDA examinations at the school this year and there were three examination weekends with outstanding results achieved over the three weekends.

2024-2025 Music Achievements

Pupils across the Berkhamsted Schools group have continued to shine and contribute to the Musical Life of the school. Across the year pupils participated in a vast number of concerts and performances. This year saw the extension of our informal concert series with 20 students across all year groups displayed their musical talents to small audiences of family, friends and faculty, and the introduction of a new series of Masterclasses to engage, enthuse and develop some of wonderful pupil musicians at school.

The concert for St Cecilia's day saw over 100 pupils from all year groups perform in a range of musical ensembles and styles; from Junior Choir to Guitar Ensemble, to Barbershop to Flute Ensemble and from Barbershop to Brass Group – just about everything was covered, playing songs from the Polar Express and Mariah Carey to the Girl From Ipanema and Radiohead's all time anthem: Creep!

The annual Gala concert, in which over 50 pupils performed, and was headlined by the outstanding Big Band led by Mr. Melling, was performed to an absolutely packed Nash Harris, whose audience were able to avail themselves of a wonderful curry to compliment the outstanding musicianship on display. This concert also saw the explosive debut for the (then!) year 7 Rock Band and Thomas Lorne and Bertie Austin wowing everyone with their prodigious vocals and electric guitar respectively! This event promises to be a crowd pleaser for years to come!

Our pupils also contributed hugely to the wider life of the school, putting great store and effort into the school value of "Serving Others." Music pupil's contributions for Open Days, where we counted over fifty pupils performing, demonstrated their enormous skill, passion for music and professionalism putting on a great display of what the school is about. Further examples of the pupils giving their best for the wider life of the school included the various performances by the wonderful trumpet contingent, led by Charlie Mock, who solemnly performed the last post at various places across the school network and the wonderful contributions of both Senior Choir and Brass Ensemble to Founders day and the extensive programme of school and public carol services through December. The Junior Choir, playing both the cute and awesome card, were also wonderful in their performance in the Carols for Christmas Service at Sheldon Lodge.

The vast Symphony Orchestra at the Movies Concert on March 13th was an enormous success, as the school symphony orchestra, with its 60 strong number were supported by wonderful solo performances, including Gabriel's Oboe played beautifully by principal oboist Emma Billingham, and the inaugural appearance of the Pops Orchestra – whose performance of Pirates of the Caribbean was accompanied by a swashbuckling cameo from a Kudish-sized Jack Sparrow! The orchestra continues to grow and go from strength to strength and the wonderful example given by senior students during the Orchestral

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Workshop Day to around one hundred visitors from our feeder schools, and their parents, in a wonderful afternoon of music making.

Individually, many of our pupils enjoyed success in ABRSM and Trinity graded music exams this year; from grade 1s to grade 8s, over 250 pupils were successful in their music exams in 2024-25 – a truly incredible achievement for all involved. Continuing with the theme of individual performance, 4 days of competition for Young Musician of the Year and 2 days of Competition for Young Singer of the Year, all run and managed by the indefatigable Mr. Noithip, saw a vast array of pupils apply their talents in musical competition; with Bea Murray taking the gong for Young Musician and Zoe Ashbrook being the recipient of the Young Singer of the Year. In addition to those in the main school, Mr. Shiels was impressed by the singing from some of the young ladies from Heatherton – Alice Williams incredible performance of Quiet! from the show Matilda in the Young Voice Songs from Musicals category.

As the academic year ended, the life of Berkhamsted's musicians continued – with an enormous number of pupils involved in the annual Proms in the Quad concert, which, as is tradition, included the usual crowd-pleasing sing-along! There were several outstanding performances from soloists and ensembles during the event, which also included the wonderful choir from the Prep school, displaying their talents and holding their own against the vastly more experienced pupils of the Year 13 band! There were also some wonderful performances from music faculty staff and students alike to accompany the excellent Prize Day ceremonies, including several solo performances – a nerve-wracking occasion, wonderfully handled by our excellent pupils.

And, if that all wasn't enough, the year culminated in the Music Tour to Barcelona and surrounding area. Seventy pupils and staff, including invaluable language and logistical support from the wonderful Miss Radom, took the (long!) coach journey to the Catalan region, enjoying the history, scenery, and cuisine! Trips to Roman Ruins, ancient cathedrals and modern waterparks were interspersed with concerts and performances and all pupils were a credit to themselves and the school in their conduct and in their fantastic performances whilst on the trip. All involved should have been rightly proud of themselves as they departed on their own summer breaks following our return to Berkhamsted.

Community

Our value to 'Serve Others' often sees our students giving something back to the local community. This continued with the regular House charity support, the Year 13 volunteering and the Year 7 litter picking. We were delighted to be able to welcome back Senior Citizens to our tea party in the summer. Whilst enjoying the musical talents of students they tucked into sandwiches and cakes (made by the students) and entered the cake judging competition. The usual non-school uniform days took place during the year with money raised donated to worthy charities.

In June and July, the annual Prize Giving Service was replaced with seven End of Year Celebration gatherings, attended by parents, staff, pupils; our prizes being value based and awarded on contribution to the school rather than based on academic achievement. The academic attainment awards were presented in an end of year assembly at each Senior school.

PUBLIC BENEFIT

In considering the provision of Public Benefit, the Governors have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

Scholarships and Bursaries

The Governors are committed to broadening access to the school by offering means-tested bursaries to eligible parents/guardians. The gross value of scholarships and bursaries awarded totalled £1.717m (2024: £1.598m) of which £1.689m (2024: £1.554m) was met from unrestricted funds, where the policy is to assist in hardship cases where the pupil's education and prospects would otherwise be at risk. Bursaries

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are available both to new pupils to the school where a scholarship place has been offered and parents/guardians cannot afford the tuition fees, and also existing pupils where an unexpected change in

parents'/guardians' circumstances has resulted in severe difficulty in meeting tuition fees and may otherwise result in a pupil being withdrawn part way through a stage of education.

The school has continued with its plans to raise the level of bursary funding through an increased programme of activity to reach out to talented pupils in the local community who would benefit from financial assistance towards fees. Bursary funding was £1.153m (2024: £1.072m) which supported 47 pupils, 28 of these receiving fully funded school places.

Scholarships are awarded on merit to pupils who Governors wish to attract to the school because of the contribution that they can make to school life, be that academic, musical, sporting, creative or leadership. Individual scholarship awards are usually worth 10% of tuition fees and means-tested bursaries are available to increase the support if needed. Financial assistance may also be provided, where appropriate, for uniform and sports kit, travel to and from School and for extra-curricular activities and lessons.

Partnerships with other schools and the community

The school seeks to share its expertise and perspectives with colleagues from state schools. This has involved exchanging teaching experience for newly qualified teachers and trainees and providing INSET advice for state school teachers and moderators. Teachers from local state and independent schools attend inset days and the Evening of Teaching and Learning. Our sports staff have organised tournaments for local and other state schools. Members of staff, including the School Psychologist, the Director of Character Education, the Director of EdTech and the Vice Principal have spoken at other school's inset days.

Our pupils take part in many activities in the community including visiting the local Hospice, helping in charity shops, visiting the elderly, hosting an Easter tea party, as well as assisting in local primary schools. Year 13 students also join The Student Consultancy which is run in conjunction with the Careers Service at the University of Oxford, a programme which is now being rolled out to schools around the country after its introduction here through which free management consultancy is offered to charities and local government. The School runs a service day each year during which pupils volunteer to help organisations in the local community e.g. the Canal Trust, local primary schools, and the Sunnyside Rural Trust.

The school's Knox-Johnston Sports Centre is open to the public and priority is given to local children's groups and clubs. The School's netball courts are used by children in the local community. Monies from the sale of refreshments at sports events in 2024 and 2025 have been donated to the Herts Air Ambulance Service.

The school is a co-sponsor with the London Diocese for Schools of Wren Academies Trust, based in Finchley and Enfield, providing two Directors for the Board, and two governors for each of the local governing bodies. The school continues to offer extensive help and advice to both the senior team and to Heads of Department at the Academy. Pupils from Wren Academy Trust continue to enjoy visits to utilise the school's extensive facilities on site, as well as some of our education programmes. The relationship with Wren is of mutual benefit for both parties. For example, Wren's experience of being a Building Learning Power school pre-dates ours.

We have also developed a similar partnership with the Chiltern Hills Learning Trust, sharing access to facilities and expertise. The Schools in the Trust do not have their own Sixth Forms, and in September 2018 we admitted an initial intake of six aspirational pupils from this Trust to benefit from a Berkhamsted Sixth Form education, funded completely from School bursary funds and targeted donations. 48 pupils have been through the scheme since its introduction. Some of the alumni from

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the scheme have returned to their schools to run development sessions with younger pupils e.g. around careers and university applications.

Our Chief People Officer is Vice Chair of Governors at Ashlyns, a local secondary state school in Berkhamsted.

Pre-used digital devices have been donated to the Mission Employable charity and many of the School's facilities have been utilised free of charge for local community and charity benefit.

During Easter and Summer holidays for the last 5 years the School has provided a free of charge Summer School for Hertfordshire County Council Looked After Children.

FINANCIAL REVIEW

Results for the Year

The Consolidated Statement of Financial Activities on Page 35 shows net income before transfers for the year of £3.589m (2024: £4.170m).

Income

School fee income was £43.670m in the year (2024: £42.873m), representing an increase of 1.9%. Ancillary income was also higher at £3.007m (2024: £2.761m) primarily due to higher revenue from school trips and extra-curricular drama and music lessons.

Expenditure

A large proportion of the School's expenditure item is on staff costs and these rose in the year ended 31 July 2025 to £28.498m (2024: £26.715m), an increase of 6.7%. which was due to cost of living increases and higher Employer National Insurance contributions.

Cash

The School's net cash position reduced during the year ended 31 July 2025. At the year-end the school had cash balances of £14.032m and bank borrowings of £8.439m resulting in a net cash position of £5.593m. (2024: £16.925m). The decrease was primarily due to meeting the cost of the completion of the new Sixth Form Centre.

Subsidiary company performance

The School has two wholly owned trading subsidiaries. Berkhamsted School Enterprises Limited which runs the various commercial activities of Berkhamsted School recorded a profit of £44k (2024: £146k). Berkhamsted Day Nursery Limited provides day-care to babies and children under 3 years old and out of school hours care for Prep and Pre-Prep pupils. The Day Nursery company generated a profit before tax and gift aid of £255k (2024: £141k).

Contribution to UK authorities

The School's direct contribution during the year to the UK Exchequer amounted to £13.7m (2024: £10.6m) of tax revenues, based on the school's payments of employer national insurance contributions (NICs), business rates and council tax, Vehicle Excise Duty, VAT charged on school fees since 1st January 2025, VAT paid on school supplies before that date and payments by our school's staff of income tax and NICs.

It is also worth noting that all parents in our school, as with all other private schools, contribute to State school funding via taxes whilst also saving the government from having to fund their children's education

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in the State system. Based on State funding fees, as per the government's published National Funding Formula, the estimated saving to the public purse is £13m per annum.

Going concern assumption

The Governors closely monitor the current and future expected financial performance of the school, taking into consideration budgets, forecasts and the longer-term strategic business plan. In 2024, these budgets, cashflows and forecasts have been remodelled to reflect plausible downside scenarios specifically relating to increasing energy costs and increases in interest rates. Conservative cash flows were prepared based on the revised forecasts with sensitivity analysis on the key assumptions such as the impact of a drop in pupil numbers. This scenario planning confirmed the cash reserves of the School are adequate to meet the

charity's obligations as they fall due and the same modelling continues to be valid to demonstrate the School is financially secure and able to operate effectively for the foreseeable future.

The School reported a strong cash position at the year-end together with healthy pupil numbers for 2024/25 offering the Governors a confident expectation that the charity has adequate resources to continue its activities for the foreseeable future, being at least 12 months from the date of approval of the financial statements with there being no material uncertainties over the school's financial viability.

Accordingly, Governors continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities on page 31.

Fundraising Performance

The school continues to progress a number of initiatives to increase awareness amongst the school's constituent communities to provide additional resources. £141k (2024: £118k) was raised during the year, with monies allocated to Bursary and Scholarship Funds. The Governors would like to thank all donors for their generosity and support for the school in this regard.

The majority of the school's income is from school fees and other associated income. The school has not engaged with third parties to raise funds and any direct approach to members of the public for funding has been limited to parents of pupils and alumni. No complaints were received in relation to our fundraising activities (2024: No complaints).

Investment policy, objectives and performance

The Governing Body aims to maximise the overall return on the portfolio consistent with a degree of risk acceptable to it. Funds are invested with Brewin Dolphin in a broad range of global equities, bonds and other forms of investment.

The overall investment objective for total return for funds invested with Brewin Dolphin can be quantified as inflation plus 3% per annum. The Charity's investment performance of its managed investment funding is monitored as a standing item by the Finance & Property Committee. During the year, the value of investments held in the School's main investment account with Brewin Dolphin rose from £1.954m in 2024 to £2.004m in 2025, an 2.6% increase. The school also has a second investment account for the management of the monies raised for its Anniversary Fund. The value of this investment account increased from £1.721m to £1.916m. This increase was due to £110k of additional funds and £11k of reinvested dividends in addition to an increase in the value of the existing investments. On an annual basis Governors assess performance in the light of prevailing market conditions. Whilst it is disappointing that the investment performance has not met the objectives set, the volatility across the market place over the last twelve months has driven the under performance and Governors will continue to assess the fund management effectiveness.

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Reserves level and policy

The school's reserves policy is to maintain sufficient unrestricted income reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall.

The school's total reserves of £55.606m at the year-end included £8.044m of endowment funds, £0.210m of unspent restricted funds and unrestricted funds of £47.352m. The school has no free reserves at the balance sheet date due to the investment of funds in tangible fixed assets, largely buildings for use within the school. However, the Governors regularly examine the school's cash flows alongside the development plans for the future and are satisfied that they are adequate for the purpose of meeting its working capital requirements and that they will also cover strategic capital expenditure.

Notes 13 and 14 to the financial statements set out an analysis of the school's endowment, restricted and unrestricted funds and their attributable assets. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

It is the school's policy to build up funds to meet planned improvements and additions to the School's resources by means of annual operating surpluses and judicious management of investment assets.

Total investment return

During the year ended 31 July 2016 the Governors, in their role as Trustees, exercised the power granted under section 104A of the Charities Act 2011 to adopt a total return approach to investment of the School's permanent endowment. A permanent endowment of £1,144k was originally given to the school in 2003 and an initial valuation of the Unapplied Total Return (UTR) of £687k was approved by the Governors on 14 June 2016.

- In years when the permanent endowment generates sufficient UTR an amount equivalent to the brought forward value of the permanent endowment multiplied by the annual increase in the Consumer Price Index (CPI) should be allocated to capital to maintain the value of the fund for future beneficiaries.
- Where there is insufficient UTR generated each year to make the allocation to capital indicated above the school must retain £100,000 of UTR to act as a buffer against years when the UTR is flat or reduced.

PRINCIPAL RISKS AND UNCERTAINTIES

Our Board of Governors, together with the School's Senior Management Team, identify the major risks to which the School is exposed and ensures that action is taken to mitigate them. The identification and management of these risks is regularly reviewed by the Senior Management Team and is closely scrutinised, twice yearly, by the Risk & Regulatory Committee.

Below are the principal categories of risks identified, all of which are mitigated to the extent possible.

Safeguarding

As a school risks relating to Student wellbeing such as exposure to bullying, online threats, abuse and mental health issues are key for us to mitigate as failure to address these can lead to physical and emotional harm, reputational damage and potential legal repercussions. As a result we have implemented a suite of related policies such as Child Protection and Safeguarding, Prevention of Bullying, Wellbeing and Counselling

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amongst others and these are regularly reviewed to ensure compliance with the latest guidelines. All staff members undergo extensive training to recognise signs of harm and understand reporting procedures. We use robust digital monitoring systems to address online safety concerns and enforce strict access controls whilst promoting an exclusive environment where pupils feel safe to report concerns. We are committed to maintaining a secure and supportive learning environment.

Parent affordability

Parent affordability, and related pupil numbers, remains a key risk for the School, particularly with the implementation of VAT on independent school fees that came into effect from January 2025, and the abolition of mandatory business rate relief for schools. These changes follow on from other recent significant financial pressures for parents such as the cost-of-living inflation, the energy crises caused by the Russia-Ukrainian war and the supply chain impacts caused by the COVID-19 pandemic. These issues represent significant cost challenges for parents and for the School in terms of its own cost base and its supply chain sustainability.

Whilst the uncertainty as to future fee levels saw a more cautious approach to registrations, demand for places at the School remain high and Governors are keen to ensure all that can be done is done to maintain that interest. Governors committed to mitigating the impact of VAT on school fees as far as possible, whilst ensuring that Berkhamsted's quality of provision remains exemplary. The School's aim remains to ensure fee increases are maintained over the medium to long term to an average well below that of the Independent School sector and general inflation.

Staff and pupil wellbeing

Linked to the effects of all the challenges referenced above, Governors are also very conscious of the potential risk to the morale and general wellbeing of staff and pupils and this is an area reviewed with Management on a regular basis, including access to dedicated counselling and psychology expertise.

Staff engagement, recruitment and retention

It is a key aim for the School to retain and reward its talent which is achieved with a strong focus on development of our people, an attractive benefits scheme and a drive for a diverse and inclusive workforce. Our recruitment strategy based on assessment of values ensures a talented, skilled and diverse workforce that meets the needs of our pupils.

Cyber security

Cyber risk and general data security remains in sharp focus, with schools continually being targets for cyber attacks. With the support of our Governors the School has invested in tools and user training to protect against attack. We carried out third party penetration testing this year which confirmed the high levels of protection we have in place and we have followed up on a small number of areas where enhancement was possible.

Governors are responsible for the management of the risks faced by the School. Detailed consideration of risk has been formally delegated by Governors to the Risk and Regulatory Committee, assisted by the Principal, Chief Operating Officer, and members of the School's Senior Management Team.

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SECTION 172 STATEMENT

Berkhamsted School's Group is governed by its charitable objects as set out on page 8 which outline the purpose of the charity. All decisions and activities of the charity take into account how we best deliver that

long-term purpose and are driven by our strategic aims (see page 10). All decisions we make as a charity, from our operational teams through to the Board of Governors, are made in the best interests of our beneficiaries, (pupils), and in the knowledge we are accountable to them, their parents, regulators and our staff.

The Board of Governors consider that they have adhered to the requirements of Section 172 of the Companies Act 2006 (the "Act") and have, in good faith, acted in a way that they consider would be most likely to promote the success of the school for the benefit of its key stakeholders and, in doing so, have had regard to and recognised the importance of considering all stakeholders and other matters (as set out in s.172(1)(a-f) of the Act) in its decision-making. Our Board of Governors consists of a broad mix of backgrounds including former and existing parents of the school, educational experts plus well-established commercial successes in areas such as law, property, finance and risk management. Many of our Governors are also local community members.

The Board has approved a number of policies that help to ensure the safety of our pupils and staff, such as Child Protection and Safeguarding, Wellbeing and Counselling, Health & Safety, Missing Persons, Critical Incident Plan, Online Safety, Prevention of Bullying, as well as those that ensure the integrity of our business conduct, such as Anti-corruption and Bribery, Bursary, Complaints, Whistleblowing, Anti-modern slavery. The school's Anti-modern slavery statement can be seen on the school's website at the following location. <https://www.berkhamsted.com/wp-content/uploads/2025/08/Anti-Modern-Slavery-Statement-2025.pdf>

As part of the Governor induction process, governors are briefed on their duties and responsibilities under the Companies Act. The governors are entitled to request from the school all such information they may reasonably require in order to be able to perform their duties. On-going training is provided to the governors, as required, to ensure that their knowledge remains up to date and they continue to be able to discharge their duties as company directors.

For all decision making at Board level, discussion takes place around employee impact and impact on other stakeholders, such as pupils, parents and the local community. The relevance of each stakeholder group may vary by reference to the issue in question, so the Board seeks to understand the needs of each stakeholder group and any potential conflicts as part of its decision-making. The school's Executive team and Senior Management team ensure the Board are fully focused on the impacts to each stakeholder group.

Our Governors attend "Governor Engagement Days" during the school year which affords them the opportunity to engage directly with pupils and staff so they can gain a greater insight into the School's operations and also challenge staff and be challenged by them.

Key decisions

For the year ending 31 July 2025, the Governors consider that the following are examples of key decisions that they made in the year. This is not intended to be an exhaustive list of board decisions but instead highlights areas of significant impact:

- Restructured staffing (mainly non-academic roles), phased cessation of some A level subjects due to limited demand with historically low pupil grades and implementation of efficiency initiatives in preparation for the imposition of VAT on school fees

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- Reduction in net tuition fees to assist parents with the Government imposed impact of VAT on school fees from January 2025
- Appointed a new role of Director of EDI
- Changes to Admissions policy from 2028/29, re-introducing an objective assessment at Year 6 with progression advice at Year 5 (following feedback from a parental survey)
- Named the new Sixth form building “Zaha Hadid” after the late, world-renowned, sector leading architect and Berkhamsted School alumna of that name
- Negotiated a new 6 year catering contract following a robust internal tender exercise
- Refurbishment of Boys School dining hall to improve traffic flow
- Approved the concept of the School developing an Artificial Intelligence educational tool capable of accelerating pupil-directed learning
- Determined that income from the School’s invested donations into the “Anniversary Fund” should be drawn down to fund bursaries
- Agreed the appointment of advisers and the outline projects plans for the next phase of planned estate development
- Allowed a £9m Credit facility, arranged to support the estate development projects, to lapse in order to reduce borrowing costs, made possible by optimal treasury management
- Implementation of the decision made previously to move to a smart-phone free school from September 2025 for pupils up to Sixth form
- Appointed a new Principal following the announcement that Mr Backhouse will be leaving his post at the end of Lent term 2026, after dedicating more than 10 years to leading the School
- Appointed new Headteachers for both senior schools
- Published a new anti-bullying and anti-harassment policy in response to a new duty introduced from October 2024 under the Equality Act 2010
- Appointment of two new Governors during the year
- Redesigned the system for Governor engagement days including the addition of Health & Safety regulatory checks alongside pupil pursuit days and specific theme days such as Character Development and pupil engagement with the extra-curricular programme; Boarding, SEND and EAL.
- Reviewed Committee Terms of Reference and determined that all decision making should remain with Full Governing Board
- Introduced two new key Link Governor roles for Health & Safety and Safeguarding to be first point of Governor contact for all issues relating to those topics, working closely with the School’s leadership
- Agreement in principal to dispose of land contained within the Dacorum Borough Council Local Plan
- Reappointed Crowe UK as auditors following a retendering exercise

Berkhamsted Schools Group

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- Restructure of Admissions and Marketing teams to ensure an optimal experience for parents and pupils through the Admissions process with a clear, dedicated point of contact for each prospective family.

Stakeholder engagement

The table below sets out our approach to stakeholder engagement during 2024/2025:

Stakeholders	Why are they important to Berkhamsted School?	Our approach to stakeholder engagement and consideration in the Board's decision making
Parents	<p>Parents are the school's customers and also joint stakeholders in the development of the pupils. Their involvement in the school in both these capacities is fundamental to the success of the school and we aim to form a key alliance with Parents through strong and varied communication.</p>	<p>We aim to involve parents as much as possible in the running of the school through open days, parents' evenings and other events that showcase the School's strength in music, drama and sport.</p> <p>In addition the Governing body is always cognisant of the importance of fee levels in attracting and retaining the pupil base and places great importance in the efficient running of the school and the tight control of fee increases.</p> <p>During the year we held year group parent engagement dinners and several focus group discussions.</p>
Pupils	<p>Our values of "Aim high with integrity, Be adventurous and Serve others" are shared across the Berkhamsted family of schools. Children from Nursery through to Sixth and staff too are encouraged to embrace these ideals in everyday life. Our pupils are the very reason the school exists and their development is at the heart of all we do.</p>	<p>The senior school takes a strong pastoral approach to the development of pupils by maintaining a "house" structure which exists alongside the academic timetable.</p> <p>The purpose of assigning all pupils to a house with dedicated house tutors is to ensure that each individual pupil has a sense of belonging and ready access to approachable members of staff who will look to ensure that there is a strong focus on their wellbeing. A revised pastoral structure for Sixth Form was successfully implemented from 1 September 2023, enabling a smooth transition to a university or workplace environment.</p> <p>An in-house psychologist adds expertise to the pastoral support available.</p> <p>Throughout the Berkhamsted schools various pupil councils assist with capturing of pupil voice, in addition to feedback via house and tutor meetings.</p>
Employees	<p>Our employees' commitment to developing outstanding and rounded individuals is essential for us to earn the trust of both existing and prospective parents so that they have the confidence that Berkhamsted School is the best place for the education of their children.</p>	<p>We have a Staff Consultation Committee that meets regularly and raises matters to the Executive for discussion and decision and have a voluntary arrangement in place with the NASUWT (the NASUWT works to enhance the status of the teaching profession to deliver real improvements to teachers' working lives, seeking to ensure they are recognised and rewarded as highly skilled professionals with working conditions that enable them to focus on their core role of teaching).</p>

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Stakeholders	Why are they important to Berkhamsted School?	Our approach to stakeholder engagement and consideration in the Board's decision making
		<p>We have regular all staff meetings as well as a weekly briefing to cascade important information to all levels of the workforce.</p> <p>Berkhamsted School is committed to promoting the health and wellbeing of our workforce.</p> <p>Recent internal promotions within senior leadership positions is tangible evidence of the excellent development of our staff.</p>
Suppliers	<p>We rely on a range of suppliers to deliver services to ensure the school can operate efficiently and effectively for the benefit of our pupils and workforce. It is vital that we build strong working relationships with our intermediaries, including around risk management and customer service.</p>	<p>The school works closely with a wide range of key suppliers with the aim of ensuring that the school's requirements in terms of service levels and price are clearly understood and delivered upon.</p> <p>At the same time the school works ethically with suppliers settling invoices within payment terms and raising queries promptly.</p> <p>The school has well-developed internal processes to ensure that suppliers' invoices receive appropriate levels of authorisation for payment.</p>
Community/wider society	<p>We recognise the importance of contributing to our communities through volunteering, community investment, and long-term partnerships. In addition, as a significant employer in the area and a large landowner we are fully aware of our responsibilities with regard to the importance of sustainability and the impact our decisions may have on climate change.</p>	<p>We make our facilities available free of charge to a number of local community groups whether that be schools, sports clubs or disadvantaged individuals.</p> <p>In addition, we provide employment opportunities for a local learning disability employment charity.</p> <p>For significant development activities, such as planning applications for significant estates development projects, we hold public consultations to discuss details of our plans with all interested parties and to seek their feedback and concerns.</p> <p>We publish an annual "Community Impact Report" for key stakeholders which details the activities the School has been involved in with, and for the benefit of, local and wider community partners and charities.</p> <p>The School has a keen focus on sustainability enhancements and in July 2025 received ISO14001 accreditation, becoming the first UK school to achieve the globally recognised standard that supports organisations in managing their environmental controls.</p>
Regulators	<p>We understand that regulators are key in maintaining the credibility of both the school and the sector that we operate in. The school strives to be fully compliant in all areas in</p>	<p>The Senior Management of the School are fully involved in all areas where the School is subject to regulatory control. School Governor Committees will be kept informed of all regulatory review outcomes and recommendations and governors will then ensure that Senior Management acts upon</p>

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Stakeholders	Why are they important to Berkhamsted School?	Our approach to stakeholder engagement and consideration in the Board's decision making
	which we face external regulatory review and ensures that any regulatory changes are understood and acted upon quickly.	recommendations to resolve any areas of structural or process weakness. We seek (and follow) guidance from relevant parties such as ISBA, IPA, ISC and BSA.
Donors	Donations to the school's charitable entity provide opportunities to increase the public benefit from the delivery of the school's main charitable aim of promoting the education of its pupils.	All donations are gratefully received and acknowledged by the school. Donors are made aware by the school website and other forms of communication of how their donations are being used to provide educational opportunities.
Alumni	The School recognises the importance of its alumni in that they are the representation of the delivery of the School's talent and expertise in teaching and pastoral care. The School also regards its alumni as a strong link to the outside world which can provide further benefit to current pupils.	The School maintains contact with its alumni through its links with the Old Berkhamstedians organisation and also through the Berkhamsted Society which has been set up by the School to encourage stronger relationships between the town of Berkhamsted, the School and its alumni. Various activities and events of interest are organised to help bring alumni and the wider local community together.

Sustainability Report

Berkhamsted School is committed to incorporating sustainability into all of its teaching and activities. This is reflected in these initiatives amongst others:

- The operation of a staff and student Sustainability Committee to provide leadership, co-ordination and guidance on how to integrate sustainability principles and practices into all of the School's activities and operations across the staff and student bodies.
- All students across the Schools Group participated in the nationally acclaimed Great Big Green Week in June 2025 where a number of projects and individual activities were run across all sites.
- Participation in the Government's Streamlined Energy and Carbon Reporting (SECR) framework, on an annual basis - calculating the School's Scope 1 and 2 emissions, and comparing them on an absolute and intensity basis.
- Ensuring that the School's performance targets align with UN Sustainable Development Goals (SDGs), in those fields where the school has, or could have, the greatest impact.
- Putting initiatives and strategies in place, over the next few years, to reduce the School's overall carbon emissions. As well as continuing to reduce energy consumption, and transport-related emissions, the School will also seek to gain a greater understanding of the Scope 3 emissions generated in its supply chain.
- The achievement of the ISO14001 standard, an international standard that sets out the criteria for an effective Environmental Management System (EMS) which helps organisations identify, manage, monitor and continually improve their environmental performance in a systematic and sustainable way across the group.

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- The provision of a home-to-school coach service transporting up to 615 pupils every day, with each coach journey on average saving 31 parent car trips and 3.47 g/km of CO₂. The School has also negotiated discounts with train and bus providers for parents where the school coach services do not meet their needs.
- We are continuing to review the fleet with all new vehicles being at least Euro 6 for emissions, three being fully electric and explore the options around hybrid and alternative fuel vehicles ahead of the government's target for ceasing the sale of petrol and diesel vehicles by 2030 and hybrid by 2035. Our electric bike scheme continues to be popular for staff travelling between School sites, particularly by PE staff who can use them to travel between playing fields instead of using cars. Looking ahead, there are plans to develop electric vehicle charging, to be accessible to staff, pupils and visitors, by 2030.
- The adoption of a zero waste-to-landfill policy, supported by a partnership with Grundon Waste Management Ltd. This ensures that most waste is recycled, and that the remainder is incinerated in a way that generates electricity and provides heat to local homes.
- The attainment of Green Flag eco awards by Heatherton and Berkhamsted Pre Prep schools.
- Pupil-led initiatives in both the Senior and Prep schools included the highly successful 'Just Three Seconds' challenge, where senior boys organised events to encourage their peers to pause and choose the correct bin, general waste or recycling, before disposing of rubbish.
- The installation of large arrays of solar panels across the roof on the new Sixth Form building and selected roofs at the Girls School and the Pre Prep School.
- Encouraging active “switch off” campaigns around the Schools.

The School acknowledges the wider impacts of our activities and operations on the natural environment and our surrounding communities, and that our decisions and initiatives can make a difference for the better. Berkhamsted Schools Group support the UN's Sustainability Development Goals (SDGs) and we therefore made sure that in setting our KPIs and goals that some of these aligned with the UN SDGs. We did this by identifying and focusing on the ones where we believe Berkhamsted can have the greatest impact. The targets we are focusing on are:



Berkhamsted Schools Group

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STATEMENT ON STREAMLINED ENERGY AND CARBON REPORTING (SECR)

GHG emissions and energy used between 1 August 2024 and 31 July 2025

Measure	Units	UK and Offshore	
		2024/25	2023/24
Energy consumption used to calculate emissions	Total Energy (kWh)	7,999,304	7,675,000
Emissions from the combustion of gas	Scope 1 (tonnes CO ₂ e)	1,000	961
Emissions from the combustion of fuel for transport	Scope 1 (tonnes CO ₂ e)	52	42
Emissions from purchased electricity (location based)	Scope 2 (tonnes CO ₂ e)	479	465
Emissions from the combustion of fuel for transport	Scope 3 (tonnes CO ₂ e)	0	0
Total gross tonnes CO ₂ e	Scope 1, 2 and 3	1,531	1,468
Intensity ratio : Gross tonnes CO ₂ e / number of students	Intensity ratio	0.697	0.677

Methodology

The above data has been prepared in accordance with the provisions of the GHG Reporting Protocol – Corporate standard and HM Government’s Environmental Reporting Guidelines including streamlined energy and carbon reporting guidance, issued March 2019.

DEFRA conversion factors 2019 have been used to convert electricity and gas consumption in kWh to tonnes CO₂e and to convert transport fuel consumption in mileage/litres to tonnes CO₂e and then to kWh.

Action on energy efficiency undertaken during the reporting period

- The new Sixth Form building was completed in March 2025 and has a large array of solar panels installed on its roof covering an area of 700m².
- The rolling programme of converting all lighting to LED has continued and is now 80% complete.

AUDITOR

Crowe U.K. LLP has indicated its willingness to be re-appointed as statutory auditor.

Insofar as each of the Governors of the school at the date of approval of this report is aware there is no relevant audit information (information needed by the school’s auditor in connection with preparing the audit report) of which the school’s auditor is unaware. Each Governor has taken all of the steps that he/she should have taken as a governor in order to make himself/herself aware of any relevant audit information and to establish that the school’s auditor is aware of that information.

Berkhamsted Schools Group

GOVERNORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The Governors are responsible for preparing the Governors' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net incoming resources for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 1993. 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.

APPROVAL

This Annual Report, including the Statement of Governors' Responsibilities, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Governors on 29 November 2025, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



C. COPLAND
Chair of Governors

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Members of Berkhamsted Schools Group

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the governor's responsibilities statement set out on page 26, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

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

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

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

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

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

Use of our report

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



Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date 13 January 2026

Berkhamsted Schools Group
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)

	Note	Unrestricted Funds		Restricted Funds	Endowment and Building Funds	Year Ended July 2025	Year Ended July 2024
		General £'000	Designated £'000	£'000	£'000	Total £'000	Total £'000
Income and endowments from							
Charitable activities	1	43,670	-	-	-	43,670	42,873
Ancillary trading income	2	3,007	-	-	-	3,007	2,761
Other trading activities							
Non-ancillary trading income	3	2,028	-	-	-	2,028	1,610
Investments							
Investment income		71	-	-	-	71	88
Bank and other interest		938	-	-	-	938	958
Voluntary sources							
Grants and donations		-	48	27	66	141	118
Total Income		49,714	48	27	66	49,855	48,408
Expenditure on:							
Raising funds							
Non-ancillary trading	4	1,483	-	-	-	1,483	1,306
Fundraising and Development	4	22	-	-	-	22	17
Total cost of raising funds		1,505	-	-	-	1,505	1,323
Charitable activities							
Education and grant making	4	43,714	971	7	69	44,761	42,915
Total expenditure	4	45,219	971	7	69	46,266	44,238
Net income/(expenditure) before transfers and investment gains/(losses)		4,495	(923)	20	(3)	3,589	4,170
Gains/(losses) on investments	8	-	80	-	62	142	301
Net income/(expenditure) after gains(losses) on investments		4,495	(843)	20	59	3,731	4,471
Transfer between funds	14	(4,495)	4,535	(40)	-	-	-
Net movement in funds		-	3,692	(20)	59	3,731	4,471
Fund balances at 1 August 2024		-	43,660	230	7,985	51,875	47,404
Fund balances at 31 July 2025		-	47,352	210	8,044	55,606	51,875

Berkhamsted Schools Group
CONSOLIDATED AND SCHOOL BALANCE SHEETS
for the year ended 31 July 2025

		Group		School	
	Notes	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Fixed assets					
Land and buildings	6	62,857	56,653	62,857	56,653
Other tangible assets	6	2,079	1,369	2,079	1,369
Intangible fixed assets	7	23	0	0	0
Investments	8	3,920	3,676	3,920	3,676
		<u>68,879</u>	<u>61,698</u>	<u>68,856</u>	<u>61,698</u>
Current assets					
Stock	9	40	46	40	46
Debtors	10	1,814	1,438	1,792	1,708
Cash at bank and in hand		14,032	25,549	13,876	24,967
		<u>15,886</u>	<u>27,033</u>	<u>15,708</u>	<u>26,721</u>
Creditors: Amounts falling due within one year	11	(13,572)	(15,643)	(13,371)	(15,331)
Net current assets / (liabilities)		<u>2,314</u>	<u>11,390</u>	<u>2,337</u>	<u>11,390</u>
Total assets less current liabilities		71,193	73,088	71,193	73,088
Creditors: Amounts falling due after one year	12	(15,587)	(21,213)	(15,587)	(21,213)
Net assets		<u>55,606</u>	<u>51,875</u>	<u>55,606</u>	<u>51,875</u>
Endowment and building funds	14a	8,044	7,985	8,044	7,985
Restricted funds	14b	210	230	210	230
Unrestricted funds					
Designated funds	14c	47,352	43,660	47,352	43,660
Total funds		<u>55,606</u>	<u>51,875</u>	<u>55,606</u>	<u>51,875</u>

Company number: 00622349

The net income for the financial year dealt with in the financial statements of the parent Charity was £3.589m (2024 : £4.170m).

The financial statements were approved and authorised for issue by the Board of Governors on 29 November 2025 and are signed on their behalf by;



C. COPLAND (Chair)



N. TWOGOOD

Berkhamsted Schools Group
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2025

	Note	2025		2024	
		£'000	£'000	£'000	£'000
Net cash inflow from operations					
Net cash provided by operating activities	(i)		<u>2,606</u>		<u>7,711</u>
Cash flows from investing activities					
Payments for tangible fixed assets		(8,400)		(12,305)	
Receipts on disposal of tangible fixed assets		8		35	
Payment for an intangible fixed asset		(23)		-	
Cash transferred to Investment portfolio		(110)		(59)	
Investment income		71		88	
Deferred income payment from Investment Fund		(14)		(5)	
Bank interest received		938		958	
Net cash used in investing activities			<u>(7,530)</u>		<u>(11,288)</u>
Cash flows from financing activities					
Bank loans					
Bank loan drawdowns			-		-
Bank loan repayments			(669)		(681)
Fees in advance scheme					
New fees in advance money			-		17,126
Amounts utilised			(5,210)		(603)
Amounts repaid			(714)		(74)
Net cash provided by financing activities			<u>(6,593)</u>		<u>15,768</u>
Change in cash and cash equivalents in the reporting period			(11,517)		12,191
Cash and cash equivalents at the beginning of the period			<u>25,549</u>		<u>13,358</u>
Cash and cash equivalents at the end of the period	(ii)		<u>14,032</u>		<u>25,549</u>
(i) Reconciliation of net income to net cash flow from operating activities					
		2025		2024	
		£'000	£'000	£'000	£'000
Net income			3,589		4,170
Elimination of non-operating cash flows:					
- Investment income		(71)		(88)	
- Bank interest received		(938)		(958)	
- Loan interest charges		486		506	
- Finance costs		22		17	
Depreciation charge		1,485		1,457	
Profit on disposal of a fixed asset		(8)		(33)	
(Increase) / Decrease in stock		6		19	
(Increase) / Decrease in debtors		(376)		(333)	
Increase / (Decrease) in creditors (excluding fees in advance scheme and deposits)		(1,642)		2,636	
Increase in parents' deposits		53		318	
			<u>(983)</u>		<u>3,541</u>
Net cash inflow from operations			<u>2,606</u>		<u>7,711</u>

Berkhamsted Schools Group
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2025

(ii) Analysis of cash and cash equivalents

	2025 £'000	2024 £'000
Cash at bank	<u>14,032</u>	<u>25,549</u>

(iii) Analysis of changes in net debt

	1 Aug 2024 £'000	Cash flows £'000	31 July 2025 £'000
Cash and cash equivalents	25,549	(11,517)	14,032
Borrowings:			
- Debts due within one year	(186)	(24)	(210)
- Debts due after one year	(8,438)	209	(8,229)
Fees in advance scheme	(17,927)	5,924	(12,003)
Total net debt	<u>(1,002)</u>	<u>(5,408)</u>	<u>(6,410)</u>

Berkhamsted Schools Group

ACCOUNTING POLICIES

for the year ended 31 July 2025

BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

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

The individual entities of Berkhamsted Schools Group have taken advantage of the disclosure exemption under FRS 102 to separately disclose categories of financial instruments and items of income, expenses, gains or losses relating to instruments as these have been presented on a group basis in the notes to the accounts.

The accounts present the Consolidated Statement of Financial Activities (SOFA), the consolidated balance sheet and the consolidated cash flow statement, comprising the results of the School and its wholly owned subsidiaries Berkhamsted Day Nursery Limited, Berkhamsted School Enterprises Limited and Berkhamsted Schools International Limited made up to 31 July 2025 and consolidated on a line by line basis. Intra-group transactions and profits are eliminated fully on consolidation. Uniform accounting policies have been adopted across the Group.

No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 5 March 1959 (company number: 622349) and registered as a charity on 15 November 1962 (charity number: 310630). Its registered office is 6 Chesham Road, Berkhamsted, Hertfordshire, HP4 3AA.

GOING CONCERN

The Governors closely monitor the current and future expected financial performance of the school, taking into consideration budgets, forecasts and the longer-term strategic business plan. In 2025 the School's long term forecast model has been constantly updated to reflect the changing environment that the School operates in. Conservative cash flows were prepared based on the revised forecasts with sensitivity analysis on the key assumptions such as the impact of a drop in pupil numbers. This scenario planning confirmed the cash reserves of the School are adequate to meet the charity's obligations as they fall due and the same modelling continues to be valid to demonstrate the School is financially secure and able to operate effectively for the foreseeable future.

The School reported a strong cash position at the year-end together with healthy pupil numbers for 2025/26, offering the Governors a confident expectation that the charity has adequate resources to continue its activities for the foreseeable future, being at least 12 months from the date of approval of the financial statements, with there being no material uncertainties over the school's financial viability. Accordingly, Governors continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities on page 31.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The items in the accounts where these judgements and estimates have been made include:

- the useful life of tangible and intangible fixed assets;
- the level of provision required for unpaid school fees;
- the amount of expenditure that should be accrued for; and
- the allocation of overheads and governance costs between charitable expenditure categories.

FEES AND SIMILAR EARNED INCOME

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

EXPENDITURE

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

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

DONATIONS, LEGACIES, GRANTS AND OTHER VOLUNTARY INCOME

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

TANGIBLE FIXED ASSETS

Land and Buildings are carried in the balance sheet at their cost as the Governors consider it is not appropriate to apply a current value to such property. The cost of new buildings is added to fixed assets as it is incurred. The School seeks to maintain its properties in a good condition. The costs incurred in doing so, which can include major building modernisation and improvement, are written off as incurred.

Berkhamsted Schools Group

ACCOUNTING POLICIES

for the year ended 31 July 2025

The cost of land and buildings represents expenditure since 1866. Foundation land and buildings bequeathed on trust for retention in perpetuity have not been valued.

The School capitalises strategic development projects (which are typically greater than £100,000), motor vehicles and significant equipment purchases; minor items of School equipment and furniture are written off in the year of purchase.

DEPRECIATION

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices in equal annual instalments over their expected useful economic lives as follows:

Land & Buildings	1 - 10%
Furniture & Equipment	20% - 25%
Motor Vehicles	20% - 25%

The Governors have considered the value of buildings and deem the depreciation policy appropriate.

INTANGIBLE FIXED ASSETS

The intangible fixed asset value shown in the balance sheet relates to software costs incurred on the School's Finance and Human Resources management systems and also the development cost of a new website to support the commercial use of the Centenary Theatre. In accordance with the group policy on depreciation intangible assets are amortised from the year after acquisition.

INVESTMENTS

Investments held as fixed assets are stated in the balance sheet at their bid price as at the balance sheet date. Any resulting gain or loss is taken to the fund to which it relates.

STOCK

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

ENDOWMENT AND BUILDING FUNDS

The Endowment and Building Funds represents the Charity's endowed assets comprising land and buildings and certain investments (as referred to in the Charity's Scheme dated 29th August 1996) together with all subsequent additions to buildings. All strategic building projects from 2004 were funded from general reserves and in recognition of this, these costs have been separately identified within a designated unrestricted fund.

TOTAL RETURN INVESTMENT ACCOUNTING

A Charity Commission Order dated 21 October 2012 authorises the School to adopt a 'total return' basis for the investment of its permanent endowment. Under the Total Return Order, the School can invest its permanent endowments without regard to the capital/income distinctions of trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated, under the Order, as a capital supplement to the preserved ('frozen') value of the permanent endowment.

FUND ACCOUNTING

The charitable trust funds of the School and its subsidiaries are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's Objects or to benefit the School itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the School (freehold land) or for financial benefit (by investment). The Total Return Order stipulates that any investment returns will accrue to a capital element (Unapplied Total Return) to the permanent endowment.

PENSION ARRANGEMENTS

For some teachers the School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the School by the scheme administrator. The School is unable to identify its share of the Scheme Funds and therefore the Scheme has been accounted for as a defined contribution scheme. For teaching staff who are not in the Teachers' Pension Scheme and non-teaching staff the School contributes to defined contribution pension schemes. For the Teachers' Pension Scheme and for defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. The School also sets aside funds to meet unfunded pension obligations for certain former members of staff.

OPERATING LEASES

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

FINANCIAL INSTRUMENTS

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2025

1 SCHOOL FEES	2025 £'000	2024 £'000
Fees receivable consist of:		
Gross fees	46,413	45,479
Less: Bursaries, Grants and Allowances	(2,771)	(2,650)
Add back: Scholarships paid for by Restricted funds	28	44
	43,670	42,873
	43,670	42,873
 2 ANCILLARY TRADING INCOME	 2025 £'000	 2024 £'000
Registration fees	128	150
Extra-curricular lessons	885	818
Hire and lettings income	81	80
Income arising from school trips	1,355	1,199
Other income	558	514
	3,007	2,761
	3,007	2,761
 3 NON-ANCILLARY TRADING INCOME	 2025 £'000	 2024 £'000
Membership fees	45	42
Hire of facilities	262	221
Classes and admissions	179	171
Other income	352	96
Nursery care	1,139	1,007
Holiday camp	51	73
	2,028	1,610
	2,028	1,610

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2025

4 ANALYSIS OF EXPENDITURE

4a Total expenditure

	Staff Costs £'000	Depreciation £'000	Other Costs £'000	Total 2025 £'000	Total 2024 £'000
Raising funds					
Trading costs	1,002	-	481	1,483	1,306
Fundraising for voluntary resources	-	-	22	22	17
Total costs of raising funds	1,002	-	503	1,505	1,323
Charitable activities					
Teaching	22,623	403	5,950	28,976	26,976
Welfare	36	-	3,043	3,079	2,730
Premises repair and maintenance	2,177	1,082	5,440	8,699	9,291
Support costs and governance	2,660	-	1,340	4,000	3,869
Funding of scholarships	-	-	7	7	49
Total charitable expenditure	27,496	1,485	15,780	44,761	42,915
	28,498	1,485	16,283	46,266	44,238
2024	26,714	1,458	16,066	44,238	

4b Governance included in support costs

	2025 £'000	2024 £'000
Management time	51	47
Auditor's fees		
- Audit	40	46
- Tax compliance	26	18
- Other Services	2	1
Governors Indemnity insurance	5	5
Legal and professional fees	39	40
	163	157

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2025

5 STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2025 £'000	2024 £'000
Total staff costs comprise:		
Wages and salaries	21,459	20,474
Social security costs	2,337	2,060
Pension contributions	4,702	4,181
	<u>28,498</u>	<u>26,715</u>
 Aggregate employee benefits of key management personnel	 <u>1,631</u>	 <u>1,580</u>

Key management personnel comprise the Executive team as described in the Trustee's Report.

The number of employees whose emoluments (excluding employer pension contributions) exceeded £60,000 were:

	2025	2024
£280,000 - £290,000	1	-
£270,000 - £280,000	-	1
£130,000 - £140,000	1	-
£120,001 - £130,000	-	2
£110,001 - £120,000	1	1
£100,001 - £110,000	1	2
£90,001 - £100,000	4	5
£80,001 - £90,000	8	3
£70,001 - £80,000	21	18
£60,001 - £70,000	43	40
	<u>80</u>	<u>72</u>

During the year, the School introduced flexible remuneration and pension options for teaching staff, offering a choice between a defined benefit (DB) pension scheme (Teachers' Pension Scheme, TPS) and a defined contribution (DC) scheme. Staff who opt out of the DB scheme can choose to receive part or all of the employer's DC pension contribution as additional salary. The emoluments bandings above (which exclude employer pension contributions) reflect a mix of staff, some of whom have opted to sacrifice pension contributions in exchange for higher salary payments.

Total payments to the School's defined contribution pension scheme in the year-end 31 July 2025 were £1.796m (2024: £1.071m).

Redundancy or termination payments of £144k (2024: £134k) arose during the year. There was £70k outstanding to be paid at the year end (2024: £38k).

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2025

5 STAFF COSTS AND RELATED PARTY TRANSACTIONS (CONTINUED)

The average number of employees during the year was made up as follows:

	2025		2024	
	Full time	Part time	Full time	Part time
Teaching staff	185	100	185	97
School based support staff	103	111	102	112
Maintenance and domestic staff	34	21	37	24
Administrative and Sport Centre	17	17	17	17
	<u>339</u>	<u>249</u>	<u>341</u>	<u>250</u>

In the year ended 31 July 2025 no Governors or persons connected with them received any remuneration or other benefits from the school (year ended 31 July 2024: £Nil). No expenses were reimbursed to Governors in the same period (2024: £Nil) in relation to the carrying out of their duties.

Gift aid transactions and year end balances between the Charity and its subsidiaries are shown in Note 15.

There are no further related party transactions requiring disclosure.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2025

6 TANGIBLE FIXED ASSETS – GROUP AND SCHOOL

	Land and Buildings £'000	Assets under construction £,000	Furniture and Equipment £'000	Motor Vehicles £'000	Total £'000
Cost					
1 August 2024	54,053	14,239	5,669	1,006	74,967
Additions	24	7,204	1,036	136	8,400
Disposals	-	-	-	(42)	(42)
Transfers	21,153	(21,153)	-	-	-
31 July 2025	75,230	290	6,705	1,100	83,325
Depreciation					
1 August 2024	11,639	-	4,717	590	16,946
Charged in the year	1,024	-	311	150	1,485
Disposals	-	-	-	(42)	(42)
31 July 2025	12,663	-	5,028	698	18,389
Net book value					
31 July 2025	62,567	290	1,677	402	64,936
31 July 2024	42,414	14,239	952	416	58,021

Assets under construction comprise the new Kings Campus accessibility enhancements together with the East Wing of the Old School building and a multi-purpose hall at Heatherton School both of which are still at the planning stage.

A number of school buildings with a combined value of £26.4 million are pledged as security to NatWest Bank plc in connection with the loan facilities granted to the School for the Estates Masterplan development.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2025

7 INTANGIBLE FIXED ASSETS

GROUP	Software costs £'000
Cost	
1 August 2024	276
Additions	23
Disposals	-
	<hr/>
31 July 2025	299
	<hr/>
Depreciation	
1 August 2024	276
Charged in the year	-
	<hr/>
31 July 2025	276
	<hr/>
Net book value	
31 July 2025	23
	<hr/>
31 July 2024	-
	<hr/> <hr/>
SCHOOL	
	Software costs £'000
Cost	
1 August 2024	255
Additions	-
	<hr/>
31 July 2025	255
	<hr/>
Depreciation	
1 August 2024	255
Charged in the year	-
	<hr/>
31 July 2025	255
	<hr/>
Net book value	
31 July 2025	-
	<hr/> <hr/>
31 July 2024	-
	<hr/> <hr/>

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2025

8 INVESTMENTS – GROUP AND SCHOOL

	Total 2025 £'000	Total 2024 £'000
Market value at 1 August 2024	3,676	3,301
Capital invested	110	59
Management charges	(22)	(17)
Revaluation	142	301
Net dividend income retained in Investment Fund	14	32
	<hr/>	<hr/>
Market value at 31 July 2025	3,920	3,676
	<hr/> <hr/>	<hr/> <hr/>

	Designated £'000	Endowment and Building £'000	Total 2025 £'000	Total 2024 £'000
Managed portfolio	1,463	2,457	3,920	3,676
	<hr/>			
Market value at 31 July 2025	1,463	2,457	3,920	3,676
	<hr/> <hr/>			
Historical cost of investments	1,326	2,175	3,501	3,329
	<hr/> <hr/>			

Investments are represented by (at market value):

	2025 £'000	2024 £'000
UK equity shares	695	767
UK bonds	186	174
Overseas bonds	257	330
Overseas equity shares	2,276	1,962
Other investments	325	307
Cash	181	136
	<hr/>	
Total	3,920	3,676
	<hr/>	

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2025

9 STOCK

	Group		School	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Stock of goods for resale	40	46	40	46

Stock held by the School comprises peripheral items for pupil's digital devices.

10a DEBTORS: Amounts due within one year

	Group		School	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Fees receivable	2	50	2	50
Recoverable disbursements	29	42	29	42
Trade debtors	143	132	20	18
Other debtors and prepayments	1,462	1,031	1,456	998
Due from subsidiary undertaking	-	-	107	417
	<u>1,636</u>	<u>1,255</u>	<u>1,614</u>	<u>1,525</u>

10b DEBTORS: Amounts due in more than one year

	Group		School	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Other debtors and prepayments	178	183	178	183
	<u>178</u>	<u>183</u>	<u>178</u>	<u>183</u>

Other debtors and prepayments due in more than one year relates to the obligation the school holds to use a court at a local squash club until the year 2059 following a contribution made to construction costs at the club in 2009.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2025

II CREDITORS: Amounts falling due within one year

	Group		School	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Bank loan	210	186	210	186
Fees received in advance	4,743	5,250	4,744	5,250
Payments received on account	310	123	310	122
Fee deposits held at year end	3,566	3,513	3,548	3,498
Trade creditors	2,151	3,659	2,142	3,642
Other taxes and national insurance contributions	586	506	579	496
Other creditors	801	549	798	546
Accruals	969	1,179	922	1,068
Deferred income	236	678	118	523
	<hr/>	<hr/>	<hr/>	<hr/>
	13,572	15,643	13,371	15,331
	<hr/>	<hr/>	<hr/>	<hr/>

All deferred income shown in the table above relates to fees for the 2025/26 school year. All deferred income held at 31 July 2024 was released in the following year.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2025

12 CREDITORS: Amounts falling due in more than one year

	Group		School	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Bank loan	8,229	8,438	8,229	8,438
Fees received in advance	7,260	12,677	7,260	12,677
Deferred income	98	98	98	98
	15,587	21,213	15,587	21,213
	15,587	21,213	15,587	21,213

Fees received in advance total £12.003m of which £4.743m falls due within one year, and £7.260m falls due between one and five years. The balance represents the accrued liability under the contracts. The movements during the year were:

	2025 £'000	2024 £'000
Balance at 1 August 2024	17,927	1,478
New contracts	-	17,126
Repayments	(714)	(74)
Amounts used in payment of fees to the school	(5,210)	(603)
	12,003	17,927
Balance at 31 July 2025	12,003	17,927

The fees in advance scheme has been successful in raising funds to upgrade the School's facilities, such as the new Sixth Form building. By saving on financing costs compared to bank loans, the School can better manage and limit future fee increases.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2025

The bank loan is analysed as:

	2025 £'000	2024 £'000
Repayable:		
Between one and two years	221	197
Between two and five years	740	662
In five years and more	7,268	7,579
	<hr/>	<hr/>
	8,229	8,438
Repayable within one year	210	186
	<hr/>	<hr/>
	8,439	8,624
	<hr/>	<hr/>

The charity has the following loans:

- A fixed interest rate loan was taken out in September 2022 for £6.0 million with a final repayment scheduled for August 2047. Interest is charged at 5.33% and the loan is secured against various school properties.
- A variable rate loan was taken out in December 2022 for £3.0 million with a final repayment scheduled for November 2047. Interest is charged at 1.55% per annum over Base Rate and the loan is secured against various school properties.
- Both loans were taken out for the purpose of financing the School's Estates Masterplan.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2025

13 ALLOCATION OF SCHOOL NET ASSETS

	Tangible fixed assets £'000	Investments £'000	Other assets/ (liabilities) £'000	Total £'000
Endowment and building funds	5,446	2,457	141	8,044
Restricted funds	-	-	210	210
Unrestricted funds:				
Designated funds	45,731	1,463	158	47,352
Retained income	13,759	-	(13,759)	-
	<hr/>	<hr/>	<hr/>	<hr/>
31 July 2025	64,936	3,920	(13,250)	55,606
	<hr/>	<hr/>	<hr/>	<hr/>
31 July 2024	58,021	3,676	(9,822)	51,875
			2025	2024
Unrealised gains / (losses) included above in investments:			£'000	£'000
Endowment and building funds			62	159
Designated funds			80	142
			<hr/>	<hr/>
			142	301
			<hr/>	<hr/>

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2025

I4a ENDOWMENT AND BUILDING FUNDS

	Balance 1 August 2024 £'000	Income £'000	Expenditure £'000	Investment gains/(losses) £'000	Transfers £'000	Balance 31 July 2024 £'000
Represented by:						
Land and buildings	5,515	-	(69)	-	-	5,446
500 th Anniversary Fund	381	66	-	-	-	447
Scholarship and prize fund	2,089			62	-	2,151
	<u>7,985</u>	<u>66</u>	<u>(69)</u>	<u>62</u>	<u>-</u>	<u>8,044</u>

I4b RESTRICTED FUNDS

The Berkhamstedian Foundation	230	22	(2)	-	(40)	210
500 th Anniversary Fund	-	5	(5)	-	-	-
	<u>230</u>	<u>27</u>	<u>(7)</u>	<u>-</u>	<u>(40)</u>	<u>210</u>

I4c DESIGNATED FUNDS

The Berkhamstedian Foundation	116	2	-	-	-	118
500 th Anniversary Fund	1,367	16	-	80	40	1,503
Land and buildings	41,932	30	(971)	-	4,495	45,486
Heatherton Development Fund	245			-	-	245
	<u>43,660</u>	<u>48</u>	<u>(971)</u>	<u>80</u>	<u>4,535</u>	<u>47,352</u>

I4d UNRESTRICTED FUNDS

School funds	<u>-</u>	<u>49,714</u>	<u>(45,219)</u>	<u>-</u>	<u>(4,495)</u>	<u>-</u>
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I4e TOTAL FUNDS HELD

TOTAL FUNDS	<u>51,875</u>	<u>49,855</u>	<u>(46,266)</u>	<u>142</u>	<u>-</u>	<u>55,606</u>
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Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2025

Endowment and Building Funds

Land and Buildings

Tangible fixed assets are all held for use by the School. Land and Buildings represent assets donated on foundation and subsequent major additions at cost. As a consequence these assets are a mixture of those endowed to the School and those subsequently acquired. Tangible fixed assets are shown at cost in the balance sheet.

Buildings are depreciated at 1-10% of cost, with the charge being written off to the Endowment and Buildings Funds. All costs of maintaining the buildings are written off as expenses of the school in the year of expenditure.

Scholarships and Prize Fund

This fund represents bequests and donations received by the Charity, where the donor has specified that the funds should be used to provide opportunities for and acknowledgement of educational achievements for future generations. The investment income recognised on these funds is added to the balance each year.

During the year ended 31 July 2016 the Governors exercised the power granted under section 104A of the Charities Act 2011 to adopt a total return approach to the school's Scholarships and Prize fund. This allows the School to recognise an Unapplied Total Return ("UTR") element in the fund which is accessible for spending on current beneficiaries.

Under the Total Return approach, the school must ensure that the value of the fund does not fall below the core endowment value. The core endowment value is fixed at £1,144k representing the value of the endowment in 2003.

The overall movement in unapplied total return in the year ended 31 July 2025 was as follows:

	£'000
Unapplied total return at 1 August 2024	945
Add: Investment gains	62
Less: Expenditure	-
Unapplied total return before transfer to income	1,007
Less: transfer to income	-
Unapplied total return at 31 July 2025	1,007
Add: core value	1,144
Scholarship and prize fund assets at 31 July 2025	2,151

500th Anniversary Fund

This fund holds donations given to the school specifically to be invested under the name 500th Anniversary Fund to generate income from which school places will be made available to children who could not otherwise afford to attend the school. The name of the fund is in recognition of the forthcoming important anniversary of the school's foundation.

Berkhamsted Schools Group

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2025

Restricted Funds

The Berkhamstedian Foundation

This represents a restricted fund established for the purpose of providing resources for specific projects and to widen the opportunity for scholarships and bursaries.

500th Anniversary Fund

This part of the Anniversary Fund has been set up to receive donations to the Anniversary Fund that will be used to directly fund school places. The balance on this fund represents monies which have not yet been applied.

Designated Funds

Land and Buildings Fund

This represents fixed asset additions for major strategic projects mostly since 2004 funded from annual net income.

The Berkhamstedian Foundation

This represents a designated fund established by Governors. The fund represents unrestricted fundraising donations received which are set aside for the purpose of providing resources for specific projects and to widen the opportunity for scholarships and bursaries.

Heatherton Development Fund

The designated Development Fund represents unrestricted funds set aside by the Governors of Heatherton House School for the future functioning of the School.

500th Anniversary Fund

This fund is for unrestricted donations that the Governors have designated to be added to the 500th Anniversary Fund, a fund that provides access to the school for aspiring pupils who could not otherwise afford to attend. The Anniversary fund was boosted by the transfer of £40k of profit from the School's second hand clothing shop.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2025

15 SUBSIDIARY UNDERTAKINGS

Berkhamsted Schools Group has three wholly owned subsidiaries all of which are registered in the United Kingdom and share the same registered office as the School (see page 5).

- Berkhamsted Day Nursery Limited (trading) - company number 07610890
- Berkhamsted School Enterprises Limited (trading) - company number 02048201
- Berkhamsted Schools International Limited (dormant) - company number 10054110
- BRAINAI (dormant) – company number 16530518

The trading subsidiaries pay all their distributable profits to the school through gift aid declarations and their results for the year and retained capital and reserves are shown below:

Berkhamsted Day Nursery Limited	2025	2024
	£'000	£'000
<i>Profit and loss account</i>		
Turnover	1,139	1,007
Total expenditure	(884)	(866)
Profit before tax and gift aid	255	141
Taxation		-
Gift Aid	(255)	(141)
Profit /(loss) after tax and gift aid	-	-
<i>Balance sheet</i>		
Total assets	90	288
Total liabilities	(90)	(288)
Net assets	-	-
Costs recharged from Berkhamsted Schools Group	36	48
Amount owed from / (to) Berkhamsted Schools Group	(12)	(176)
Berkhamsted School Enterprises Limited	2025	2024
	£'000	£'000
<i>Profit and loss account</i>		
Turnover	662	603
Total expenditure	(618)	(457)
Profit before tax and gift aid	44	146
Taxation		-
Gift Aid	(44)	(146)
Profit /(loss) after tax and gift aid	-	-
<i>Balance sheet</i>		
Total assets	217	441
Total liabilities	(217)	(441)
Net assets	-	-
Costs recharged from Berkhamsted Schools Group	11	16
Amount owed to Berkhamsted Schools Group	(95)	(241)

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2025

16 PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £3.913m (2024: £3.133m) and at the year-end £316k (2024: £396k) was accrued in respect of contributions to this scheme.

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

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

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

17 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2025 the School had minimum lease payments under non-cancellable operating leases as follows:

	2025 £'000	2024 £'000
Plant and machinery:		
Due within one year	1,290	1,070
Due between one and five years	588	899
	1,878	1,969
	1,878	1,969

18 CAPITAL COMMITMENTS

There are £1.289m (2024: £9.652m) of capital commitments as at 31 July 2025.

19 FINANCIAL INSTRUMENTS

Group financial assets measured at fair value are the School's investments which totalled £3.920m (2024: £3.676m). Income from assets measured at fair value in the year totalled £71,000 (2024: £51,000) and unrealised gains totalled £145,000 (2024: £301,000).

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2025

**20 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE
FIGURES BY FUND TYPE**

Year Ended 31 July 2024

	Unrestricted Funds		Restricted Funds	Endowment and Building Funds	Total
	School £'000	Designated £'000	£'000	£'000	£'000
Income and endowments from					
Charitable activities					
School fees receivable	42,873	-	-	-	42,873
Ancillary trading income	2,761	-	-	-	2,761
Other trading activities					
Non-ancillary trading income	1,610	-	-	-	1,610
Other activities					
Investments					
Investment income	51	37	-	-	88
Bank and other interest	958	-	-	-	958
Voluntary sources					
Grants and donations	-	4	57	57	118
Total Incoming Resources	48,253	41	57	57	48,408
Expenditure on:					
Raising funds					
Non-ancillary trading	1,306	-	-	-	1,306
Fundraising and Development	17	-	-	-	17
Total deductible costs	1,323	-	-	-	1,323
Charitable activities					
Education and grant making	41,905	891	50	69	42,915
Total expenditure	43,228	891	50	69	44,238
Net incoming funds from operations before transfers and investment gains	5,025	(850)	7	(12)	4,170
Gains/(losses) on investments	-	142	-	159	301
Net income/(expenditure) after gains(losses) on investments	5,025	(708)	7	147	4,471
Transfer between funds	(5,025)	5,025	-	-	-
Net movement in funds	-	4,317	7	147	4,471
Fund balances at 31 July 2023	-	39,343	223	7,838	47,404
Fund balances at 31 July 2024	-	43,660	230	7,985	51,875

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2025

21 SUMMARY OF MOVEMENTS ON SCHOOL FUNDS AND ANALYSIS OF NET ASSETS BETWEEN FUNDS

Year Ended 31 July 2024

21a ENDOWMENT AND BUILDING FUNDS

	Balance 1 August 2023 £'000	Income £'000	Expenditure £'000	Investment gains/(losses) £'000	Transfers £'000	Balance 31 July 2024 £'000
Represented by:						
Land and buildings	5,584	-	(69)	-	-	5,515
500 th Anniversary Fund	324	57	-	-	-	381
Scholarship and prize fund	1,930	-	-	159	-	2,089
	7,838	57	(69)	159	-	7,985

21b RESTRICTED FUNDS

The Berkhamstedian Foundation	223	12	(5)	-	-	230
500 th Anniversary Fund	-	45	(45)	-	-	-
	223	57	(50)	-	-	230

21c DESIGNATED FUNDS

The Berkhamstedian Foundation	114	2	-	-	-	116
500 th Anniversary Fund	1,186	39	-	142	-	1,367
Land and buildings	37,798	-	(891)	-	5,025	41,932
Heatherton Development Fund	245	-	-	-	-	245
	39,343	41	(891)	142	5,025	43,660

21d UNRESTRICTED FUNDS

School funds	-	48,253	(43,228)	-	(5,025)	-
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21e TOTAL FUNDS HELD

TOTAL FUNDS	47,404	48,408	(44,238)	301	-	51,875
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Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2025

21f ALLOCATION OF SCHOOL NET ASSETS

Year Ended 31 July 2024

	Tangible fixed assets £'000	Investments £'000	Other assets/ (liabilities) £'000	Total £'000
Endowment and building funds	5,515	2,309	161	7,985
Restricted funds	-	-	230	230
Unrestricted funds: Designated funds	42,177	1,367	116	43,660
Retained income	10,329	-	(10,329)	-
	<u>58,021</u>	<u>3,676</u>	<u>(9,822)</u>	<u>51,875</u>

22 POST BALANCE SHEET EVENT

On 3rd December 2025 the School signed a contract with Laxton Properties (Berkhamsted) Limited for the sale of school land at Haslam Field, Shootersway, Berkhamsted at a minimum value of £14m. The sale is subject to the receipt of planning permission.

BERKHAMSTED SCHOOLS GROUP

England & Wales - Charity number 310630

Accounts

Berkhamsted Schools Group

REPORT AND FINANCIAL STATEMENTS

For the year ended
31 July 2024

Berkhamsted Schools Group

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Berkhamsted Schools Group

WHO WE ARE

Berkhamsted Schools Group is a prestigious group of independent day schools in Hertfordshire and Buckinghamshire which also offer boarding for the senior year groups. Founded in 1541, we are a school that is firmly rooted in our local community and also has an international outlook with overseas students joining the school from Year 10.

Berkhamsted has an outstanding reputation based on the following key characteristics:

A **'diamond school'** - one of just a handful in the country, Berkhamsted offers co-educational tuition up to age 11 and single sex classroom education from the age of 11 to 16 - at a time when we believe girls and boys benefit most from being taught separately in the classroom, whilst extra-curricular activities are undertaken co-educationally at all ages. Girls and boys come back together in a co-educational Sixth Form. We also have a girls-only Prep School, Heatherton, in Amersham, which has a co-educational nursery class.

A **passion for learning and well-being** - the world is changing at an ever-increasing pace. We believe life-long learning will be required of all of us and awareness of the skills that enable us to learn effectively are a key requirement. At the school we develop these skills alongside a focus on the development of character, with the aim that our students will have both the cognitive skills and character strengths (such as mental toughness and resilience) to cope with whatever life throws at them. Our well-being programme and framework is comparable with any school programme in the country, and we care deeply about the well-being of our school community and the individuals within it.

A **broad education** - we develop outstanding, well-rounded, remarkable young people through a broad education based not just on academic excellence, but also through activities outside the classroom, including sport, outdoor education, music, art and drama. We are proud to have produced excellence at national and international levels while maintaining very high levels of pupil participation in extra-curricular activities. We have one of the most outstanding outdoor education programmes at any school in the country, demonstrated by the high numbers of participants in the Duke of Edinburgh's Award at all levels, and the range of experiences offered through our Combined Cadet Force. Every pupil in senior school attends Bushcraft training and spends a night under canvas as part of the introduction to the Duke of Edinburgh's Award.

A **school that 'grows with you'** - we offer our pupils fantastic experiences and opportunities that stretch their abilities and help develop their full potential at all stages throughout their formative years. Our pupils leave us with the qualifications and life skills needed to make a successful transition to the next stage of life, be that a top university, or the start of their career in the workplace. These are gained through initiatives such as our innovative Student Consultancy, pioneered at Berkhamsted in conjunction with the Oxford University Careers Service and since rolled out nationally, or the work experience opportunities we provide to our Sixth Formers. Other opportunities exist at our Sports Centre as a lifeguard or with our in-house caterers to gain customer service experience at School events.

Outstanding **pastoral care** - we are predominantly a day school running on structures built up through a history of being a traditional boarding school. We have a vertical house system, run by Heads of House and their teams of tutors, who oversee and support each child's personal development.

A **large school** with a **small school** feel - we are based on four campuses in Berkhamsted and one in Amersham, each structured to cater for the different age groups taught at those sites from Pre-Prep in the woodland setting of the Haresfoot campus to a Sixth Form moving between Castle and Kings campuses as a taster of what lies ahead at university. Each school benefits from outstanding whole school facilities in close proximity, which smaller schools are unable to provide. Examples include our 500 seat Centenary

Berkhamsted Schools Group

Theatre, the Knox-Johnston Sports Centre and 25 metre swimming pool, nine Eton Fives courts, a Wooded Gruffalo Trail and our High Ropes course.

A school **with community spirit** - our pupils are consistently helping in the community and looking to uphold the school's value of 'Serving Others'. From the Prep school children visiting the local care home for regular musical performances, to Year 7 boys litter picking across town, through to our Sixth Formers helping at local primary schools and in High Street charity shops. The introduction of The Berkhamsted Society has also offered our local neighbours the opportunity to use the school's facilities and attend a number of cultural events which are open to all. We work with maintained sector schools in Berkhamsted, Hemel Hempstead and Luton, and co-sponsor the Wren Academies Trust.

A school which **supports working parents** - we provide care at all stages of a child's school journey, so parents need never be concerned if they are delayed at the office, have to go on a business trip, or wish to find activities for their child in the holidays. We provide wrap-around care at both ends of the day up to Prep School, flexi-boarding at the senior schools, and work with specialist companies to lay on a range of courses and activities during half terms. We offer all year-round nursery provision from five months to three years old. In addition, our travel network also offers a coach service from home to school each day with late services available to cater for those pupils taking part in after-school activities.

A key aim of the Berkhamsted Schools Group is to deliver teaching and learning excellence for the benefit of pupils throughout the group. Investment in the continuous training, professional development and well-being of our staff is a priority. We are proud to have been awarded the Investors in People Gold Award twice in recent years, an unprecedented achievement for an independent school, reflecting our commitment to this aim.

Berkhamsted Schools Group

GOVERNORS

The Board of Governors is appointed in accordance with the terms and conditions laid down in the Scheme of the Charity Commissioners for England and Wales sealed on 29 August 1996. Except as otherwise indicated, the Governors who served throughout the year are as follows:

	Appointed / Resigned	(1)	(2)	(3)	(4)	(5)	(6)	Notes
G.C. Laws <i>(Chair until 31 August 2023)</i>	Appointed 17 March 2012 Resigned 31 August 2023	▪ (c)				▪ (c)	▪ (c)	
C. Copland <i>(Chair from 1 September 2023)</i>	Appointed 18 March 2023	▪ (c)		▪		▪ (c)	▪ (c)	Note 1
D.J. Atkins	Appointed 1 September 2014 Resigned 1 September 2023		▪					
V. Bingham	Appointed 3 December 2022				▪			
Prof S-J. Blakemore	Appointed 17 June 2017 Resigned 22 June 2024				▪			
J. Brabazon	Appointed 1 September 2023			▪				
C. Edwards	Appointed 1 September 2022		▪					
A.R. Hart	Appointed 1 December 2018			▪				
G. Imlah	Appointed 3 December 2022		▪					
K. Musgrave	Appointed 1 December 2018		▪					
K. Nijjar	Appointed 24 September 2020 Resigned 24 September 2023				▪			
C. Nicholls	Appointed 1 September 2015 Resigned 1 September 2024				▪			
S. Shields	Appointed 25 March 2017			▪				
J.J. Smith	Appointed 1 September 2020				▪		▪	
N. Twogood	Appointed 1 September 2015	▪	▪ (c)			▪	▪	
A. Wilcock	Appointed 26 November 2016	▪			▪ (c)	▪		
J. Williams	Appointed 1 March 2018	▪		▪ (c)		▪		

- (1) Chair's Committee
- (2) Finance and Property Committee
- (3) Risk and Regulatory Committee
- (4) Education Committee
- (5) Nominations Committee
- (6) Remuneration Committee

- (c) Chair

Notes:

- I. C. Copland was appointed on 18 March 2023 and succeeded G.C. Laws as Chair with effect from 1 September 2023.

Berkhamsted Schools Group

OFFICERS

Principal	R P Backhouse MA (Cantab)
Clerk to the Governors	J McCulloch BSc, FIA
Vice Principal (left 31 Aug 2024)	A Ford BA
Vice Principal (from 1 Sept 2024)	M Walker BA
Chief Operating Officer	J Anthony BSc, FCA
Chief People Officer	T L Evans CIPD, FInstLM
Assistant Vice Principal (External Relations)	R C Thompson BA
Headteacher, Berkhamsted Sixth (left post 31 Aug 2024)	M Walker BA
Headteacher, Berkhamsted Sixth (from 1 Sept 2024)	N J Cale BA (Hons)
Headteacher, Berkhamsted Boys	T L Hadcroft BA (Hons), MSc, MRes, MEd
Headteacher, Berkhamsted Girls	E Watson BEng
Headteacher, Berkhamsted Prep (left 31 Aug 2023)	J Hornshaw MEd, BEd, NPQH, FInstLM
Headteacher, Heatherton	N Nicoll MEd, BEd (Hons)
Headteacher, Berkhamsted Prep (from 1 Sept 2023) and Pre-Prep	K O'Connor BA (Hons), PGCE, NPQH

Principal address and Registered Office

6 Chesham Road
Berkhamsted
Hertfordshire HP4 3AA

Bankers	NatWest Bank 250 Bishopsgate London EC2M 4AA	HSBC plc 8 Canada Square London E14 5HQ
Solicitors	Veale Wasbrough Vizards Orchard Lane Bristol BS1 5WS	
Auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW	
Investment Advisors	Brewin Dolphin 12 Smithfield Street London EC1A 9BD	
Insurance Brokers	Aon UK Limited 8 Devonshire Square London EC2M 4PL	
Property Advisers	Aitchison Raffety 8 Cavendish Square London W1G 0PD	Bidwells Trumpington Road Cambridge CB2 9LD
ESG Advisers	Orbis Advisory 1 St Katherine's Way London E1W 1UN	

Berkhamsted Schools Group

ANNUAL REPORT OF THE GOVERNORS CHAIR'S REPORT

CHAIR'S REPORT

The academic year 2023-24 was characterised by continued achievement and development for Berkhamsted students of all ages and the flourishing of the schools' communities, alongside preparation for the anticipated increase in taxation of private schools.

The School's brand of holistic education flourished in academic, super-curricular and extra-curricular pursuits, most notably in the winning of ten national sports championships in a period of two weeks in March 2024, but also reflected in excellent exam results, record numbers going to Oxbridge, and higher tariff universities, and the appointment of several staff to key promotion posts in other schools. *The community, as it promises on its website, has been developing remarkable people.*

Pastoral care continued to be an area of importance, and the restructuring of pastoral care arrangements in the Sixth, with increased emphasis on one-to-one meetings for pupils with tutors, was managed smoothly. Parental feedback continued to be exceptionally strong. Enquiries for places rose again, and the School continued to have waiting lists for entry into many of our year groups.

The Executive and Trustee Board continue to spend focused time ensuring the financial stability of the group, looking not just at the present but also to the short and medium-term future – at opportunities as well as threats. We run the school on conservative financial principles with strict financial governance policies and procedures in place.

Our aim is also to be a school which provides an excellent current experience for pupils, while also investing strongly in their future via learning experiences which enable them to develop into ambitious, adventurous, caring adults. A new character education initiative was formally launched to staff, parents and pupils, and we ran our first selection days for pupils seeking admission into Y7 and Y9 which made sure that all entrants are now holistically assessed, and not merely academically.

The breadth of education offered at our schools was manifest in diverse performing arts (from formal evensong to talent shows), adventurous activities (CCF, DofE and overseas expeditions) and charitable activities – including a successful repeat of our annual Service Day, when all pupils in the Senior School undertake a day of community service.

We continue to invest sustainably in our infrastructure. During the year, the new Sixth Form Centre emerged out of the ground, with a Topping Out ceremony undertaken in May. In addition, significant projects were undertaken at the King's site, the buildings at Berkhamsted Prep used by Y3 and Y4 children, and in adding photo-voltaic cells to the roofs of many appropriate buildings. Maintaining historic assets, investing in sustainable initiatives and the affordability of school fees are carefully balanced by the trustees and Executive. Our goal is to provide an outstanding all-round education at a competitive price and therefore we have continued to strive to constrain our fee increases for the past few years whilst finding efficiencies within the schools to allow continued investment in staff and facilities.

Our partnership work continues to be busy: as co-sponsor of the Wren Multi-Academy Trust, we have supported the excellent achievements of its schools in Enfield and Finchley, as well as helping with plans for expansion of the Trust, and support of the senior leadership. We support the people of the area through the provision of wraparound care and holiday camps to help working parents. In a new development, we have hosted booster weeks for Looked-After-Children in partnership with Hertfordshire Virtual Schools in both Easter and Summer. The Berkhamsted Society has links with over 40 local organisations and

Berkhamsted Schools Group

ANNUAL REPORT OF THE GOVERNORS CHAIR'S REPORT

provides a programme of cultural and topical events for local people including the Band of the Household Cavalry, and an 'Audience with BBC news presenter Kate Silverton. Whether it's visiting a senior citizens' home, a hospice, reading with pupils at local primary schools, or working with disabled adults and children, Berkhamstedians' time and effort makes a difference to the lives of so many in our community. We also open up our facilities to the community, and the Centenary Theatre and Knox-Johnston Sports Centre are very well used outside of school hours.

On behalf of all the trustees, I would like to thank parents for their trust and support, staff for their skill, commitment and industry, and the pupils for the frequent and inspiring indications of their growth and potential.



C. COPLAND
Chair of Governors

Berkhamsted Schools Group

STRATEGIC REPORT

CONSTITUTION AND OBJECTS

Berkhamsted Grammar School was founded on 14 October 1541, re-founded by an Act of Parliament in 1549, and is regulated by a scheme made under the Endowed Schools Act on 13 May 1887 and subsequent amendments. Berkhamsted Girls Grammar School was constituted by the above scheme on 13 May 1887. The administration and management of these two charities and other subsidiary charities were amalgamated by a scheme dated 14 August 1975 approved by the Charity Commissioners for England and Wales.

With effect from 1 August 2011, the School merged with Heatherton House, a Prep School for Girls in Amersham. As part of the merger process, Berkhamsted School changed its name to Berkhamsted Schools Group and became an incorporated charity. The registered charity number is 310630 and the registered company number is 622349.

The Charity has two operating wholly owned non-charitable subsidiaries, Berkhamsted School Enterprises Limited and Berkhamsted Day Nursery Limited. The school actively supports the provision of the highest standards of education in the independent sector and collaborates with many local charities, schools and organisations to widen public access to the education and facilities it provides for the public benefit.

The School's objects and principal activity, as set out in the Articles of Association, are to promote the education (including social and physical training) of boys and girls and in particular but without prejudice to the generality of the foregoing to conduct and maintain day or day and boarding schools in or near Berkhamsted, at which religious education in accordance with the principles of the Church of England is provided.

GOVERNANCE AND MANAGEMENT

Governing Body

There is one Governing Body for all the schools in the Group. Details of the Governing Body, together with the school's officers and principal advisors, are given on pages 4-5.

The Governing Body consists of between twelve and sixteen people with each Governor term limited to three years. Each Governor is limited to a maximum of three consecutive terms, unless elected to become the Chair or Vice Chair, or if the Board consider it would be in the best interest of the Charity for a Governor to be eligible for re-election, in which case further terms are permissible.

Recruitment and Training of Governors

The school's Governors are appointed at a meeting of the Governing Body on the basis of recommendations made by the Nominations Committee, taking into account eligibility, personal competence, specialist skills and availability.

New Governors are inducted into the workings of the school and of the Charity, including Strategy, Policies and Procedures, at an induction meeting organised by the Clerk to the Governors. Governor training is carried out by using seminars either organised nationally or arranged internally.

During the 2021-22 year, Governors undertook a voluntary governance review with a team from AGBIS undertaking a series of interviews with all governors and senior members of the executive. The outcome of this review was both to endorse strongly the governance of the School, and to make recommendations for consideration in respect of further development. As a consequence of this review, and the consequent implementation of recommendations, the Governors are satisfied that the Charity both applies the principles of the Charity Governance Code, and that governance is executed very well at the School.

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Organisational Management

The School Governors, as the Trustees of the Charity, are legally responsible for the overall management and control of the school and normally meet (as a full board) four times each year, plus one biennial meeting usually in Lent Term to review strategy.

The School's Committees (the first four of which meet termly) are:

- The Finance and Property Committee, whose responsibility is to plan and oversee delivery of the Board's strategies in relation to all financial and property matters.
- The Education Committee, whose responsibility is to plan and oversee the delivery of all academic, co-curricular and pastoral education.
- The Risk and Regulatory Committee, which has responsibility for the implementation, ongoing management and review of performance in practice of the Group's regulatory, statutory and general policies. It also acts to ensure that major risks for the Group are actively managed, and that an appropriate balance is struck between controls to mitigate risk and the costs (financial or non-financial) associated with doing so and to monitor the environmental and sustainability activities being done across the group to ensure we continually work to improve our environmental impact.
- The Chair's Committee, comprising the Chair of Governors, the Chairs of the other Governor Committees, the Principal, Vice Principal, Chief Operating Officer and Chief People Officer. The function of this Committee is to review strategic issues prior to consideration by the full Governing Body.
- The Nominations Committee, which has responsibility for overseeing Governor and Executive appointments.
- The Remuneration Committee, which has responsibility for setting the remuneration of the Principal and overseeing the remuneration of other senior personnel.

The day-to-day management of the school is delegated to the Principal, Vice Principal, Chief Operating Officer and Chief People Officer who, together with the Headteachers of the respective schools in the group and the Assistant Vice Principal, External Relations, form the Executive. The Executive is supported by the Senior Management Team which includes the Deputy Heads and other key educational and operational roles.

Remuneration of staff is set by the Governors with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the school's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools and the maintained sector to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere.

We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the school's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our expenditure.

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Employment Policy

The school is an equal opportunities employer. Equal consideration is given to job applications from all candidates irrespective of race, colour, religion, nationality, ethnicity, sex, disability, or age, whilst due consideration is given to any particular training and employment needs. Our applicant tracking system has been refined to further strengthen the process by adopting a blind shortlisting approach to recruitment. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

The school follows its Recruitment of Staff policies and Equal Opportunities policy, which is compliant with the Equality Act 2010, and has regard to the guidance issued by the Equality and Human Rights Commission “What equality law means for you as an education provider: schools”. The Equal Opportunities policy states that the School will satisfy its duties under the Equality Act 2010 to eliminate all behaviour prohibited by the Equality Act 2010, to foster good relations between persons with and without protected characteristics and promote equality of opportunity regardless of whether a person has a protected characteristic.

In addition, the school has a strict Staff Code of Conduct policy that sets the standards of behaviour for all staff to ensure the ethos of the school is maintained.

AIMS, OBJECTIVES AND ACTIVITIES

Aims

The School’s aim is to be the first-choice independent school in a wide catchment area for families seeking educational excellence and to develop remarkable people with an awareness, understanding and care for their community and the wider world.

The governors are mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Board has monitored closely the guidance of public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Primary Objectives

The School continues to place huge importance on its Core Values. At the heart of every decision made and practice used we continue to cultivate a culture in which our values are evident. Our Values are as follows:

- Aim High with Integrity

We believe that we should strive to be the best possible version of ourselves, in the classroom or debating chamber, on the stage or sports pitches, to be the best we can be in everything we do. To aim high *with integrity* means being successful without exercising sharp elbows. Try, as CS Lewis suggested, to ‘do the right thing even when no one is looking’. Whatever we achieve in life will be all the more worthy if it is done in support and not at the expense, of others.

- Be Adventurous

Being adventurous is an important ingredient of aiming high. We need to discover what our talents might be before we can develop them, and this will only happen if we are adventurous in thought, word, and deed. We must all have the courage to fail and the resilience to do so repeatedly...because we will. We should all think of mistakes – whether made by ourselves or others – as opportunities to learn. As Nelson Mandela once said: ‘Do not judge me by my successes; judge me by how many times I fell down and got up again.’ If we are all brave enough to try, fail and then start again, we will all, in time, become the best we can be.

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- Serve Others

We want our students to grow in moral purpose, character, and courage as they go through our school, and in doing so, contribute to the wellbeing of our community. We want them to become remarkable people. Our definition of success is an inclusive one, and our expectation of school life is for it to be a team game: we believe it is as important to contribute to the successes of others as to our own. Our definition of leadership includes elements of altruism, and being a school community, we often find that, in giving, we are also receiving. We celebrate and encourage the work of our students in the local community, as volunteers for example, and as those who engineer change for good, inside and outside the School. Our expectation is that Berkhamstedians will not just go on and do well, although of course, we expect that they will, but that they will also go on and do good.

The implementation of these values in the provision of education which is both excellent and broad, boarding and day, single sex and co-educational, large in scale, but small school in feel, traditional and forward looking continues to be the aim of the Group.

STRATEGIES TO ACHIEVE PRIMARY OBJECTIVES

The Group has selected seven areas of focus, which will not only help us to meet our primary aims and objectives but move us to a position where we are recognised to be world class. It must be noted that this list does not preclude our pursuit of excellence in all areas.

Teaching and Learning / ICT

The “Learning Powered Approach”, a whole school approach to teaching and learning, is embedded across the group to provide a core focus on dispositions within the four learning types (emotional, social, cognitive, and strategic). There is a focus on meta-cognition and self-regulation, as well as critical thinking to enable pupils to flourish in the world beyond School. We continue to work with schools in both the independent and maintained sectors, universities, and teacher training institutions to share best practice with Berkhamsted being a centre of excellence for teaching and learning. Alongside a strong focus on cyber security each pupil in Y5-13 has their own Microsoft Surface device, with younger children having access to class sets of iPads.

Wellbeing

The school recognises the importance of wellbeing amongst its pupils and staff and employs several strategies to encourage and promote it. The senior school operates a house system which ensures a high level of pastoral care for pupils which is further supported by the availability of counselling services and other initiatives such as the presence of wellbeing dogs throughout the school week. The School has also employed a dedicated Psychologist to further support pupils’ wellbeing. In all parts of the school, class sizes are small enough to enable our teachers to notice any behavioural changes that may require their intervention. Staff wellbeing is also deemed very important and all staff have access to counselling services on request and provision is made for other beneficial activities such as mindfulness sessions, yoga, wellbeing treatments and a wide range of other social activities.

Outdoor Education

Very few schools in the South-East have strong Outdoor Education – this is seen as a market differentiator. The School has a long and distinguished Duke of Edinburgh Award programme and Combined Cadet Force (CCF). Today pupils from Stepping Stones through to Year 13 have extensive opportunities to have a range of outdoor education experiences both at school and around the country and world. An Outdoor Education centre for the Group has been established on the site of the Pre-Prep school.

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Business Education and Skills

Berkhamsted is a business community and many of our parents are business professionals. Berkhamsted School is well placed to be a leader in Business Education and Skills and looks to achieve this by closing the gap between academic education and the world of work. We give our pupils an understanding of how business works and also work experiences outside of the main curriculum. By developing links with alumni and the local community we can offer insights into business and provide enterprise opportunities to enable pupils to develop the skills required for the modern workplace. The new Sixth Form Centre is nearing completion and is designed to help bridge the gap between school, university and work, and we continue to seek international opportunities that could give pupils a taste of international culture and diversity that will prepare them for careers in a global market.

Early Years

Berkhamsted is a centre of excellence for Early Years Education, regularly hosting national Early Years' conferences and is seen as a beacon of best practice. We have a highly innovative curriculum and some of the best facilities in the country. The teaching facilities at the Pre-Prep in a wonderful woodland setting enable the school to provide the very best in Early Years Education as recognised by us being winners of the Independent Pre-Prep School of the Year, 2023. These facilities have been augmented during a period of significant investment in the facilities used by children between the ages of 5 months to three years old.

Sport

Berkhamsted has a distinguished sporting heritage for both boys' and girls' sport. We aim to be one of the top sporting schools in England by being consistently:

- in the top 4 schools nationally at Lacrosse, with Regional and National representatives;
- in the top 18 schools nationally at Netball;
- in the top 12 schools nationally at Rugby, with Regional and National representatives;
- the best Fives school in the country for boys and girls, attaining National Championship titles.

Furthermore, we actively seek to have some of the highest participation rates in school sport for a large school as evidenced by the number of pupils who actively participate in physical activity each and every week.

Music and Drama

Berkhamsted offers pupils the opportunity of music and drama within the curriculum across the age span, but many pupils undertake additional lessons with 347 Senior pupils playing an instrument and 110 music exams taken by Senior pupils in the 2023/24 academic year. Drama also has many participants with over 265 Senior pupils taking LAMDA lessons each term.

FUTURE PLANS

A new version of the Group's current 5 year Strategic Plan was agreed by Governors in 2022. This was updated in January 2024 and will continue to be subject to bi-annual review by Governors. Significant progress has been made towards the objectives identified in this plan. Future plans to underpin the Group's primary aims and objectives include:

- Further implementation of our plans to 'develop remarkable people', focusing on education of character, skills, and leadership, in order that the education offered to pupils meets excellently

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the challenges posed by contemporary changes in society, the economy, further education and the workplace;

- Developing our campus to support the education we seek to offer our pupils in every way;
- Intentionally developing the culture of the school to be, ambitious, adventurous, humble, kind, and inclusive;
- Continuing to develop and sustain a quality of community among pupils, staff, parents and the locality that sets us apart as a school;
- Excellence in our commercial practices to support the public benefit activity, bursaries and outreach schemes operated by the School;

Progress on each of the above strands is presented to Governors via RAG status dashboard at each termly full Governing Board meeting.

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

2023/24 has been a very successful year for the school. During the year the school averaged 2,041 pupils, of whom 1,993 were day pupils and we have started the 2024/25 academic year with 2,187 pupils. Demand for places continues to be high and the creation of additional classes in Year 7 has allowed an increase of pupils in that part of the school.

Berkhamsted students achieved an outstanding set of GCSE & A Levels. 21.3% of GCSE results were at grade 9, and 70.6% at grade 7 or above. The continued increase in both attainment and value-added continues to show that Berkhamsted adds significant improvement to pupil outcomes when measured against other participating independent schools.

A Level results - 18.6% of A Levels were graded A*; 52.9% at A* or A; and 82.2% at A*, A or B. An increase was seen in all the highest grades by our hard-working pupils. Value-added results also remained very strong.

2023-2024 Sporting Results & Success

In athletics, the School entered the Hertfordshire County League, the Achilles Relays, the County Championships, the ESAA Track & Field Cup, and a number of Saturday Invitational events. The invitationals offer an opportunity for pupils of all abilities to participate and get an experience of athletic competitions. Both Junior and Inter Boys and Girls teams qualified for the Herts Schools League Final; the first time all four teams have qualified for the main final in 20 years. The School represented at the County Championships where we entered over 30 pupils from Year 7-13. We returned to Jarman Park for our School Sports Day and across the season, 21 school records were broken and three athletes qualified for the English Schools Finals.

It has been another busy year for Basketball at the School with the continuation of both the senior after school club and the introduction of a Prep after school Basketball club. Competitive fixtures for U13, U15 and U18 age groups took place and the U18 team competed in the North London League, with several well-contested matches and a memorable victory away at Mill Hill School. The School also organised inter-house Basketball competitions for the Sixth Form and Senior pupils.

The School ran 71 cricket teams across the Sixth, Senior and Prep Schools playing a total of over 280 fixtures across the nine-week term. The boys' 1st XI reached the regional final of the National U18 T20 competition. Girls' cricket continues to grow with over 270 girls representing the school and 300

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competing in house competitions. The girls' 1st XI reached the quarter final of the National T20 Cup and according to Wisden, played the most matches of any girls' team in the UK (22) with one of our Year 11

pupils becoming the top female wicket taker in the UK. The U14 girls team won the Hertfordshire County Cup and the U15 team reached the regional final of the National Indoor Competition.

In the Senior School, three of the four teams competing at the National Equestrian Championships finished in the top 5. The team became Hertfordshire County Champions with a Year 9 pupil winning the individual 1.1m event. Pupils represented the School at the Eventer Challenges and the Open Championships at Hickstead.

The school continues to maintain its strong reputation as a leading school for Eton Fives with 250 pupils representing the school in competitive fixtures across the year. At this year's Nationals, the School won five titles, including the U16 boys' title for the first time ever in the School's history and the Open Age Championship for the first time since 1981. House Fives competitions continue to be popular in the Prep and boys' school, with over 80% of each year group stepping onto court to compete.

Football continues to be very popular across the whole school with over 1,000 pupils representing across 45 teams including A-E at U12 & U13 boy's level. Senior school teams compete in various Independent School Football Association (ISFA) leagues and reached the quarter final of this year's trophy competition. It has been the busiest year to date for girls' football with U11 teams competing locally and U15 & U13 teams competing in district and cup competitions. Our U13 team reached the finals of the ISFA Cup, and two pupils were selected for the ISFA national teams at U16 and U14 level.

The golf programme now offers regular after-school clubs for Year 6 to 13 with the partnership at Berkhamsted Golf Course in its second year. Across the year there were 6 friendly fixtures, and once again we entered the HMC Foursomes. An Old Berkhamstedians v School match was also played for the first time since 2009.

Gymnastics saw the continued progress of our U13 squad and an extremely successful competition season. The squad competed in both the British Schools and Independent Schools Gymnastics Association (ISGA) National Finals. They were successful in winning the U13 British Schools Trio National title, the ISGA National Group Sequence and Overall National title and one Year 8 pupil became overall ISGA National Individual Champion. The same pupil has since been selected for the Team GB programme.

In Lacrosse we played 278 fixtures across 20 teams including another showcase event held at StoneX in collaboration with rugby. The U14A team became National Champions along with the 3rd X team who were runners up and the 4th X team who won the St Cats Invitational National Championships. The 2nd X team and the U15A team became 5 Schools Tournament Winners, and we saw Hertfordshire County Championship wins from 3rd X, U15B, U14B, U13A and U12B. A Year 13 pupil was selected for the U20 England Squad competing in the U20 World Cup in Hong Kong over summer.

The 2023-2024 netball season was another successful one. Over 300 fixtures were played across 40 teams from U8-U19 recognising the breadth and depth of the sport across the school. At performance level, the U19 squad won two national titles in the Independent Schools Netball Cup and the Sisters & Sport National Cup. The U14A team also became England Netball National Schools' Champions. Two netball athletes gained international selection, one of whom represented England U21 at Netball Europe and another representing Scotland U17 at Netball Europe.

In rugby union, the Senior School played 164 fixtures resulting in 96 wins and over 4,000 points scored. Over 850 students represented the school in rugby from U8-U18 and the school fielded A-D teams in most age groups. The U14A team reached the quarter finals of the National Cup and the U15A team reached the last sixteen. The U13A teams won the Caldicott 10s Plate. In terms of senior representation, two boys represented at academy level with 8 representing at age group level. Two boys represented at U18 south-east and south-west level. Two female students have also represented Saracens this year as we

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look to grow rugby for female pupils at the School. In Rugby Sevens, our U15A team won the MTS 7s competition and our U14A team reached the second day of Rosslyn Park. Our U16A team also reached the Hertfordshire Schools final and the U12A team finished 2nd overall in the Caldicott 7s tournament.

This year saw the reintroduction of our Ski Race Team as we entered U11, U13, U15 & U19 squads into the ERSA School Championships and the National Indoor Open Ski Championships. In the national indoor competition, the senior girls team won the national title, and a Year 9 pupil became U16 National Individual Champion. The squad continues to grow and attends monthly training sessions to prepare for race competitions.

Squash continued to grow this year with 45 fixtures against 16 schools. 15 pupils are now competing in national competitions, and 64 students are now ranked in the county and therefore playing competitive squash externally. This makes up over 20% of the ranked junior players in Hertfordshire. Our Under 16A, U16B, & U14 teams all reached the final stage of the national schools' competitions with most top players playing in their 'down year', as age categories cross multiple year groups. Internally, we have had just under 200 students attend our after-school clubs over the year, with another 200 more also playing in Games & PE lessons.

Pupils in Years 1 to 8 continue to swim as part of the PE curriculum and the extracurricular swimming programme offers both morning squad sessions and after school swim development sessions. In the Hertfordshire League the Intermediate Girls and Junior Boys were 1st and the Year 7A boys achieved 1st place in the Herts Final Swimming Gala. Our Intermediate Girls team qualified for the ESSA National Championships and the school took part in the Warwick Invitationals. In the prestigious Bath & Nalson Cup, the girls finished 23rd in the 4x50m freestyle relay and 22nd in the medley relay and the boys finished 37th and 45th respectively.

In Tennis, the School competed in 47 fixtures, many tournaments and increased our win ratio from 25.4% last year to 42.6%. Participation rates continued to improve this year with 125 pupils representing the School. Extracurricular tennis opportunities have grown this year with pupils now having access to three early morning open sessions and additional squad sessions for team players. In Year 9, 57 pupils opted to take part in tennis during Games lessons and 51 in Year 10, demonstrating a rise in popularity of tennis as an activity. This year we entered the Eton Tennis National Championships in U13, U15 and U18 age groups, with the U13 boys making it to the last 16. One Year 13 student was awarded a scholarship to Idaho State University for tennis and was selected for the ISTA National Tennis team.

A running community continues to grow with increasing numbers attending our early morning running clubs and all pupils in Year 3 to 10 participate in house cross-country events. A large Berkhamsted cohort, both staff and pupils, continue to support the Berkhamsted Rotary Fun Run. Our cross-country teams were entered into the district competitions where we won 7 out of 8 age groups. At the Herts Schools Championships, our top senior and inter female athletes finished in second place and our top junior male athlete became county champion in the junior boys' event.

2023-2024 Music and Drama Achievements

In Music and Drama our students continued to excel; the hugely successful production of Into the Woods by Year 7 with the seniors performing a self-written production called Hungry like the Future which they also took to Edinburgh Fringe this summer which received huge accolade.

The Music department held musical Gala evenings, and showcased their talents too, culminating in a hugely successful Music tour to Paris in July this year with 140 pupils.

Community

Our value to 'Serve Others' often sees our students giving something back to the local community. This continued with the regular House charity support, the Year 13 volunteering and the Year 7 litter

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picking. We were delighted to be able to welcome back Senior Citizens to our tea party in the summer. Whilst enjoying the musical talents of students they tucked into sandwiches and cakes (made by the students) and entered the cake judging competition. The usual non-school uniform days took place during the year with money raised donated to worthy charities.

In July the annual Prize Giving Service was attended by circa 3,000 parents, staff, governors, pupils, and guests; our prizes being value based and awarded on contribution to the school rather than based on academic achievement. The Academic Attainment awards were presented in an end of year assembly at each Senior school. The focus of this year's event was character. Students, guest speaker and performers all using the opportunity to demonstrate the importance of character in relationship to the pupil journey and to the next stage of their life.

PUBLIC BENEFIT

In considering the provision of Public Benefit, the Governors have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

Scholarships and Bursaries

The Governors are committed to broadening access to the school by offering means-tested bursaries to eligible parents/guardians. The gross value of scholarships and bursaries awarded totalled £1.598m (2023: £1.568m) of which £1.554m (2023: £1.562m) was met from unrestricted funds, where the policy is to assist in hardship cases where the pupil's education and prospects would otherwise be at risk. Bursaries are available both to new pupils to the school where a scholarship place has been offered and parents/guardians cannot afford the tuition fees, and also existing pupils where an unexpected change in parents'/guardians' circumstances has resulted in severe difficulty in meeting tuition fees and may otherwise result in a pupil being withdrawn part way through a stage of education.

The school has continued with its plans to raise the level of bursary funding through an increased programme of activity to reach out to talented pupils in the local community who would benefit from financial assistance towards fees. Bursary funding was £1.072m (2023: £1.152m) which supported 45 pupils, 26 of these receiving fully funded school places.

Scholarships are awarded on merit to pupils who Governors wish to attract to the school because of the contribution that they can make to school life, be that academic, musical, sporting, creative or leadership. Individual scholarship awards are usually worth 10% of tuition fees and means-tested bursaries are available to increase the support where needed. Financial assistance may also be provided, where appropriate, for uniform and sports kit, travel to and from School and for extra-curricular activities and lessons.

Partnerships with other schools and the community

The school seeks to share its expertise and perspectives with colleagues from state schools. This has involved exchanging teaching experience for newly qualified teachers and trainees and providing INSET advice for state school teachers and moderators. Our sports staff have organised tournaments for local and other state schools and the regular annual Oxbridge Information Evening is open to local state schools.

Our pupils take part in many activities in the community including visiting the local Hospice, helping in charity shops, visiting the elderly, hosting an Easter tea party, as well as assisting in local primary schools. Year 13 students also join The Student Consultancy which is run in conjunction with the Careers Service at the University of Oxford, a programme which is now being rolled out to schools around the country after its introduction here through which free management consultancy is offered to charities and local government.

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The school's Knox-Johnston Sports Centre is open to the public and priority is given to local children's groups and clubs.

The school is a co-sponsor with the London Diocese for Schools of Wren Academies Trust, based in Finchley and Enfield, providing two Directors for the Board, and two governors for each of the local governing bodies. The school continues to offer extensive help and advice to both the senior team and to Heads of Department at the Academy. Pupils from Wren Academy Trust continue to enjoy visits to utilise the school's extensive facilities on site, as well as some of our education programmes. The relationship with Wren is of mutual benefit for both parties. For example, Wren's experience of being a Building Learning Power school pre-dates ours.

We have also developed a similar partnership with Denbigh High School in Luton, sharing access to facilities and expertise. Denbigh High School does not have its own Sixth Form, and in September 2018 we admitted an initial intake of six aspirational pupils from this school to benefit from a Berkhamsted Sixth Form education, funded completely from School bursary funds and targeted donations. A further three pupils from Denbigh High School have joined our Sixth Form in September 2023 making a total of 39 since 2018. We have also established additional similar collaborations and partnerships, particularly across the wider Chiltern learning Trust.

Our Chief People Officer is Vice Chair of Governors at Ashlyns, a local secondary state school in Berkhamsted.

Pre-used digital devices have been donated to the Mission Employable charity and many of the School's facilities have been utilised free of charge for local community and charity benefit.

During Easter and Summer holidays for the last 5 years the School has provided a free of charge Summer School for Hertfordshire County Council Looked After Children.

FINANCIAL REVIEW

Results for the Year

The Consolidated Statement of Financial Activities on Page 32 shows net incoming resources before transfers for the year of £4.170m (2023: £2.026m).

Income

School fee income was £42.873m in the year (2023: £37.332m), representing an increase of 14.8% which reflects the prevailing level of fee increase supplemented by higher pupil numbers. Ancillary income was also higher at £2.761m (2023: £2.489m) primarily due to higher revenue from school trips and extra-curricular drama and music lessons.

Expenditure

A large proportion of the School's expenditure item is on staff costs and these rose in the year ended 31 July 2024 to £26.715m (2023: £24.577m), an increase of 8.7%. which was due to cost of living increases and higher Teachers Pension contributions.

Cash

The School's net cash position increased during the year ended 31 July 2024. At the year-end the school had cash balances of £25.549m and bank borrowings of £8.624m resulting in a net cash position of £16.925m. (2023: £4.559m). The increase was primarily due to parents making advanced fee payments to the School.

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Subsidiary company performance

The School has two wholly owned trading subsidiaries. Berkhamsted School Enterprises Limited runs the various commercial activities of Berkhamsted School, and following the resumption of all activities operated pre-pandemic, recorded a profit of £146k (2023: £81k). Berkhamsted Day Nursery Limited provides day-care to babies and children under 3 years old and out of school hours care for Prep and Pre-Prep pupils. The Nursery company generated a profit before tax and gift aid of £141k (2023: £179k).

Contribution to UK authorities

The School's direct contribution during the year to the UK Exchequer amounted to £10.6m (2023: £8.7m) of tax revenues, based on the school's payments of employer national insurance contributions (NICs), business rates and council tax, Vehicle Excise Duty, taxes on business supplies purchased (such as VAT), plus payments by our school's staff of income tax and NICs.

It is also worth noting that all parents in our school, as with all other private schools, contribute to State school funding via taxes whilst also saving the government from having to fund their children's education in the State system. Based on State funding fees, as per the government's published National Funding Formula, the estimated saving to the public purse is £13m per annum.

Going concern assumption

The Governors closely monitor the current and future expected financial performance of the school, taking into consideration budgets, forecasts and the longer-term strategic business plan. In 2024, these budgets, cashflows and forecasts have been remodelled to reflect plausible downside scenarios specifically relating to increasing energy costs and increases in interest rates. Conservative cash flows were prepared based on the revised forecasts with sensitivity analysis on the key assumptions such as the impact of a drop in pupil numbers. This scenario planning confirmed the cash reserves of the School are adequate to meet the charity's obligations as they fall due and the same modelling continues to be valid to demonstrate the School is financially secure and able to operate effectively for the foreseeable future.

The School reported a strong cash position at the year-end together with healthy pupil numbers for 2024/25 offering the Governors a confident expectation that the charity has adequate resources to continue its activities for the foreseeable future, being at least 12 months from the date of approval of the financial statements with there being no material uncertainties over the school's financial viability.

Accordingly, Governors continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities on page 27.

Fundraising Performance

The school continues to progress a number of initiatives to increase awareness amongst the school's constituent communities to provide additional resources. £118k (2023: £105k) was raised during the year, with monies allocated to Bursary and Scholarship Funds. The Governors would like to thank all donors for their generosity and support for the school in this regard.

The majority of the school's income is from school fees and other associated income. The school has not engaged with third parties to raise funds and any direct approach to members of the public for funding has been limited to parents of pupils and alumni. No complaints were received in relation to our fundraising activities (2023: No complaints).

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Investment policy, objectives and performance

The Governing Body aims to maximise the overall return on the portfolio consistent with a degree of risk acceptable to it. Funds are invested with Brewin Dolphin in a broad range of global equities, bonds and other forms of investment.

The overall investment objective for total return for funds invested with Brewin Dolphin can be quantified as inflation plus 3% per annum. The Charity's investment performance of its managed investment funding is monitored as a standing item by the Finance & Property Committee. During the year, the value of investments held in the School's main investment account with Brewin Dolphin rose from £1.810m in 2023 to £1.954m in 2024, an 8.0% increase. The school also has a second investment account for the management of the monies raised for its Anniversary Fund. The value of this investment account increased from £1.491m to £1.721m. This increase was due to £59k of additional funds and £37k of reinvested dividends in addition to an increase in the value of the existing investments. On an annual basis Governors assess performance in the light of prevailing market conditions. Whilst it is disappointing that the investment performance has not met the objectives set, the volatility across the market place over the last twelve months has driven the under performance and Governors will continue to assess the fund management effectiveness.

Reserves level and policy

The school's reserves policy is to maintain sufficient unrestricted income reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall.

The school's total reserves of £51.875m at the year-end included £7.985m of endowment funds, £0.230m of unspent restricted funds and unrestricted funds of £43.660m. The school has no free reserves at the balance sheet date due to the investment of funds in tangible fixed assets, largely buildings for use within the school. However, the Governors regularly examine the school's cash flows alongside the development plans for the future and are satisfied that they are adequate for the purpose of meeting its working capital requirements and that they will also cover strategic capital expenditure.

Notes 13 and 14 to the financial statements set out an analysis of the school's endowment, restricted and unrestricted funds and their attributable assets. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

It is the school's policy to build up funds to meet planned improvements and additions to the School's resources by means of annual operating surpluses and judicious management of investment assets.

Total investment return

During the year ended 31 July 2016 the Governors, in their role as Trustees, exercised the power granted under section 104A of the Charities Act 2011 to adopt a total return approach to investment of the School's permanent endowment. A permanent endowment of £1,144k was originally given to the school in 2003 and an initial valuation of the Unapplied Total Return (UTR) of £687k was approved by the Governors on 14 June 2016.

- In years when the permanent endowment generates sufficient UTR an amount equivalent to the brought forward value of the permanent endowment multiplied by the annual increase in the Consumer Price Index (CPI) should be allocated to capital to maintain the value of the fund for future beneficiaries.
- Where there is insufficient UTR generated each year to make the allocation to capital indicated above the school must retain £100,000 of UTR to act as a buffer against years when the UTR is flat or reduced.

Berkhamsted Schools Group

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PRINCIPAL RISKS AND UNCERTAINTIES

Safeguarding

As a school risks relating to Student wellbeing such as exposure to bullying, online threats, abuse and mental health issues are key for us to mitigate as failure to address these can lead to physical and emotional harm, reputational damage and potential legal repercussions. As a result we have implemented a suite of related policies such as Child Protection and Safeguarding, Prevention of Bullying, Wellbeing and Counselling amongst others and these are regularly reviewed to ensure compliance with the latest guidelines. All staff members undergo extensive training to recognise signs of harm and understand reporting procedures. We use robust digital monitoring systems to address online safety concerns and enforce strict access controls whilst promoting an exclusive environment where pupils feel safe to report concerns. We are committed to maintaining a secure and supportive learning environment.

Parent affordability

Parent affordability remains a key risk for the School, particularly with the Government's announcements on 29 July 2024 that VAT will be implemented on independent school fees with effect from January 2025. In addition to the abolition of mandatory business rates relief for schools, the imposition of VAT follows on from other recent significant financial pressures for parents such as the cost of living and energy crises, the Russia Ukrainian war and the impacts caused by the COVID-19 pandemic. All of these issues also represent significant cost challenges for the School in terms of its own cost base and its supply chain sustainability. Whilst the uncertainty as to future fee levels has seen a more cautious approach to registrations, demand for places at the School remain high and Governors are keen to ensure all that can be done is done to maintain that interest. Governors are committed to mitigating the impact of VAT on school fees as far as possible, whilst ensuring that Berkhamsted's quality of provision remains exemplary. The School's aim remains to ensure fee increases are maintained over the medium to long term to an average well below that of the Independent School sector and general inflation.

Staff and pupil wellbeing

Linked to the effects of all the challenges referenced above, Governors are also very conscious of the potential risk to the morale and general wellbeing of staff and pupils and this is an area reviewed with Management on a regular basis.

Cyber security

Cyber risk and general data security remains in sharp focus, with schools continually being targets for cyber attacks. With the support of our Governors the School has invested in tools and user training to protect against attack and further control measures were implemented towards the end of the academic year when attempted attacks were seen to increase across the sector.

Teachers Pension Scheme

The rising costs of the Teachers' Pension Scheme arrangements remain a significant risk within the sector and the School has mitigated such risk by implementing a hybrid solution that balances the exposure to further cost rises with the need to retain and recruit outstanding staff.

Estates Development

The Governors have agreed an estates development masterplan aimed at ensuring the School can deliver the best and most appropriate facilities to help our pupils develop to the best of their potential and to prepare them for the world beyond school. Such ambitious building development plans also carry associated

Berkhamsted Schools Group

STRATEGIC REPORT

risks, particularly in relation to planning issues, that are managed with the appointment of relevant expertise and close Senior Management and Governor supervision.

Health and Safety

Health and Safety is considered to play a significant part in risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). Risk is mitigated via risk assessment and the enforcement of Health and Safety Policy which is monitored and reviewed by the School's Health and Safety Committee. This body reports to the Risk and Regulatory Committee. The School also employs a Health and Safety Officer to ensure that the Health and Safety Policy is consistently applied along with mandatory Health and Safety training for all employees.

Governors are responsible for the management of the risks faced by the School. Detailed consideration of risk has been formally delegated by Governors to the Risk and Regulatory Committee, assisted by the Principal, Chief Operating Officer, and members of the School's Senior Management Team.

SECTION 172 STATEMENT

Berkhamsted School's Group is governed by its charitable objects as set out on page 8 which outline the purpose of the charity. All decisions and activities of the charity take into account how we best deliver that long-term purpose and are driven by our strategic aims (see page 10). All decisions we make as a charity, from our operational teams through to the Board of Governors, are made in the best interests of our beneficiaries, (pupils), and in the knowledge we are accountable to them, their parents, regulators and our staff.

The Board of Governors consider that they have adhered to the requirements of Section 172 of the Companies Act 2006 (the "Act") and have, in good faith, acted in a way that they consider would be most likely to promote the success of the school for the benefit of its key stakeholders and, in doing so, have had regard to and recognised the importance of considering all stakeholders and other matters (as set out in s.172(1)(a-f) of the Act) in its decision-making. Our Board of Governors consists of a broad mix of backgrounds including former and existing parents of the school, educational experts plus well-established commercial successes in areas such as law, property, finance and risk management. Many of our Governors are also local community members.

The Board has approved a number of policies that help to ensure the safety of our pupils and staff, such as Child Protection and Safeguarding, Wellbeing and Counselling, Health & Safety, Missing Persons, Critical Incident Plan, Online Safety, Prevention of Bullying, as well as those that ensure the integrity of our business conduct, such as Anti-corruption and Bribery, Bursary, Complaints, Whistleblowing, Anti-modern slavery. The school's Anti-modern slavery statement can be seen on the school's website at the following location. <https://www.berkhamsted.com/wp-content/uploads/2024/09/Anti-Modern-Slavery-Statement-2024.pdf>

As part of the Governor induction process, governors are briefed on their duties and responsibilities under the Companies Act. The governors are entitled to request from the school all such information they may reasonably require in order to be able to perform their duties. On-going training is provided to the governors, as required, to ensure that their knowledge remains up to date and they continue to be able to discharge their duties as company directors.

For all decision making at Board level, discussion takes place around employee impact and impact on other stakeholders, such as pupils, parents and the local community. The relevance of each stakeholder group may vary by reference to the issue in question, so the Board seeks to understand the needs of each stakeholder group and any potential conflicts as part of its decision-making. The school's Executive team and Senior Management team ensure the Board are fully focused on the impacts to each stakeholder group.

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Our Governors attend “Governor Engagement Days” during the school year which affords them the opportunity to engage directly with pupils and staff so they can gain a greater insight into the School’s operations and also challenge staff and be challenged by them.

Key decisions

For the year ending 31 July 2024, the Governors consider that the following are examples of key decisions that they made in the year. This is not intended to be an exhaustive list of board decisions but instead highlights areas of significant impact:

- Approval to invest in alternative energy sources, leading to the install of solar panels across multiple school sites
- Expansion of the boys boarding house to accommodate additional capacity demands
- Implemented new pension options for academic staff with associated amended pay scales
- Amended the risk profile of the Anniversary fund investment portfolio
- Entering into new utilities contracts for renewable energies (gas 2 years from April 2024 and electricity 1 year from October 2024)
- Increased prioritisation of Treasury Management
- Implemented operational efficiencies to mitigate fee increases resulting from implementation of VAT on school fees
- Modernised and re-issued Articles of Association, including removal of appointment age restriction for Governors
- Appointment of a one new Governor during the year
- Continuation of an extensive wind and watertight inspection and maintenance programme across the School campus
- Published a new menopause policy
- Appointed a new role of Group Director of EdTech
- Re-appointment of auditors following a robust tender exercise
- Committed to undertake an internal tender exercise with incumbent catering supplier
- Published a clear statement on use of Artificial Intelligence within the IT Acceptable Use policies
- Move to a smart-phone free school from September 2025 for pupils up to Sixth form
- Agreed changes to the Articles of Association of Wren Academies Trust which more formally recognise the role of Berkhamsted schools Group as Co-Sponsor

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- Implemented changes to senior management positions (involving internal promotions) following the departure of the Vice Principal, Mr Andrew Ford at the end of the academic year
- Invested in a new platform and process for managing return to play following head injuries, enhancing the safety and wellbeing for all our pupils
- Changes to Prize Day ceremonies from Summer 2025, separating year groups

Stakeholder engagement

The table below sets out our approach to stakeholder engagement during 2023/2024:

Stakeholders	Why are they important to Berkhamsted School?	Our approach to stakeholder engagement and consideration in the Board's decision making
Parents	Parents are the school's customers and also joint stakeholders in the development of the pupils. Their involvement in the school in both these capacities is fundamental to the success of the school and we aim to form a key alliance with Parents through strong and varied communication.	<p>We aim to involve parents as much as possible in the running of the school through open days, parents' evenings and other events that showcase the School's strength in music, drama and sport.</p> <p>In addition the Governing body is always cognisant of the importance of fee levels in attracting and retaining the pupil base and places great importance in the efficient running of the school and the tight control of fee increases.</p> <p>During the year we held year group parent engagement dinners and several focus group discussions.</p>
Pupils	Our values of "Aim high with integrity, Be adventurous and Serve others" are shared across the Berkhamsted family of schools. Children from Nursery through to Sixth and staff too are encouraged to embrace these ideals in everyday life. Our pupils are the very reason the school exists and their development is at the heart of all we do.	<p>The senior school takes a strong pastoral approach to the development of pupils by maintaining a "house" structure which exists alongside the academic timetable.</p> <p>The purpose of assigning all pupils to a house with dedicated house tutors is to ensure that each individual pupil has a sense of belonging and ready access to approachable members of staff who will look to ensure that there is a strong focus on their wellbeing. A revised pastoral structure for Sixth Form was successfully implemented from 1 September 2023, enabling a smooth transition to a university or workplace environment.</p> <p>An in-house psychologist adds expertise to the pastoral support available.</p>
Employees	Our employees' commitment to developing outstanding and rounded individuals is essential for us to earn the trust of both existing and prospective parents so that they have the confidence that Berkhamsted School is the best place for the education of their children.	We have a Staff Consultation Committee that meets regularly and raises matters to the Executive for discussion and decision and have a voluntary arrangement in place with the NASUWT (the NASUWT works to enhance the status of the teaching profession to deliver real improvements to teachers' working lives, seeking to ensure they are recognised and rewarded as highly skilled

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Stakeholders	Why are they important to Berkhamsted School?	Our approach to stakeholder engagement and consideration in the Board's decision making
		<p>professionals with working conditions that enable them to focus on their core role of teaching).</p> <p>We have regular all staff meetings as well as a weekly briefing to cascade important information to all levels of the workforce.</p> <p>Berkhamsted School is committed to promoting the health and wellbeing of our workforce.</p>
Suppliers	<p>We rely on a range of suppliers to deliver services to ensure the school can operate efficiently and effectively for the benefit of our pupils and workforce. It is vital that we build strong working relationships with our intermediaries, including around risk management and customer service.</p>	<p>The school works closely with a wide range of key suppliers with the aim of ensuring that the school's requirements in terms of service levels and price are clearly understood and delivered upon.</p> <p>At the same time the school works ethically with suppliers settling invoices within payment terms and raising queries promptly.</p> <p>The school has well-developed internal processes to ensure that suppliers' invoices receive appropriate levels of authorisation for payment.</p>
Community/wider society	<p>We recognise the importance of contributing to our communities through volunteering, community investment, and long-term partnerships. In addition, as a significant employer in the area and a large landowner we are fully aware of our responsibilities with regard to the importance of sustainability and the impact our decisions may have on climate change.</p>	<p>We make our facilities available free of charge to a number of local community groups whether that be schools, sports clubs or disadvantaged individuals.</p> <p>In addition, we provide employment opportunities for a local learning disability employment charity.</p> <p>For significant development activities, such as the planning application for a new Sixth Form building, we hold public consultations to discuss details of our plans with all interested parties and to seek their feedback and concerns.</p> <p>In July 2023 we published our first "Community Impact Report" for key stakeholders.</p>
Regulators	<p>We understand that regulators are key in maintaining the credibility of both the school and the sector that we operate in. The school strives to be fully compliant in all areas in which we face external regulatory review and ensures that any regulatory changes are understood and acted upon quickly.</p>	<p>The Senior Management of the School are fully involved in all areas where the School is subject to regulatory control. School Governor Committees will be kept informed of all regulatory review outcomes and recommendations and governors will then ensure that Senior Management acts upon recommendations to resolve any areas of structural or process weakness. We seek (and follow) guidance from relevant parties such as ISBA, IPA, ISC and BSA.</p>
Donors	<p>Donations to the school's charitable entity provide opportunities to increase the public benefit from the delivery of the school's main charitable</p>	<p>All donations are gratefully received and acknowledged by the school. Donors are made aware by the school website and other forms of communication of how their donations are being used to provide educational opportunities.</p>

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Stakeholders	Why are they important to Berkhamsted School?	Our approach to stakeholder engagement and consideration in the Board's decision making
	aim of promoting the education of its pupils.	
Alumni	The School recognises the importance of its alumni in that they are the representation of the delivery of the School's talent and expertise in teaching and pastoral care. The School also regards its alumni as a strong link to the outside world which can provide further benefit to current pupils.	The School maintains contact with its alumni through its links with the Old Berkhamstedians organisation and also through the Berkhamsted Society which has been set up by the School to encourage stronger relationships between the town of Berkhamsted, the School and its alumni.

Sustainability Report

Berkhamsted School is committed to incorporating sustainability into all of its teaching and activities. This is reflected in these initiatives amongst others:

- The operation of a Sustainability Committee to provide leadership, co-ordination and guidance on how to integrate sustainability principles and practices into all of the School's activities and operations.
- Participation in the Government's Streamlined Energy and Carbon Reporting (SECR) framework, on an annual basis - calculating the School's Scope 1 and 2 emissions, and comparing them on an absolute and intensity basis.
- Ensuring that the School's performance targets align with UN Sustainable Development Goals (SDGs), in those fields where the school has, or could have, the greatest impact.
- Putting initiatives and strategies in place, over the next few years, to reduce the School's overall carbon emissions. As well as continuing to reduce energy consumption, and transport-related emissions, the School will also seek to gain a greater understanding of the Scope 3 emissions generated in its supply chain.
- The provision of a home-to-school coach service transporting up to 580 pupils every day, with each coach journey on average saving 31 parent car trips and 3.47 g/km of CO₂. The School has also negotiated discounts with train and bus providers, and is developing software to facilitate car-sharing by pupils and their parents, and by staff.
- The recent addition of three fully electric zero emission vans to the School's vehicle fleet, and introduction of an electric bike scheme for staff travelling between School sites. Looking ahead, there are plans to develop electric vehicle charging, to be accessible to staff, pupils and visitors, by 2030.
- The adoption of a zero waste-to-landfill policy, supported by a partnership with Grundon Waste Management Ltd. This ensures that most waste is recycled, and that the remainder is incinerated in a way that generates electricity and provides heat to local homes.
- The attainment of Green Flag eco awards by Heatherton and Berkhamsted Pre Prep schools.
- Encouraging active "switch off" campaigns around the Schools.

Berkhamsted Schools Group

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The School acknowledges the wider impacts of our activities and operations on the natural environment and our surrounding communities, and that our decisions and initiatives can make a difference for the better. Berkhamsted Schools Group support the UN's Sustainability Development Goals (SDGs) and we therefore made sure that in setting our KPIs and goals that some of these aligned with the UN SDGs. We did this by identifying and focusing on the ones where we believe Berkhamsted can have the greatest impact. The targets we are focusing on are:



STATEMENT ON STREAMLINED ENERGY AND CARBON REPORTING (SECR)

GHG emissions and energy used between 1 August 2023 and 31 July 2024

Measure	Units	UK and Offshore	
		2023/24	2022/23
Energy consumption used to calculate emissions	Total Energy (kWh)	7,675,000	8,778,000
Emissions from the combustion of gas	Scope 1 (tonnes CO ₂ e)	961	1,165
Emissions from the combustion of fuel for transport	Scope 1 (tonnes CO ₂ e)	42	25
Emissions from purchased electricity (location based)	Scope 2 (tonnes CO ₂ e)	465	443
Emissions from the combustion of fuel for transport	Scope 3 (tonnes CO ₂ e)	0	0
Total gross tonnes CO ₂ e	Scope 1, 2 and 3	1,468	1,633
Intensity ratio : Gross tonnes CO ₂ e / number of students	Intensity ratio	0.677	0.758

Methodology

The above data has been prepared in accordance with the provisions of the GHG Reporting Protocol – Corporate standard and HM Government's Environmental Reporting Guidelines including streamlined energy and carbon reporting guidance, issued March 2019.

DEFRA conversion factors 2019 have been used to convert electricity and gas consumption in kWh to tonnes CO₂e and to convert transport fuel consumption in mileage/litres to tonnes CO₂e and then to kWh.

Action on energy efficiency undertaken during the reporting period

- Significant investment has been made to our Building Management System during 2024, by upgrading the software and control systems. This will greatly reduce energy consumption to one of our senior school campuses by giving full automated operational control over heating and cooling to all areas.

Berkhamsted Schools Group

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- Significant investment was made during 2024 for the replacement of three large roof structures across three school campuses, projects completed August 2024. This will greatly reduce heat loss with the installation of modern thermal materials withing the new roof structure.
- The rolling programme of replacing all lighting to LED continued and is now 75% complete.

AUDITOR

Crowe U.K. LLP has indicated its willingness to be re-appointed as statutory auditor.

Insofar as each of the Governors of the school at the date of approval of this report is aware there is no relevant audit information (information needed by the school's auditor in connection with preparing the audit report) of which the school's auditor is unaware. Each Governor has taken all of the steps that he/she should have taken as a governor in order to make himself/herself aware of any relevant audit information and to establish that the school's auditor is aware of that information.

Berkhamsted Schools Group

GOVERNORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The Governors are responsible for preparing the Governors' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net incoming resources for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 1993. 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.

APPROVAL

This Annual Report, including the Statement of Governors' Responsibilities, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Governors on 7 December 2024, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



C. COPLAND
Chair of Governors

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Members of Berkhamsted Schools Group

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the governor's responsibilities statement set out on page 26, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

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

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

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

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

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

Use of our report

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



Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date 19 December 2024

Berkhamsted Schools Group
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)

	Note	Unrestricted Funds		Restricted Funds	Endowment and Building Funds	Year Ended July 2024	Year Ended July 2023
		General £'000	Designated £'000	£'000	£'000	Total £'000	Total £'000
Income and endowments from							
Charitable activities	1	42,873	-	-	-	42,873	37,332
Ancillary trading income	2	2,761	-	-	-	2,761	2,489
Other trading activities							
Non-ancillary trading income	3	1,610	-	-	-	1,610	1,397
Investments							
Investment income		51	37	-	-	88	92
Bank and other interest		958	-	-	-	958	371
Voluntary sources							
Grants and donations		-	4	57	57	118	105
Total Incoming Resources		48,253	41	57	57	48,408	41,786
Expenditure on:							
Raising funds							
Non-ancillary trading	4	1,306	-	-	-	1,306	1,123
Fundraising and Development	4	17	-	-	-	17	22
Total cost of raising funds		1,323	-	-	-	1,323	1,145
Charitable activities							
Education and grant making	4	41,905	891	50	69	42,915	38,615
Total expenditure	4	43,228	891	50	69	44,238	39,760
Net income/(expenditure) before transfers and investment gains/(losses)		5,025	(850)	7	(12)	4,170	2,026
Gains/(losses) on investments	8	-	142	-	159	301	(70)
Net income/(expenditure) after gains(losses) on investments		5,025	(708)	7	147	4,471	1,956
Transfer between funds	14	(5,025)	5,025	-	-	-	-
Net movement in funds		-	4,317	7	147	4,471	1,956
Fund balances at 1 August 2023		-	39,343	223	7,838	47,404	45,448
Fund balances at 31 July 2024		-	43,660	230	7,985	51,875	47,404

Berkhamsted Schools Group
CONSOLIDATED AND SCHOOL BALANCE SHEETS
for the year ended 31 July 2024

	Notes	Group		School	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
Fixed assets					
Land and buildings	6	56,653	45,773	56,653	45,773
Other tangible assets	6	1,369	1,433	1,369	1,433
Investments	8	3,676	3,301	3,676	3,301
		<u>61,698</u>	<u>50,507</u>	<u>61,698</u>	<u>50,507</u>
Current assets					
Stock	9	46	65	46	65
Debtors	10	1,438	1,105	1,708	1,070
Cash at bank and in hand		25,549	13,358	24,967	13,240
		<u>27,033</u>	<u>14,528</u>	<u>26,721</u>	<u>14,375</u>
Creditors: Amounts falling due within one year	11	(15,643)	(7,998)	(15,331)	(7,845)
Net current assets / (liabilities)		<u>11,390</u>	<u>6,530</u>	<u>11,390</u>	<u>6,530</u>
Total assets less current liabilities		73,088	57,037	73,088	57,037
Creditors: Amounts falling due after one year	12	(21,213)	(9,633)	(21,213)	(9,633)
Net assets		<u>51,875</u>	<u>47,404</u>	<u>51,875</u>	<u>47,404</u>
Endowment and building funds	14a	7,985	7,838	7,985	7,838
Restricted funds	14b	230	223	230	223
Unrestricted funds					
Designated funds	14c	43,660	39,343	43,660	39,343
Total funds		<u>51,875</u>	<u>47,404</u>	<u>51,875</u>	<u>47,404</u>

Company number : 00622349

The net incoming resources for the financial year dealt with in the financial statements of the parent Charity were £4.170m (2023 : £2.026m).

The financial statements were approved and authorised for issue by the Board of Governors on 7 December 2024 and are signed on their behalf by;



C. COPLAND (Chair)



N. TWOGOOD

Berkhamsted Schools Group
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2024

	Note	2024		2023	
		£'000	£'000	£'000	£'000
Net cash inflow from operations					
Net cash provided by operating activities	(i)		<u>7,711</u>		<u>3,051</u>
Cash flows from investing activities					
Payments for tangible fixed assets		(12,305)		(4,322)	
Receipts on disposal of tangible fixed assets		35		-	
Cash transferred to Investment portfolio		(59)		(70)	
Investment income		88		92	
Deferred income payment from Investment Fund		(5)		-	
Bank interest received		958		371	
Net cash used in investing activities			<u>(11,288)</u>		<u>(3,929)</u>
Cash flows from financing activities					
Bank loans					
Bank loan drawdowns			-		9,000
Bank loan repayments			(681)		(492)
Fees in advance scheme					
New fees in advance money			17,126		107
Amounts utilised			(603)		(1,106)
Amounts repaid			(74)		-
Net cash provided by financing activities			<u>15,768</u>		<u>7,509</u>
Change in cash and cash equivalents in the reporting period			12,191		6,631
Cash and cash equivalents at the beginning of the period			<u>13,358</u>		<u>6,727</u>
Cash and cash equivalents at the end of the period	(ii)		<u>25,549</u>		<u>13,358</u>
(i) Reconciliation of net income to net cash flow from operating activities					
		2024		2023	
		£'000	£'000	£'000	£'000
Net incoming resources			4,170		2,026
Elimination of non-operating cash flows:					
- Investment income		(88)		(92)	
- Bank interest received		(958)		(371)	
- Loan interest charges		506		291	
- Finance costs		17		22	
Depreciation charge		1,457		1,181	
Prior year donation applied as bursary funding		-		(6)	
Profit on disposal of a fixed asset		(33)		(39)	
(Increase) / Decrease in stock		19		(36)	
(Increase) / Decrease in debtors		(333)		(201)	
Increase / (Decrease) in creditors (excluding fees in advance scheme and deposits)		2,636		(419)	
Increase in parents' deposits		318		695	
			<u>3,541</u>		<u>1,025</u>
Net cash inflow from operations			<u>7,711</u>		<u>3,051</u>

Berkhamsted Schools Group
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2024

(ii) Analysis of cash and cash equivalents

	2024 £'000	2023 £'000
Cash at bank	<u>25,549</u>	<u>13,358</u>

(iii) Analysis of changes in net debt

	1 Aug 2023 £'000	Cash flows £'000	31 July 2024 £'000
Cash and cash equivalents	13,358	12,191	25,549
Borrowings:			
- Debts due within one year	(173)	13	(186)
- Debts due after one year	(8,626)	(188)	(8,438)
Fees in advance scheme	(1,478)	(16,449)	(17,927)
			<hr/>
Total net debt	<u>3,081</u>	<u>(4,433)</u>	<u>(1,352)</u>

Berkhamsted Schools Group

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 July 2024

BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

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

The individual entities of Berkhamsted Schools Group have taken advantage of the disclosure exemption under FRS 102 to separately disclose categories of financial instruments and items of income, expenses, gains or losses relating to instruments as these have been presented on a group basis in the notes to the accounts.

The accounts present the Consolidated Statement of Financial Activities (SOFA), the consolidated balance sheet and the consolidated cash flow statement, comprising the results of the School and its wholly owned subsidiaries Berkhamsted Day Nursery Limited, Berkhamsted School Enterprises Limited and Berkhamsted Schools International Limited made up to 31 July 2024 and consolidated on a line by line basis. Intra-group transactions and profits are eliminated fully on consolidation. Uniform accounting policies have been adopted across the Group.

No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 5 March 1959 (company number: 622349) and registered as a charity on 15 November 1962 (charity number: 310630). Its registered office is 6 Chesham Road, Berkhamsted, Hertfordshire, HP4 3AA.

GOING CONCERN

The Governors closely monitor the current and future expected financial performance of the school, taking into consideration budgets, forecasts and the longer-term strategic business plan. In 2024, these budgets, cashflows and forecasts were remodelled to reflect plausible downside scenarios specifically relating to increasing energy costs and increases in interest rates. Conservative cash flows were prepared based on the revised forecasts with sensitivity analysis on the key assumptions such as the impact of a drop in pupil numbers. This scenario planning confirmed the cash reserves of the School are adequate to meet the charity's obligations as they fall due and the same modelling continues to be valid to demonstrate the School is financially secure and able to operate effectively for the foreseeable future.

The School reported a strong cash position at the year-end together with healthy pupil numbers for 2024/25, offering the Governors a confident expectation that the charity has adequate resources to continue its activities for the foreseeable future, being at least 12 months from the date of approval of the financial statements, with there being no material uncertainties over the school's financial viability.

Berkhamsted Schools Group

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 July 2024

Accordingly, Governors continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities on page 28.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The items in the accounts where these judgements and estimates have been made include:

- the useful life of tangible and intangible fixed assets;
- the level of provision required for unpaid school fees;
- the amount of expenditure that should be accrued for; and
- the allocation of overheads and governance costs between charitable expenditure categories.

FEES AND SIMILAR EARNED INCOME

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

EXPENDITURE

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

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

DONATIONS, LEGACIES, GRANTS AND OTHER VOLUNTARY INCOME

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

TANGIBLE FIXED ASSETS

Berkhamsted Schools Group

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 July 2024

Land and Buildings are carried in the balance sheet at their cost as the Governors consider it is not appropriate to apply a current value to such property. The cost of new buildings is added to fixed assets as it is incurred. The School seeks to maintain its properties in a good condition. The costs incurred in doing so, which can include major building modernisation and improvement, are written off as incurred. The cost of land and buildings represents expenditure since 1866. Foundation land and buildings bequeathed on trust for retention in perpetuity have not been valued.

The School capitalises strategic development projects (which are typically greater than £100,000), motor vehicles and significant equipment purchases; minor items of School equipment and furniture are written off in the year of purchase.

DEPRECIATION

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices in equal annual instalments over their expected useful economic lives as follows:

Land & Buildings	1 - 10%
Furniture & Equipment	20% - 25%
Motor Vehicles	20% - 25%

The Governors have considered the value of buildings and deem the depreciation policy appropriate.

INTANGIBLE FIXED ASSETS

The intangible fixed asset shown in the balance sheet relates to software costs incurred on the School's Finance and Human Resources management systems.

INVESTMENTS

Investments held as fixed assets are stated in the balance sheet at their bid price as at the balance sheet date. Any resulting gain or loss is taken to the fund to which it relates.

STOCK

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

ENDOWMENT AND BUILDING FUNDS

The Endowment and Building Funds represents the Charity's endowed assets comprising land and buildings and certain investments (as referred to in the Charity's Scheme dated 29th August 1996) together with all subsequent additions to buildings. All strategic building projects from 2004 were funded from general reserves and in recognition of this, these costs have been separately identified within a designated unrestricted fund.

TOTAL RETURN INVESTMENT ACCOUNTING

A Charity Commission Order dated 21 October 2012 authorises the School to adopt a 'total return' basis for the investment of its permanent endowment. Under the Total Return Order, the School can invest its permanent endowments without regard to the capital/income distinctions of trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated, under the Order, as a capital supplement to the preserved ('frozen') value of the permanent endowment.

Berkhamsted Schools Group

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 July 2024

FUND ACCOUNTING

The charitable trust funds of the School and its subsidiaries are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's Objects or to benefit the School itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the School (freehold land) or for financial benefit (by investment). The Total Return Order stipulates that any investment returns will accrue to a capital element (Unapplied Total Return) to the permanent endowment.

PENSION ARRANGEMENTS

For some teachers the School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the School by the scheme administrator. The School is unable to identify its share of the Scheme Funds and therefore the Scheme has been accounted for as a defined contribution scheme. For teaching staff who are not in the Teachers' Pension Scheme and non-teaching staff the School contributes to defined contribution pension schemes. For the Teachers' Pension Scheme and for defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. The School also sets aside funds to meet unfunded pension obligations for certain former members of staff.

OPERATING LEASES

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

FINANCIAL INSTRUMENTS

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2024

I SCHOOL FEES	2024 £'000	2023 £'000
Fees receivable consist of:		
Gross fees	45,479	39,829
Less: Bursaries, Grants and Allowances	(2,650)	(2,503)
Add back: Scholarships paid for by Restricted funds	44	6
	42,873	37,332
	42,873	37,332
2 ANCILLARY TRADING INCOME	2024 £'000	2023 £'000
Registration fees	150	171
Extra-curricular lessons	818	735
Hire and lettings income	80	70
Income arising from school trips	1,199	967
Other income	514	546
	2,761	2,489
	2,761	2,489
3 NON-ANCILLARY TRADING INCOME	2024 £'000	2023 £'000
Membership fees	42	37
Hire of facilities	221	132
Classes and admissions	171	168
Other income	96	39
Nursery care	1,007	964
Holiday camp	73	57
	1,610	1,397
	1,610	1,397

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2024

4 ANALYSIS OF EXPENDITURE

4a Total expenditure

	Staff Costs £'000	Depreciation £'000	Other Costs £'000	Total 2024 £'000	Total 2023 £'000
Raising funds					
Trading costs	993	-	313	1,306	1,123
Fundraising for voluntary resources	-	-	17	17	22
Total costs of raising funds	993	-	330	1,323	1,145
Charitable activities					
Teaching	20,858	436	5,682	26,976	24,934
Welfare	30	-	2,700	2,730	2,287
Premises repair and maintenance	2,151	1,022	6,118	9,291	7,755
Support costs and governance	2,682	-	1,187	3,869	3,630
Funding of scholarships	-	-	49	49	9
Total charitable expenditure	25,721	1,458	15,736	42,915	38,615
	26,714	1,458	16,066	44,238	39,760
2023	24,574	1,181	14,005	39,760	

4b Governance included in support costs

	2024 £'000	2023 £'000
Management time	47	53
Auditor's fees		
- Audit	46	46
- Tax compliance	18	18
- Other Services	1	3
Governors Indemnity insurance	5	5
Legal and professional fees	40	35
	160	160

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2024

5 STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2024 £'000	2023 £'000
Total staff costs comprise:		
Wages and salaries	20,474	18,996
Social security costs	2,060	1,913
Pension contributions	4,181	3,668
	<u>26,715</u>	<u>24,577</u>
Aggregate employee benefits of key management personnel	<u>1,580</u>	<u>1,557</u>

Key management personnel comprise the Executive team as described in the Trustee's Report.

The number of employees whose emoluments (excluding employer pension contributions) exceeded £60,000 were:

	2024	2023
£270,000 - £280,000	1	-
£250,001 - £260,000	-	1
£170,001 - £180,000	-	1
£120,001 - £130,000	2	-
£110,001 - £120,000	1	1
£100,001 - £110,000	2	1
£90,001 - £100,000	5	1
£80,001 - £90,000	3	5
£70,001 - £80,000	18	8
£60,001 - £70,000	<u>40</u>	<u>44</u>
	<u>72</u>	<u>62</u>

During the year, the School introduced flexible remuneration and pension options for teaching staff, offering a choice between a defined benefit (DB) pension scheme (Teachers' Pension Scheme, TPS) and a defined contribution (DC) scheme. Staff who opt out of the DB scheme can choose to receive part or all of the employer's DC pension contribution as additional salary. The emoluments bandings above (which exclude employer pension contributions) reflect a mix of staff, some of whom have opted to sacrifice pension contributions in exchange for higher salary payments.

Total payments to the School's defined contribution pension scheme in the year-end 31 July 2024 were £1.071m (2023: £948k).

Redundancy or termination payments of £134k (2023: £171k) arose during the year. There was £38k outstanding to be paid at the year end (2023: £142k).

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2024

5 STAFF COSTS AND RELATED PARTY TRANSACTIONS (CONTINUED)

The average number of employees during the year was made up as follows:

	2024		2023	
	Full time	Part time	Full time	Part time
Teaching staff	185	97	186	90
School based support staff	102	112	97	113
Maintenance and domestic staff	37	24	38	25
Administrative and Sport Centre	17	17	18	18
	<u>341</u>	<u>250</u>	<u>339</u>	<u>246</u>

In the year ended 31 July 2024 no Governors or persons connected with them received any remuneration or other benefits from the school (year ended 31 July 2023: £Nil). No expenses were reimbursed to Governors in the same period (2023: £194) in relation to the carrying out of their duties.

Gift aid transactions and year end balances between the Charity and its subsidiaries are shown in Note 15.

There are no further related party transactions requiring disclosure.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2024

6 TANGIBLE FIXED ASSETS – GROUP AND SCHOOL

	Land and Buildings £'000	Assets under construction £,000	Furniture and Equipment £'000	Motor Vehicles £'000	Total £'000
Cost					
1 August 2023	51,989	4,448	5,415	901	62,753
Additions	711	11,174	254	166	12,305
Disposals	-	(30)	-	(61)	(91)
Transfers	1,983	(1,983)			
31 July 2024	54,683	13,609	5,669	1,006	74,967
Depreciation					
1 August 2023	10,664	-	4,359	524	15,547
Charged in the year	975	-	358	124	1,457
Disposals	-	-	-	(58)	(58)
31 July 2024	11,639	-	4,717	590	16,946
Net book value					
31 July 2024	43,044	13,609	952	416	58,021
31 July 2023	41,325	4,448	1,056	377	47,206

Assets under construction comprise the new Sixth Form Centre together with the East Wing of the Old School building and a multi-purpose hall at Heatherton School both of which are still at the planning stage.

A number of school buildings with a combined value of £26.4 million have are pledged as security to NatWest Bank plc in connection with the loan facilities granted to the School for the Estates Masterplan development.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2024

7 INTANGIBLE FIXED ASSETS

GROUP	Software costs £'000
Cost	
1 August 2023	276
Additions	-
Disposals	-
	<hr/>
31 July 2024	276
	<hr/>
Depreciation	
1 August 2023	276
Charged in the year	-
	<hr/>
31 July 2024	276
	<hr/>
Net book value	
31 July 2024	-
	<hr/> <hr/>
31 July 2023	-
	<hr/> <hr/>
SCHOOL	Software costs £'000
Cost	
1 August 2023	255
Additions	-
	<hr/>
31 July 2024	255
	<hr/>
Depreciation	
1 August 2023	255
Charged in the year	-
	<hr/>
31 July 2024	255
	<hr/>
Net book value	
31 July 2024	-
	<hr/> <hr/>
31 July 2023	-
	<hr/> <hr/>

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2024

8 INVESTMENTS – GROUP AND SCHOOL

	Total 2024 £'000	Total 2023 £'000
Market value at 1 August 2023	3,301	3,279
Capital invested	59	71
Management charges	(17)	(22)
Revaluation	301	(70)
Net dividend income retained in Investment Fund	32	43
	<hr/>	<hr/>
Market value at 31 July 2024	3,676	3,301
	<hr/> <hr/>	<hr/> <hr/>

	Designated £'000	Endowment and Building £'000	Total 2024 £'000	Total 2023 £'000
Managed portfolio	1,367	2,309	3,676	3,301
	<hr/>			
Market value at 31 July 2024	1,367	2,309	3,676	3,301
	<hr/> <hr/>			
Historical cost of investments	1,260	2,069	3,329	3,198
	<hr/> <hr/>			

Investments are represented by (at market value):

	2024 £'000	2023 £'000
UK equity shares	767	647
UK bonds	174	159
Overseas bonds	330	323
Overseas equity shares	1,962	1,609
Other investments	307	381
Cash	136	182
	<hr/>	
Total	3,676	3,301
	<hr/>	

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2024

9 STOCK

	Group		School	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Stock of goods for resale	46	65	46	65

Stock held by the School comprises peripheral items for pupil's digital devices.

10a DEBTORS: Amounts due within one year

	Group		School	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Fees receivable	50	46	50	46
Recoverable disbursements	42	53	42	53
Trade debtors	132	179	18	77
Other debtors and prepayments	1,031	639	998	635
Due from subsidiary undertaking	-	-	417	71
	<u>1,255</u>	<u>917</u>	<u>1,525</u>	<u>882</u>

10b DEBTORS: Amounts due in more than one year

	Group		School	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Other debtors and prepayments	183	188	183	188
	<u>183</u>	<u>188</u>	<u>183</u>	<u>188</u>

Other debtors and prepayments due in more than one year relates to the obligation the school holds to use a court at a local squash club until the year 2059 following a contribution made to construction costs at the club in 2009.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2024

II CREDITORS: Amounts falling due within one year

	Group		School	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bank loan	186	173	186	173
Fees received in advance	5,250	585	5,250	585
Payments received on account	123	243	122	243
Fee deposits held at year end	3,513	3,197	3,498	3,185
Trade creditors	3,659	1,856	3,642	1,844
Other taxes and national insurance contributions	506	524	496	523
Other creditors	549	423	546	418
Accruals	1,179	757	1,068	726
Deferred income	678	240	523	148
	<u>15,643</u>	<u>7,998</u>	<u>15,331</u>	<u>7,845</u>

All deferred income shown in the table above relates to fees for the 2024/25 school year. All deferred income held at 31 July 2023 was released in the following year.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2024

12 CREDITORS: Amounts falling due in more than one year

	Group		School	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bank loan	8,438	8,626	8,438	8,626
Fees received in advance	12,677	893	12,677	893
Deferred income	98	114	98	114
	21,213	9,633	21,213	9,633
	21,213	9,633	21,213	9,633

Fees received in advance total £17.927m of which £5.250m falls due within one year, and £12.677m falls due between one and five years. The balance represents the accrued liability under the contracts. The movements during the year were:

	2024 £'000	2023 £'000
Balance at 1 August 2023	1,478	2,477
New contracts	17,126	107
Repayments	(74)	-
Amounts used in payment of fees to the school	(603)	(1,106)
	17,927	1,478
Balance at 31 July 2024	17,927	1,478

The fees in advance scheme has been successful in raising funds to upgrade the School's facilities, such as the new Sixth Form building. By saving on financing costs compared to bank loans, the School can better manage and limit future fee increases.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2024

The bank loan is analysed as:

	2024	2023
	£'000	£'000
Repayable:		
Between one and two years	197	184
Between two and five years	662	619
In five years and more	7,579	7,823
	<hr/>	<hr/>
	8,438	8,626
Repayable within one year	186	173
	<hr/>	<hr/>
	8,624	8,799
	<hr/>	<hr/>

The charity has the following loans:

- A fixed interest rate loan was taken out in September 2022 for £6.0 million with a final repayment scheduled for August 2047. Interest is charged at 5.33% and the loan is secured against various school properties.
- A variable rate loan was taken out in December 2022 for £3.0 million with a final repayment scheduled for November 2047. Interest is charged at 1.55% per annum over Base Rate and the loan is secured against various school properties.
- Both loans were taken out for the purpose of financing the School's Estates Masterplan.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2024

13 ALLOCATION OF SCHOOL NET ASSETS

	Tangible fixed assets £'000	Investments £'000	Other assets/ (liabilities) £'000	Total £'000
Endowment and building funds	5,515	2,309	161	7,985
Restricted funds	-	-	230	230
Unrestricted funds:				
Designated funds	42,177	1,367	116	43,660
Retained income	10,329	-	(10,329)	-
	<hr/>	<hr/>	<hr/>	<hr/>
31 July 2024	58,021	3,676	(9,822)	51,875
	<hr/>	<hr/>	<hr/>	<hr/>
31 July 2023	47,206	3,301	(3,103)	47,404
			2024	2023
Unrealised gains / (losses) included above in investments:			£'000	£'000
Endowment and building funds			159	(48)
Designated funds			142	(22)
			<hr/>	<hr/>
			301	(70)
			<hr/>	<hr/>

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2024

I4a ENDOWMENT AND BUILDING FUNDS

	Balance 1 August 2023 £'000	Incoming resources £'000	Resources Expended £'000	Investment gains/(losses) £'000	Transfers £'000	Balance 31 July 2024 £'000
Represented by:						
Land and buildings	5,584		(69)			5,515
Anniversary Fund	324	57				381
Scholarship and prize fund	1,930			159		2,089
	<u>7,838</u>	<u>57</u>	<u>(69)</u>	<u>159</u>		<u>7,985</u>

I4b RESTRICTED FUNDS

The Berkhamstedian Foundation	223	12	(5)			230
500 th Anniversary Fund	-	45	(45)			-
	<u>223</u>	<u>57</u>	<u>(50)</u>			<u>230</u>

I4c DESIGNATED FUNDS

The Berkhamstedian Foundation	114	2				116
500 th Anniversary Fund	1,186	39		142		1,367
Land and buildings	37,798		(891)		5,025	41,932
Heatherton Development Fund	245					245
	<u>39,343</u>	<u>41</u>	<u>(891)</u>	<u>142</u>	<u>5,025</u>	<u>43,660</u>

I4d UNRESTRICTED FUNDS

School funds	<u>-</u>	<u>48,253</u>	<u>(43,228)</u>		<u>(5,025)</u>	<u>-</u>
--------------	----------	---------------	-----------------	--	----------------	----------

I4e TOTAL FUNDS HELD

TOTAL FUNDS	<u>47,404</u>	<u>48,408</u>	<u>(44,238)</u>	<u>301</u>		<u>51,875</u>
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Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2024

Endowment and Building Funds

Land and Buildings

Tangible fixed assets are all held for use by the School. Land and Buildings represent assets donated on foundation and subsequent major additions at cost. As a consequence these assets are a mixture of those endowed to the School and those subsequently acquired. Tangible fixed assets are shown at cost in the balance sheet.

Buildings are depreciated at 1-10% of cost, with the charge being written off to the Endowment and Buildings Funds. All costs of maintaining the buildings are written off as expenses of the school in the year of expenditure.

Scholarships and Prize Fund

This fund represents bequests and donations received by the Charity, where the donor has specified that the funds should be used to provide opportunities for and acknowledgement of educational achievements for future generations. The investment income recognised on these funds is added to the balance each year.

During the year ended 31 July 2016 the Governors exercised the power granted under section 104A of the Charities Act 2011 to adopt a total return approach to the school's Scholarships and Prize fund. This allows the School to recognise an Unapplied Total Return ("UTR") element in the fund which is accessible for spending on current beneficiaries.

Under the Total Return approach, the school must ensure that the value of the fund does not fall below the core endowment value. The core endowment value is fixed at £1,144k representing the value of the endowment in 2003.

The overall movement in unapplied total return in the year ended 31 July 2024 was as follows:

	£'000
Unapplied total return at 1 August 2023	786
Add: Investment losses	159
Less: Resources expended	-
Unapplied total return before transfer to income	945
Less: transfer to income	-
Unapplied total return at 31 July 2024	945
Add: core value	1,144
Scholarship and prize fund assets at 31 July 2024	2,089

500th Anniversary Fund

This fund holds donations given to the school specifically to be invested under the name 500th Anniversary Fund to generate income from which school places will be made available to children who could not otherwise afford to attend the school. The name of the fund is in recognition of the forthcoming important anniversary of the school's foundation.

Berkhamsted Schools Group

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2024

Restricted Funds

The Berkhamstedian Foundation

This represents a restricted fund established for the purpose of providing resources for specific projects and to widen the opportunity for scholarships and bursaries.

500th Anniversary Fund

This part of the Anniversary Fund has been set up to receive donations to the Anniversary Fund that will be used to directly fund school places. The balance on this fund represents monies which have not yet been applied.

Designated Funds

Land and Buildings Fund

This represents fixed asset additions for major strategic projects mostly since 2004 funded from annual net incoming resources.

The Berkhamstedian Foundation

This represents a designated fund established by Governors. The fund represents unrestricted fundraising donations received which are set aside for the purpose of providing resources for specific projects and to widen the opportunity for scholarships and bursaries.

Heatherton Development Fund

The designated Development Fund represents unrestricted funds set aside by the Governors of Heatherton House School for the future functioning of the School.

500th Anniversary Fund

This fund is for unrestricted donations that the Governors have designated to be added to the 500th Anniversary Fund, a fund that provides access to the school for aspiring pupils who could not otherwise afford to attend.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2024

15 SUBSIDIARY UNDERTAKINGS

Berkhamsted Schools Group has three wholly owned subsidiaries all of which are registered in the United Kingdom and share the same registered office as the School (see page 5).

- Berkhamsted Day Nursery Limited (trading) - company number 07610890
- Berkhamsted School Enterprises Limited (trading) - company number 02048201
- Berkhamsted Schools International Limited (dormant) - company number 10054110

The trading subsidiaries pay all their distributable profits to the school through gift aid declarations and their results for the year and retained capital and reserves are shown below:

Berkhamsted Day Nursery Limited	2024	2023
	£'000	£'000
<i>Profit and loss account</i>		
Turnover	1,007	964
Total expenditure	(866)	(785)
Profit before tax and gift aid	141	179
Taxation	-	-
Gift Aid	(141)	(179)
Profit /(loss) after tax and gift aid	-	-
<i>Balance sheet</i>		
Total assets	288	62
Total liabilities	(288)	(62)
Net assets	-	-
Costs recharged from Berkhamsted Schools Group	48	39
Amount owed from / (to) Berkhamsted Schools Group	(176)	(8)
Berkhamsted School Enterprises Limited	2024	2023
	£'000	£'000
<i>Profit and loss account</i>		
Turnover	603	433
Total expenditure	(457)	(352)
Profit before tax and gift aid	146	81
Taxation	-	-
Gift Aid	(146)	(45)
Profit /(loss) after tax and gift aid	-	36
<i>Balance sheet</i>		
Total assets	441	161
Total liabilities	(441)	(161)
Net assets	-	-
Costs recharged from Berkhamsted Schools Group	16	15
Amount owed to Berkhamsted Schools Group	(241)	(62)

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2024

16 PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £3.133m (2023: £2.718m) and at the year-end £396k (2023 - £226k) was accrued in respect of contributions to this scheme.

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

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

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

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

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2024

17 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2023 the School had minimum lease payments under non-cancellable operating leases as follows:

	2024 £'000	2023 £'000
Plant and machinery:		
Due within one year	1,070	599
Due between one and five years	899	920
	<hr/>	<hr/>
	1,969	1,519
	<hr/> <hr/>	<hr/> <hr/>

18 CAPITAL COMMITMENTS

There are £9.652m (2023: £13.638m) of capital commitments as at 31 July 2024.

19 FINANCIAL INSTRUMENTS

Group financial assets measured at fair value are the School's investments which totalled £3.676m (2023: £3.301m). Income from assets measured at fair value in the year totalled £51,000 (2023: £51,000) and unrealised gains totalled £301,000 (2023: loss of £70,000).

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2024

**20 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE
FIGURES BY FUND TYPE**

Year Ended 31 July 2023

	Unrestricted Funds		Restricted Funds	Endowment and Building Funds	Total
	School £'000	Designated £'000	£'000	£'000	£'000
Income and endowments from					
Charitable activities					
School fees receivable	37,332	-	-	-	37,332
Ancillary trading income	2,489	-	-	-	2,489
Other trading activities					
Non-ancillary trading income	1,397	-	-	-	1,397
Other activities					
Investments					
Investment income	52	40	-	-	92
Bank and other interest	371	-	-	-	371
Voluntary sources					
Grants and donations	-	6	33	66	105
Total Incoming Resources	41,641	46	33	66	41,786
Expenditure on:					
Raising funds					
Non-ancillary trading	1,123	-	-	-	1,123
Fundraising and Development	22	-	-	-	22
Total deductible costs	1,145	-	-	-	1,145
Charitable activities					
Education and grant making	37,820	717	9	69	38,615
Total expenditure	38,965	717	9	69	39,760
Net incoming funds from operations before transfers and investment gains	2,676	(671)	24	(3)	2,026
Gains/(losses) on investments	-	(22)	-	(48)	(70)
Net income/(expenditure) after gains(losses) on investments	2,676	(693)	24	(51)	1,956
Transfer between funds	(2,676)	2,676	-	-	-
Net movement in funds	-	1,983	24	(51)	1,956
Fund balances at 31 July 2021	-	37,360	199	7,889	45,448
Fund balances at 31 July 2022	-	39,343	223	7,838	47,404

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2024

21 SUMMARY OF MOVEMENTS ON SCHOOL FUNDS AND ANALYSIS OF NET ASSETS BETWEEN FUNDS

Year Ended 31 July 2023

21a ENDOWMENT AND BUILDING FUNDS

	Balance 1 August 2022 £'000	Incoming resources £'000	Resources Expended £'000	Investment gains/(losses) £'000	Transfers £'000	Balance 31 July 2023 £'000
Represented by:						
Land and buildings	5,653	-	(69)	-	-	5,584
500 th Anniversary Fund	258	66	-	-	-	324
Scholarship and prize fund	1,978	-	-	(48)	-	1,930
	<u>7,889</u>	<u>66</u>	<u>(69)</u>	<u>(48)</u>	<u>-</u>	<u>7,838</u>

21b RESTRICTED FUNDS

The Berkhamstedian Foundation	193	33	(3)	-	-	223
500 th Anniversary Fund	6	-	(6)	-	-	-
	<u>199</u>	<u>33</u>	<u>(9)</u>	<u>-</u>	<u>-</u>	<u>223</u>

21c DESIGNATED FUNDS

The Berkhamstedian Foundation	111	3	-	-	-	114
500 th Anniversary Fund	1,165	43	-	(22)	-	1,186
Land and buildings	35,839	-	(717)	-	2,676	37,798
Heatherton Development Fund	245	-	-	-	-	245
	<u>37,360</u>	<u>46</u>	<u>(717)</u>	<u>(22)</u>	<u>2,676</u>	<u>39,343</u>

21d UNRESTRICTED FUNDS

School funds	<u>-</u>	<u>41,641</u>	<u>(38,965)</u>	<u>-</u>	<u>(2,676)</u>	<u>-</u>
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21e TOTAL FUNDS HELD

TOTAL FUNDS	<u>45,448</u>	<u>41,786</u>	<u>(39,760)</u>	<u>(70)</u>	<u>-</u>	<u>47,404</u>
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Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2024

21f ALLOCATION OF SCHOOL NET ASSETS

Year Ended 31 July 2023

	Tangible fixed assets £'000	Investments £'000	Other assets/ (liabilities) £'000	Total £'000
Endowment and building funds	5,584	2,115	139	7,838
Restricted funds	-	-	223	223
Unrestricted funds: Designated funds	38,047	1,186	110	39,343
Retained income	3,575	-	(3,575)	-
	<u>47,206</u>	<u>3,301</u>	<u>(3,103)</u>	<u>47,404</u>

BERKHAMSTED SCHOOLS GROUP

England & Wales - Charity number 310630

Accounts

Berkhamsted Schools Group

REPORT AND FINANCIAL STATEMENTS

For the year ended
31 July 2023

Berkhamsted Schools Group

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Berkhamsted Schools Group

WHO WE ARE

Berkhamsted Schools Group is a prestigious group of independent day schools in Hertfordshire and Buckinghamshire which also offer boarding for the senior year groups. Founded in 1541, we are a school that is firmly rooted in our local community and also has an international outlook with overseas students joining the school from Year 10.

Berkhamsted has an outstanding reputation based on the following key characteristics:

A **'diamond school'** - one of just a handful in the country, Berkhamsted offers co-educational tuition up to age 11 and single sex classroom education from the age of 11 to 16 - at a time when we believe girls and boys benefit most from being taught separately in the classroom, whilst extra-curricular activities are undertaken co-educationally at all ages. Girls and boys come back together in a co-educational Sixth Form. We also have a girls-only Prep School, Heatherton, in Amersham, which has a co-educational nursery class.

A **passion for learning and well-being** - the world is changing at an ever-increasing pace. We believe life-long learning will be required of all of us and awareness of the skills that enable us to learn effectively are a key requirement. At the school we develop these skills through the use of an educational framework called the "Learning Powered Approach" which underpins our approach in the classroom and in all extra-curricular activities. We also believe that our pupils need to develop qualities of character such as mental toughness and resilience to believe they can cope with whatever life throws at them. Our well-being programme and framework is comparable with any school programme in the country and we care deeply about the well-being of our school community and the individuals within it.

A **broad education** - we develop outstanding, well-rounded, remarkable young people through a broad education based not just on academic excellence, but also through activities outside the classroom, including sport, outdoor education, music, art and drama. We are proud to have produced excellence at national and international levels while maintaining very high levels of pupil participation in extra-curricular activities. We have one of the most outstanding outdoor education programmes at any school in the country, demonstrated by the high numbers of participants in the Duke of Edinburgh's Award at all levels, and the range of experiences offered through our Combined Cadet Force. Every pupil in senior school attends Bushcraft training and spends a night under canvas as part of the introduction to the Duke of Edinburgh's Award.

A **school that 'grows with you'** - we offer our pupils fantastic experiences and opportunities that stretch their abilities and help develop their full potential at all stages throughout their formative years. Our pupils leave us with the qualifications and life skills needed to make a successful transition to the next stage of life, be that a top university, or the start of their career in the workplace. These are gained through initiatives such as our innovative Student Consultancy, pioneered at Berkhamsted in conjunction with the Oxford University Careers Service and since rolled out nationally, or the work experience opportunities we provide to our Sixth Formers. Other opportunities exist at our Sports Centre as a lifeguard or with our in-house caterers to gain customer service experience at School events.

Outstanding **pastoral care** - we are predominantly a day school running on structures built up through a history of being a traditional boarding school. We have a vertical house system, run by Heads of House and their teams of tutors, who oversee and support each child's personal development.

A **large school** with a **small school** feel - we are based on four campuses in Berkhamsted and one in Amersham, each structured to cater for the different age groups taught at those sites from Pre-Prep in the woodland setting of the Haresfoot campus to a Sixth Form moving between Castle and Kings campuses as a taster of what lies ahead at university. Each school benefits from outstanding whole school facilities in close proximity, which smaller schools are unable to provide. Examples include our 500 seat Centenary

Berkhamsted Schools Group

Theatre, the Knox-Johnston Sports Centre and 25 metre swimming pool, nine Eton Fives courts, a Wooded Gruffalo Trail and our High Ropes course.

A school **with community spirit** - our pupils are consistently helping in the community and looking to uphold the school's value of 'Serving Others'. From the Prep school children visiting the local care home for regular musical performances, to Year 7 boys litter picking across town, through to our Sixth Formers helping at local primary schools and in High Street charity shops. The introduction of The Berkhamsted Society has also offered our local neighbours the opportunity to use the school's facilities and attend a number of cultural events which are open to all. We work with maintained sector schools in Berkhamsted, Hemel Hempstead and Luton, and co-sponsor the Wren Academies Trust.

A school which **supports working parents** - we provide care at all stages of a child's school journey so parents need never be concerned if they are delayed at the office, have to go on a business trip, or wish to find activities for their child in the holidays. We provide wrap-around care at both ends of the day up to Prep School, flexi-boarding at the senior schools, and work with specialist companies to lay on a range of courses and activities during half terms. We offer all year-round nursery provision from five months to three years old. In addition, our travel network also offers a coach service from home to school each day with late services available to cater for those pupils taking part in after-school activities.

A key aim of the Berkhamsted Schools Group is to deliver teaching and learning excellence for the benefit of pupils throughout the group. Investment in the continuous training, professional development and well-being of our staff is a priority. We are proud to have been awarded the Investors in People Gold Award twice in recent years, an unprecedented achievement for an independent school, reflecting our commitment to this aim.

Berkhamsted Schools Group

GOVERNORS

The Board of Governors is appointed in accordance with the terms and conditions laid down in the Scheme of the Charity Commissioners for England and Wales sealed on 29 August 1996. Except as otherwise indicated, the Governors served throughout the year and are as follows:

	Appointed /Resigned	(1)	(2)	(3)	(4)	(5)	(6)	Notes
G.C. Laws (Chair)	Appointed 17 March 2012	▪ (c)				▪ (c)	▪ (c)	
D.J. Atkins	Appointed 1 September 2014		▪					
V. Bingham	Appointed 3 December 2022				▪			
Prof S-J. Blakemore	Appointed 17 June 2017				▪			
C. Copland	Appointed 18 March 2023			▪				Note 1
C. Edwards	Appointed 1 September 2022		▪					
Dr M.A. Fenton	Appointed 1 January 2014 Resigned 25 March 2023	▪			▪ (c)			Note 2
A.R. Hart	Appointed 1 December 2018			▪				
G. Imlah	Appointed 3 December 2022		▪					
K. Musgrave	Appointed 1 December 2018		▪					
K. Nijjar	Appointed 24 September 2020 Resigned 23 September 2023				▪			
C. Nicholls	Appointed 1 September 2015				▪	▪		Note 3
S. Rolland	Appointed 19 January 2011 Resigned 20 January 2023			▪				
S. Shields	Appointed 25 March 2017			▪				
J.J. Smith	Appointed 1 September 2020				▪		▪	
N. Twogood	Appointed 1 September 2015	▪	▪ (c)			▪	▪	
A. Wilcock	Appointed 26 November 2016	▪			▪ (c)	▪		Notes 2,3
J. Williams	Appointed 1 March 2018	▪		▪ (c)		▪		

- (1) Chair's Committee
 (2) Finance and Property Committee
 (3) Risk and Regulatory Committee
 (4) Education Committee
 (5) Nominations Committee
 (6) Remuneration Committee

(c) Chair

Notes:

1. C. Copland was appointed on 18 March 2023 and has succeeded G.C. Laws as Chair with effect from 1 September 2023. C. Copland was in attendance at the Chair's Committee and Remuneration Committee meetings after 18 March 2023.
2. A. Wilcock replaced Dr M.A. Fenton as Chair of the Education Committee with effect from 26 January 2023.
3. A. Wilcock replaced C. Nicholls on the Nominations Committee with effect from January 2023.

Berkhamsted Schools Group

OFFICERS

Principal	R P Backhouse MA (Cantab)
Clerk to the Governors	J McCulloch BSc, FIA
Vice Principal	A Ford BA
Chief Operating Officer	J Anthony BSc, FCA
Chief People Officer	T L Evans CIPD, FInstLM
Assistant Vice Principal (External Relations)	R C Thompson BA
Headteacher, Berkhamsted Sixth	M Walker BA
Headteacher, Berkhamsted Boys	TL Hadcroft BA (Hons), MSc, MRes, MEd
Headteacher, Berkhamsted Girls (left 31 Aug 2022)	E Richardson BA
Headteacher, Berkhamsted Girls (joined 1 Sept 2022)	E Watson BEng
Headteacher, Berkhamsted Prep (left 31 Aug 2023)	J Hornshaw MEd, BEd, NPQH, FInstLM
Headteacher, Heatherton	N Nicoll MEd, BEd (Hons)
Headteacher, Berkhamsted Prep (from 1 Sept 2023) and Pre-Prep	K O'Connor BA (Hons), PGCE, NPQH

Principal address and Registered Office

6 Chesham Road
Berkhamsted
Hertfordshire HP4 3AA

Bankers	NatWest Bank 250 Bishopsgate London EC2M 4AA	HSBC plc 8 Canada Square London E14 5HQ
Solicitors	Veale Wasbrough Vizards Orchard Lane Bristol BS1 5WS	
Auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW	
Investment Advisors	Brewin Dolphin 12 Smithfield Street London EC1A 9BD	
Insurance Brokers	Aon UK Limited 8 Devonshire Square London EC2M 4PL	
Property Advisers	Aitchison Raffety 8 Cavendish Square London W1G 0PD	Bidwells Trumpington Road Cambridge CB2 9LD
ESG Advisers	Orbis Advisory 1 St Katherine's Way London E1W 1Y	

Berkhamsted Schools Group

ANNUAL REPORT OF THE GOVERNORS CHAIR'S REPORT

CHAIR'S REPORT

Students of all ages, staff and parents enjoyed a year of significant success and development in 2022-23. The School's brand of holistic education flourished in academic, super-curricular and extra-curricular pursuits. Pastoral care continued to be an area of importance, and the appointment of a School Psychologist represented the way in which the School has continued to respond to the changing needs of, and demands on, young people across the school age range. Parental feedback continued to be exceptionally strong. Enquiries for places rose again, and the School continued to have waiting lists for entry into many of our year groups.

The Executive and Trustee Board spend a great deal of time ensuring the financial stability of the group, looking not just at the present but also to the short and medium-term future. We run the school on conservative financial principles with strict financial governance policies and procedures in place.

Our aim is also to be a school which serves its local community excellently, with outstanding staff and infrastructure that compares to the best in the country. We want to be world class in everything we do to give the young people here the best chance to develop and succeed in whatever they choose to do. We do not just select pupils purely on academic skills – we offer an all-round education challenging our students and giving them real skills to help in later life.

During the academic year we have continued to build our reputation for outstanding Digital Learning – with over 100 delegates attending a conference hosted by us and supported by many of the leading names in IT, and we launched a consultancy service for schools to spread the intellectual property developed here in establishing consistent excellence in IT provision across the curriculum. Pupils' achievements and development continue to make today's adults envious of their successor generation's experience of Berkhamsted School. Whether in outdoor education, sport, drama, music, or academia, the year saw students achieve their potential, grow in confidence, and develop the character traits which will serve them well after school.

We continue to invest sustainably in our infrastructure. During the year, the site where a new Sixth Form Centre will be constructed was cleared of the foundations of previous buildings, and earthworks stabilised the ground for the new building. In addition, across the School's sites projects to improve outdoor space were undertaken at Heatherton, the Prep and on our Lacrosse pitches, a new Food Science classroom was created at the Castle site, necessitating the relocation of the Staff Room, and the classrooms used by Y1 children at the Pre-Prep were extended to improve further their accommodation. We recognise that students and parents rightly expect first class facilities, and we are continuing to invest in infrastructure which generates educational opportunities for young people. We are also very aware that affordability of school fees is at the front of many parents' minds. Our goal is to provide an outstanding all-round education at a competitive price and therefore we have continued to strive to constrain our fee increases for the past few years whilst finding efficiencies within the schools to allow continued investment in staff and facilities.

With over 500 staff and around 2,000 pupils aged between 5 months and 19 years old, and in excess of 100 acres of land in Berkhamsted, we recognise our importance and need to contribute to, the local community. Our students continue to give thousands of hours of their time to community service, with nearly 2,000 hours by the sixth form alone. Whether it's visiting a senior citizens' home, a hospice, reading with pupils at local primary schools, or working with disabled adults and children, Berkhamstedians' time and effort makes a difference to the lives of so many in our community. We also open up our facilities to the community, and the Knox-Johnston Sports Centre is very well used outside of school hours. We support the people of the area through the provision of wraparound care and holiday camps to help working

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parents. In a new development, we have hosted booster weeks for Looked-After-Children in partnership with Hertfordshire Virtual Schools in both Easter and Summer. The Berkhamsted Schools Group and the London Diocesan Board for Schools continue to co-sponsor the Wren Academies Trust who have recently opened a new school in Enfield. In the context of all this activity, we were pleased to publish our first Community Impact Report.

As I come to the end of my tenure as Chair, I would like to thank all my colleague governors for their time and expertise, the parents for their trust and support, and our staff who commit so much energy, skill and professionalism to the school. Governors, staff and parents make this a place where young people are excellently provided for, and where they are able to make the best start in life.



G.C. LAWS
Chair of Governors

Berkhamsted Schools Group

STRATEGIC REPORT

CONSTITUTION AND OBJECTS

Berkhamsted Grammar School was founded on 14 October 1541, re-founded by an Act of Parliament in 1549, and is regulated by a scheme made under the Endowed Schools Act on 13 May 1887 and subsequent amendments. Berkhamsted Girls Grammar School was constituted by the above scheme on 13 May 1887. The administration and management of these two charities and other subsidiary charities were amalgamated by a scheme dated 14 August 1975 approved by the Charity Commissioners for England and Wales.

With effect from 1 August 2011, the School merged with Heatherton House, a Prep School for Girls in Amersham. As part of the merger process, Berkhamsted School changed its name to Berkhamsted Schools Group and became an incorporated charity. The registered charity number is 310630 and the registered company number is 622349.

The Charity has two operating wholly owned non-charitable subsidiaries, Berkhamsted School Enterprises Limited and Berkhamsted Day Nursery Limited. The school actively supports the provision of the highest standards of education in the independent sector and co-operates with many local charities, schools and organisations to widen public access to the education and facilities it provides for the public benefit.

The School's objects and principal activity, as set out in the Articles of Association, are to promote the education (including social and physical training) of boys and girls and in particular but without prejudice to the generality of the foregoing to conduct and maintain day or day and boarding schools in or near Berkhamsted, at which religious education in accordance with the principles of the Church of England is provided.

GOVERNANCE AND MANAGEMENT

Governing Body

There is one Governing Body for all the schools in the Group. Details of the Governing Body, together with the school's officers and principal advisors, are given on pages 4-5.

The Governing Body consists of between twelve and fifteen people with each Governor term limited to three years. Each Governor is limited to a maximum of three terms, unless elected to become the Chair or Vice Chair, or if the Board consider it would be in the best interest of the Charity for a Governor to be eligible for re-election, in which case further terms are permissible.

Recruitment and Training of Governors

The school's Governors are appointed at a meeting of the Governing Body on the basis of recommendations made by the Nominations Committee, taking into account eligibility, personal competence, specialist skills and availability.

New Governors are inducted into the workings of the school and of the Charity, including Strategy, Policies and Procedures, at an induction meeting organised by the Clerk to the Governors. Governor training is carried out by using seminars either organised nationally or arranged internally.

During the 2021-22 year, Governors undertook a voluntary governance review with a team from AGBIS undertaking a series of interviews with all governors and senior members of the executive. The outcome of this review was both to endorse strongly the governance of the School, and to make recommendations for consideration in respect of further development. As a consequence of this review, and the consequent implementation of recommendations, the Governors are satisfied that the Charity both applies the principles of the Charity Governance Code, and that governance is executed very well at the School.

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Organisational Management

The School Governors, as the Trustees of the Charity, are legally responsible for the overall management and control of the school and normally meet (as a full board) four times each year, plus one biennial meeting usually in Lent Term to review strategy.

The School's Committees (the first four of which meet termly) are:

- The Finance and Property Committee, whose responsibility is to plan and oversee delivery of the Board's strategies in relation to all financial and property matters.
- The Education Committee, whose responsibility is to plan and oversee the delivery of all academic, co-curricular and pastoral education.
- The Risk and Regulatory Committee, which has responsibility for the implementation, ongoing management and review of performance in practice of the Group's regulatory, statutory and general policies. It also acts to ensure that major risks for the Group are actively managed, and that an appropriate balance is struck between controls to mitigate risk and the costs (financial or non-financial) associated with doing so and to monitor the environmental and sustainability activities being done across the group to ensure we continually work to improve our environmental impact.
- The Chair's Committee, comprising the Chair of Governors, the Chairs of the other Governor Committees, the Principal, Vice Principal, Chief Operating Officer and Chief People Officer. The function of this Committee is to review strategic issues prior to consideration by the full Governing Body.
- The Nominations Committee, which has responsibility for overseeing Governor and Executive appointments.
- The Remuneration Committee, which has responsibility for setting the remuneration of the Principal and overseeing the remuneration of other senior personnel.

The day-to-day management of the school is delegated to the Principal, Vice Principal, Chief Operating Officer and Chief People Officer who, together with the Headteachers of the respective schools in the group and the Assistant Vice Principal, External Relations, form the Executive. The Executive is supported by the Senior Management Team which includes the Deputy Heads and other key educational and operational roles.

Remuneration of staff is set by the Governors with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the school's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools and the maintained sector to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere.

We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the school's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our expenditure.

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Employment Policy

The school is an equal opportunities employer. Equal consideration is given to job applications from all candidates irrespective of race, colour, religion, nationality, ethnicity, sex, disability, or age, whilst due consideration is given to any particular training and employment needs. Our applicant tracking system has been refined to further strengthen the process by adopting a blind shortlisting approach to recruitment. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

The school follows its Disability policy and an Equal Opportunities policy, which is compliant with the Equality Act 2010, and has regard to the guidance issued by the Equality and Human Rights Commission "What equality law means for you as an education provider: schools". The Disability policy states that the school will maintain and drive a positive culture towards inclusion of disabled people in all the activities of the school, and will not knowingly discriminate against any disabled person, including in matters of employment such as admissions, training and career development.

In addition, the school has a strict Staff Code of Conduct policy that sets the standards of behaviour for all staff to ensure the ethos of the school is maintained.

AIMS, OBJECTIVES AND ACTIVITIES

Aims

The School's aim is to be the first-choice independent school in a wide catchment area for families seeking educational excellence and to develop remarkable people with an awareness, understanding and care for their community and the wider world.

The governors are mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Board has monitored closely the guidance of public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Primary Objectives

The School continues to place huge importance on its Core Values. At the heart of every decision made and practice used we continue to cultivate a culture in which our values are evident. Our Values are as follows:

- Aim High with Integrity

We believe that we should strive to be the best possible version of ourselves, in the classroom or debating chamber, on the stage or sports pitches, to be the best we can be in everything we do. To aim high *with integrity* means being successful without exercising sharp elbows. Try, as CS Lewis suggested, to 'do the right thing even when no one is looking'. Whatever we achieve in life will be all the more worthy if it is done in support and not at the expense, of others.

- Be Adventurous

Being adventurous is an important ingredient of aiming high. We need to discover what our talents might be before we can develop them, and this will only happen if we are adventurous in thought, word, and deed. We must all have the courage to fail and the resilience to do so repeatedly...because we will. We should all think of mistakes – whether made by ourselves or others – as opportunities to learn. As Nelson Mandela once said: 'Do not judge me by my successes; judge me by how many times I fell down and got up again.' If we are all brave enough to try, fail and then start again, we will all, in time, become the best we can be.

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- **Serve Others**

We want our students to grow in moral purpose, character, and courage as they go through our school, and in doing so, contribute to the wellbeing of our community. We want them to become remarkable people. Our definition of success is an inclusive one, and our expectation of school life is for it to be a team game: we believe it is as important to contribute to the successes of others as to our own. Our definition of leadership includes elements of altruism, and being a school community, we often find that, in giving, we are also receiving. We celebrate and encourage the work of our students in the local community, as volunteers for example, and as those who engineer change for good, inside and outside the School. Our expectation is that Berkhamstedians will not just go on and do well, although of course, we expect that they will, but that they will also go on and do good.

The implementation of these values in the provision of education which is both excellent and broad, boarding and day, single sex and co-educational, large in scale, but small school in feel, traditional and forward looking continues to be the aim of the Group.

STRATEGIES TO ACHIEVE PRIMARY OBJECTIVES

The Group has selected seven areas of focus, which will not only help us to meet our primary aims and objectives but move us to a position where we are recognised to be world class. It must be noted that this list does not preclude our pursuit of excellence in all areas.

Teaching and Learning / ICT

The “Learning Powered Approach”, a whole school approach to teaching and learning, is embedded across the group to provide a core focus on dispositions within the four learning types (emotional, social, cognitive, and strategic). There is a focus on meta-cognition and self-regulation, as well as critical thinking to enable pupils to flourish in the world beyond School. We continue to work with schools in both the independent and maintained sectors, universities, and teacher training institutions to share best practice with Berkhamsted being a centre of excellence for teaching and learning. Alongside a strong focus on cyber security we have this year continued our digital device provision plan so that each pupil in Y5-13 has their own Microsoft Surface device, with younger children having access to class sets of iPads, the stock of which was renewed during the year.

Wellbeing

The school recognises the importance of wellbeing amongst its pupils and staff and employs several strategies to encourage and promote it. The senior school operates a house system which ensures a high level of pastoral care for pupils which is further supported by the availability of counselling services and other initiatives such as the presence of wellbeing dogs throughout the school week. The School has also employed a dedicated Psychologist to further support pupils’ wellbeing. In all parts of the school, class sizes are small enough to enable our teachers to notice any behavioural changes that may require their intervention. Staff wellbeing is also deemed very important and all staff have access to counselling services on request and provision is made for other beneficial activities such as mindfulness sessions, yoga, wellbeing treatments and a wide range of other social activities.

Outdoor Education

Very few schools in the South-East have strong Outdoor Education – this is seen as a market differentiator. The School has a long and distinguished Duke of Edinburgh Award programme and Combined Cadet Force (CCF). Today pupils from Stepping Stones through to Year 13 have extensive opportunities to have a range

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of outdoor education experiences both at school and around the country and world. An Outdoor Education centre for the Group has been established on the site of the Pre-Prep school.

Business Education and Skills

Berkhamsted is a business community and many of our parents are business professionals. Berkhamsted School is well placed to be a leader in Business Education and Skills and looks to achieve this by closing the gap between academic education and the world of work. We give our pupils an understanding of how business works and also work experiences outside of the main curriculum. By developing links with alumni and the local community we can offer insights into business and provide enterprise opportunities to enable pupils to develop the skills required for the modern workplace. We are now constructing a new Sixth Form Centre configured to help bridge the gap between school, university and work, and we continue to seek international opportunities that could give pupils a taste of international culture and diversity that will prepare them for careers in a global market.

Early Years

Berkhamsted is a centre of excellence for Early Years Education, regularly hosting national Early Years' conferences and is seen as a beacon of best practice. We have a highly innovative curriculum and some of the best facilities in the country. The teaching facilities at the Pre-Prep in a wonderful woodland setting enable the school to provide the very best in Early Years Education. These facilities have been augmented during a period of significant investment in the facilities used by children between the ages of 5 months to three years old.

Sport

Berkhamsted has a distinguished sporting heritage for both boys' and girls' sport. We aim to be one of the top sporting schools in England by being consistently:

- in the top 4 schools nationally at Lacrosse, with Regional and National representatives;
- in the top 18 schools nationally at Netball;
- in the top 12 schools nationally at Rugby, with Regional and National representatives;
- the best Fives school in the country for boys and girls, attaining National Championship titles.

Furthermore, we actively seek to have some of the highest participation rates in school sport for a large school as evidenced by the number of pupils who actively participate in physical activity each and every week.

Music and Drama

Berkhamsted offers pupils the opportunity of music and drama within the curriculum across the age span, but many pupils undertake additional lessons with 390 Senior pupils playing an instrument and 125 music exams taken by Senior pupils in the 2022/23 academic year. Drama also has many participants with over 229 Senior pupils taking LAMDA lessons each term.

FUTURE PLANS

A new version of the Group's current Strategic Plan was agreed by Governors in 2022. This will continue to be subject to bi-annual review by Governors. Significant progress has been made towards the objectives identified in this plan. Future plans to underpin the Group's primary aims and objectives include:

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- Further implementation of our plans to ‘develop remarkable people’, focusing on education of character, skills, and leadership, in order that the education offered to pupils meets excellently the challenges posed by contemporary changes in society, the economy, further education and the workplace;
- Developing our campus to support the education we seek to offer our pupils in every way;
- Intentionally developing the culture of the school to be, ambitious, adventurous, humble, kind, and inclusive;
- Continuing to develop and sustain a quality of community among pupils, staff, parents and the locality that sets us apart as a school;
- Excellence in our commercial practices to support the public benefit activity, bursaries and outreach schemes operated by the School

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

2022/23 has been a very successful year for the school. During the year the school averaged 2,041 pupils, of whom 1,993 were day pupils and we have started the 2023/24 academic year with 2,123 pupils. Demand for places continues to be high and the creation of additional classes in Year 7 has allowed an increase of pupils in that part of the school.

Despite the Government return to the pre-pandemic grade standards of 2019, Berkhamsted students performed admirably in their GCSE & A Levels. 21.5% of GCSE results were at grade 9, and 65.3% at grade 7 or above. The continued increase in both attainment and value-added continues to show that Berkhamsted adds significant improvement to pupil outcomes when measured against other participating independent schools.

A Level results were also very pleasing this year, not only because of the government intervention on grade standards but because this cohort of students did not have the experience of having physically sat their GCSEs. 11.4% of A Levels were graded A*; 38.4% at A* or A; and 73.5% at A*, A or B. An increase was seen in all the highest grades by our hard-working pupils. Value-added results also remained very strong.

2022-2023 Sporting Results & Success

In athletics the school competed in several notable local championships over the Summer term and held a highly inclusive and competitive internal Sports Day at Jarman Park in Hemel Hempstead. On a personal level 21 pupils qualified for the IAPS National Finals and 27 Year 7 pupils competed at County level.

Basketball has progressed as a school sport this year with the first ever competitive matches against local schools for the Under 13, 14 and 15 school teams. The school also organised inter-house basketball competitions for the Sixth Form and Senior School.

The school maintained 39 cricket teams across Senior Girls, Boys and the Prep School playing a total of 211 fixtures across a 9 week term. Girl's cricket has become very popular with mass participation and representation on the School first XI for the second year running. Overall the standard of cricket is improving with school teams having to travel further to find suitable opposition such as Bradfield, Stowe and Kimbolton. The school restored its biannual overseas cricket tour with a trip to India.

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The Senior School team won the JWS National Equestrian Championships and had participants who qualified to ride at the Royal Windsor Show, Eventer Challenge and Hickstead.

The school maintained its strong reputation as a leading school for Eton Fives with 217 pupils representing the school in competitive fixtures during a year when it won 7 National titles, including both single and doubles titles at Under 13 level.

Football continues to be very popular with the school running A to E teams at both Under 12 and Under 13 level. Senior school teams compete in various Independent School Football Association (ISFA) leagues and were successful in winning 3 different leagues with 2 of those at Under 14 level.

A partnership with Berkhamsted golf club received excellent feedback from the 30 pupils who used the facilities and received coaching from the club professional. Golf is now available for both boys and girls and a development pathway has been created from Year 6 to Year 13. During the year there were 5 friendly fixtures, a junior fixture at Berkhamsted golf club and we also entered the HMC Foursomes.

Gymnastics saw the creation of a junior squad for the first time in the school's history who took first place at the Under 13 Milano British Schools Gymnastics Association (BSGA). The school also achieved 3rd place at the BSGA Floor and Vault National Championships and were National finalists at the Under 13 Independent Schools Gymnastics Association (ISGA) placing 2nd overall.

In Lacrosse we played 182 fixtures across 16 teams including a showcase event held at StoneX in collaboration with rugby that was the first of its kind. The 1st X team were South and South East Schools Tournament winners and achieved 3rd place in the Challenge Cup. Teams also entered the National Schools Tournament and the 2nd X, Under 15A, 15B, 14B, 14C, 13B, 12A were all Hertfordshire County Champions.

The 2022-2023 netball season was a roaring success: winning 3 national titles and playing a record 245 fixtures across 31 teams. We continued to develop the depth in each age group, and it was amazing to see the continuous development of our pupils in Years 3 to 13. Winning 3 national titles was an outstanding achievement with the Under 19 age group winning 2 national titles.

In rugby the Senior School played 107 fixtures resulting in 60 wins, 2 draws, 45 losses. 328 Senior School students represented the school in rugby and the Under 14A team were again unbeaten County Champions. The school hosted the Herts Under 12 Tens Tournament with 14 schools in attendance and also attended the Caldicott Under 13 10's tournament for the first time in the school's history.

Our Under 13 Rugby 7s team went unbeaten at the Herts Under 13 Tournament and also at the St John's Beaumont Tournament. Four teams participated at Rosslyn Park and the 1st Team reached the semi-final of the Cup competition.

Squash boomed this year with 37 fixtures against 16 schools. 36 students were ranked in the county and therefore playing competitive squash externally, with 30 of them aged under 14. A Berkhamsted pupil won the Under 15 county championships and our Under 14 team reached the national schools final. We also partnered with England Squash to film coaching resources for their curricular coaching pathways, bringing squash to new pupils in Prep and Senior schools.

Our Intermediate Girls and Junior Boys both achieved 1st place in the Herts Final Swimming Gala and the Junior Girls achieved 3rd place. In the Hertfordshire League the Intermediate Girls were 1st and the Junior Boys 3rd. The school also took part in the Wycombe league which allowed more swimmers to compete in a friendly but competitive event.

In Tennis the main aim this year was to improve the participation rates which was achieved with an increase of 29%. We had 16 Senior School division teams and 2 Senior 1st Teams playing along with 24 pairs entering the Nicola Mabbitt League competition. The Introduction of coaches from Berkhamsted Tennis Club on

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two early mornings for our Division 1 squad along with lunch time sessions increased the quality of our players and continued our 5-year plan of becoming a more competitive tennis-playing school.

Three of our students represented Hertfordshire at the Regional Cross Country Schools Championships. Three out of four of our cross country teams qualified for the regional finals and a large Berkhamsted cohort supported the Rotary Fun Run, a 5-mile event which saw one of our students achieve overall winner in the open category.

2022-2023 Music and Drama Achievements

In Music and Drama our students continued to excel; the hugely successful production of Little Shop of Horrors was performed by senior school pupils to a full theatre over three nights, showcasing the talents of our remarkable students. Sister Act (Junior) was performed by Year 7 in Trinity term to great acclaim.

The Music department held musical Gala evenings, and showcased their talents too, culminating in a hugely successful Music tour to France again in July this year with 140 pupils.

Community

Our value to 'Serve Others' often sees our students giving something back to the local community. This continued with the regular House charity support, the Year 13 volunteering and the Year 7 litter picking. We were delighted to be able to welcome back Senior Citizens to our tea party in the summer. Whilst enjoying the musical talents of students they tucked into sandwiches and cakes (made by the students) and entered the cake judging competition. The usual non-school uniform days took place during the year with money raised donated to worthy charities.

In July the annual Prize Giving Service was attended by 2,700 parents, staff, governors, pupils, and guests; our prizes being value based and awarded on contribution to the school rather than based on academic achievement. The Academic Attainment awards were presented in an end of year assembly at each Senior school.

PUBLIC BENEFIT

In considering the provision of Public Benefit, the Governors have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

Scholarships and Bursaries

The Governors are committed to broadening access to the school by offering means-tested bursaries to eligible parents/guardians. The gross value of scholarships and bursaries awarded totalled £1.568m (2022: £1.377m) of which £1.562m (2022: £1.289m) was met from unrestricted funds, where the policy is to assist in hardship cases where the pupil's education and prospects would otherwise be at risk. Bursaries are available both to new pupils to the school where a scholarship place has been offered and parents/guardians cannot afford the tuition fees, and also existing pupils where an unexpected change in parents'/guardians' circumstances has resulted in severe difficulty in meeting tuition fees and may otherwise result in a pupil being withdrawn part way through a stage of education.

The school has continued with its plans to raise the level of bursary funding through an increased programme of activity to reach out to talented pupils in the local community who would benefit from financial assistance towards fees. Bursary funding was £1.152m (2022: £1.014m) which supported 55 pupils, 28 of these receiving fully funded school places.

Scholarships are awarded on merit to pupils who Governors wish to attract to the school because of the contribution that they can make to school life, be that academic, musical, sporting, creative or leadership. Individual scholarship awards are usually worth 10% of tuition fees and means-tested bursaries

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are available to increase the support where needed. Financial assistance may also be provided, where appropriate, for uniform and sports kit, travel to and from School and for extra-curricular activities and lessons.

Partnerships with other schools and the community

The school seeks to share its expertise and perspectives with colleagues from state schools. This has involved exchanging teaching experience for newly qualified teachers and trainees and providing INSET advice for state school teachers and moderators. Our sports staff have organised tournaments for local and other state schools and the regular annual Oxbridge Information Evening is open to local state schools.

Our pupils take part in many activities in the community including visiting the local Hospice, helping in charity shops, visiting the elderly, hosting an Easter tea party, as well as assisting in local primary schools. Year 13 students also join The Student Consultancy which is run in conjunction with the Careers Service at the University of Oxford, a programme which is now being rolled out to schools around the country after its introduction here through which free management consultancy is offered to charities and local government.

The school's Knox-Johnston Sports Centre is open to the public and priority is given to local children's groups and clubs.

The school is a co-sponsor with the London Diocese for Schools of Wren Academies Trust, based in Finchley and Enfield, providing two Directors for the Board, and two governors for each of the local governing bodies. The school continues to offer extensive help and advice to both the senior team and to Heads of Department at the Academy. Pupils from Wren Academy Trust continue to enjoy visits to utilise the school's extensive facilities on site, as well as some of our education programmes. The relationship with Wren is of mutual benefit for both parties. For example, Wren's experience of being a Building Learning Power school pre-dates ours.

We have also developed a similar partnership with Denbigh High School in Luton, sharing access to facilities and expertise. Denbigh High School does not have its own Sixth Form, and in September 2018 we admitted an initial intake of six aspirational pupils from this school to benefit from a Berkhamsted Sixth Form education, funded completely from School bursary funds and targeted donations. A further three pupils from Denbigh High School have joined our Sixth Form in September 2023 making a total of 38 since 2018. We have also established additional similar collaborations and partnerships, particularly across the wider Chiltern learning Trust.

Our Chief People Officer is Vice Chair of Governors at Ashlyns, a local secondary state school.

During 2021 and 2022 the School donated thousands of pounds worth of classroom furniture, books, dining room fixtures, sports equipment and an industrial cooker to schools in Gambia through "Gambia Building Project", a charity dedicated to improving the lives and education of children in The Gambia by supporting and building schools. Further donations of digital devices have been made to the Mission Employable charity whilst many of our facilities have been utilised free of charge for local community and charity benefit.

During Easter and Summer holidays for the last 4 years the School has provided a free of charge Summer School for Hertfordshire County Council Looked After Children.

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FINANCIAL REVIEW

Results for the Year

The Consolidated Statement of Financial Activities on Page 31 shows net incoming resources before transfers for the year of £2.026m (2022: £1.940m).

Income

School fee income was £37.332m in the year (2022: £35.733), representing an increase of 4.5% which reflects the prevailing level of fee increase supplemented by higher pupils numbers. Ancillary income was also higher at £2.489m (2022: £2.121m) primarily due to higher revenue from school trips and extra-curricular drama and music lessons.

Expenditure

A large proportion of the School's expenditure item is on staff costs and these rose in the year ended 31 July 2022 to £24.577m (2022: £23.171m), a increase of 6.1%. This was due primarily to the annual pay award to staff which was higher than in previous years in light of high inflationary pressures in the economy driving increases in the cost of living.

Cash

The School's net cash position reduced during the year ended 31 July 2023. At the year-end the school had cash balances of £13.358m and borrowings of £8.799m, a net cash position of £4.599m (2022: £6.727m).

Subsidiary company performance

The School has two wholly owned trading subsidiaries. Berkhamsted School Enterprises Limited runs the various commercial activities of Berkhamsted School, and following the resumption of many activities operated pre-pandemic, recorded a profit of £81k (2022: loss of £36k). Berkhamsted Day Nursery Limited provides day-care to babies and children under 3 years old and out of school hours care for Prep and Pre-Prep pupils. The Nursery company generated a profit before tax and gift aid of £179k (2022: £164k).

Contribution to UK authorities

The School's direct contribution during the year to the UK Exchequer amounted to £8.7m (2022: £8.3m) of tax revenues, based on the school's payments of employer national insurance contributions (NICs), business rates and council tax, Vehicle Excise Duty, taxes on business supplies purchased (such as VAT), plus payments by our school's staff of income tax and NICs.

It is also worth noting that all parents in our school, as with all other private schools, contribute to State school funding via taxes whilst also saving the government from having to fund their children's education in the State system. Based on State funding fees, as per the government's published National Funding Formula, the estimated saving to the public purse is £10.4m per annum.

Going concern assumption

The Governors closely monitor the current and future expected financial performance of the school, taking into consideration budgets, forecasts and the longer-term strategic business plan. In 2023, these budgets, cashflows and forecasts have been remodelled to reflect plausible downside scenarios specifically relating to increasing energy costs and increases in interest rates. Conservative cash flows were prepared based on the revised forecasts with sensitivity analysis on the key assumptions such as the impact of a drop in pupil numbers. This scenario planning confirmed the cash reserves of the School are adequate to meet the

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charity's obligations as they fall due and the same modelling continues to be valid to demonstrate the School is financially secure and able to operate effectively for the foreseeable future.

The School reported a strong cash position at the year-end together with healthy pupil numbers for 2023/24 offering the Governors a confident expectation that the charity has adequate resources to continue its activities for the foreseeable future, being at least 12 months from the date of approval of the financial statements with there being no material uncertainties over the school's financial viability.

Accordingly, Governors continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities on page 27.

Fundraising Performance

The school continues to progress a number of initiatives to increase awareness amongst the school's constituent communities to provide additional resources. £105k (2022: £182k) was raised during the year, with monies allocated to Bursary and Scholarship Funds. The Governors would like to thank all donors for their generosity and support for the school in this regard.

The majority of the school's income is from school fees and other associated income. The school has not engaged with third parties to raise funds and any direct approach to members of the public for funding has been limited to parents of pupils and alumni. No complaints were received in relation to our fundraising activities.

Investment policy, objectives and performance

The Governing Body aims to maximise the overall return on the portfolio consistent with a degree of risk acceptable to it. Funds are invested with Brewin Dolphin in a broad range of global equities, bonds and other forms of investment.

The overall investment objective for total return for funds invested with Brewin Dolphin can be quantified as inflation plus 3% per annum. The Charity's investment performance of its managed investment funding is monitored as a standing item by the Finance & Property Committee. During the year, the value of investments held in the School's main investment account with Brewin Dolphin fell from £1.866m in 2022 to £1.810m in 2023, a 3.0% decrease. The school also has a second investment account for the management of the monies raised for its Anniversary Fund. The value of this investment account increased from £1.411m to £1.491m. This increase was due to £71k of additional funds and £40k of reinvested dividends which was partly offset by a fall in the value of the existing investments. On an annual basis Governors assess performance in the light of prevailing market conditions. Whilst it is disappointing that the investment performance has not met the objectives set, the volatility across the market place over the last twelve months has driven the under performance and Governors will continue to assess the fund management effectiveness.

Reserves level and policy

The school's reserves policy is to maintain sufficient unrestricted income reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall.

The school's total reserves of £47.407m at the year-end included £7.838m of endowment funds, £0.223m of unspent restricted funds and unrestricted funds of £39.346m. The school has no free reserves at the balance sheet date due to the investment of funds in tangible fixed assets, largely buildings for use within the school. However, the Governors regularly examine the school's cash flows alongside the development plans for the future and are satisfied that they are adequate for the purpose of meeting its working capital requirements and that they will also cover strategic capital expenditure.

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Notes 13 and 14 to the financial statements set out an analysis of the school's endowment, restricted and unrestricted funds and their attributable assets. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

It is the school's policy to build up funds to meet planned improvements and additions to the School's resources by means of annual operating surpluses and judicious management of investment assets.

Total investment return

During the year ended 31 July 2016 the Governors, in their role as Trustees, exercised the power granted under section 104A of the Charities Act 2011 to adopt a total return approach to investment of the School's permanent endowment. A permanent endowment of £1,144k was originally given to the school in 2003 and an initial valuation of the Unapplied Total Return (UTR) of £687k was approved by the Governors on 14 June 2016.

- In years when the permanent endowment generates sufficient UTR an amount equivalent to the brought forward value of the permanent endowment multiplied by the annual increase in the Consumer Price Index (CPI) should be allocated to capital to maintain the value of the fund for future beneficiaries.
- Where there is insufficient UTR generated each year to make the allocation to capital indicated above the school must retain £100,000 of UTR to act as a buffer against years when the UTR is flat or reduced.

PRINCIPAL RISKS AND UNCERTAINTIES

The current cost of living and energy crises together with the Russia Ukrainian war, following on from the continuing impacts caused by the COVID-19 pandemic, represent significant risks for the School both in terms of its own cost base, its supply chain sustainability and the potential impact on affordability of fees by parents across the independent sector due to interruption in employment and wealth. Further significant affordability challenges also potentially lie ahead with a likely change in political leadership in the UK. Demand for places at the School remain high and Governors are keen to ensure all that can be done is done to maintain that interest. The School's cost base was already under significant pressure from managing the COVID-19 pandemic and Brexit impacts on supply chains, so the latest challenges emphasise even more sharply how important robust cost management is to the School to enable Governors to continue to ensure fee increases are maintained over the medium to long term to an average well below that of the Independent School sector and general inflation.

Linked to the effects of all the challenges referenced above, Governors are also very conscious of the potential risk to the morale and general wellbeing of staff and pupils and this is an area reviewed with Management on a regular basis.

Cyber risk and general data security remains in sharp focus, with schools continually being targets for cyber attacks. With the support of our Governors the School has invested in tools and user training to protect against attack.

The rising costs of the Teachers' Pension Scheme arrangements remain a significant risk within the sector and any risk mitigation needs to balance the exposure to further cost rises with the need to retain and recruit outstanding staff.

The Governors have agreed an estates development masterplan aimed at ensuring the School can deliver the best and most appropriate facilities to help our pupils develop to the best of their potential and to prepare them for the world beyond school. Such ambitious building development plans also carry associated

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risks, particularly in relation to planning issues, that are managed with the appointment of relevant expertise and close Senior Management and Governor supervision.

Health and Safety is considered to play a significant part in risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). Risk is mitigated via risk assessment and the enforcement of Health and Safety Policy which is monitored and reviewed by the School's Health and Safety Committee. This body reports to the Risk and Regulatory Committee. The School also employs a Health and Safety Officer to ensure that the Health and Safety Policy is consistently applied.

Governors are responsible for the management of the risks faced by the School. Detailed consideration of risk has been formally delegated by Governors to the Risk and Regulatory Committee, assisted by the Principal, Chief Operating Officer, and members of the School's Senior Management Team.

Through the above risk management processes, the Governors are satisfied that major risks are identified and, as far as practicable, adequately mitigated. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed. Other key risks are considered to be those which would materially impact the brand and reputation of the Group. Examples of these, which should they occur would likely generate significant media interest, include:

- A major business interruption causing partial or total closure of the School for some time.
- A major accident involving death or serious injury, possibly as a result of contributory negligence.
- A major scandal involving child protection issues.
- A failed regulatory inspection.
- A breach of statutory requirements (such as data protection or the Charity Act).
- Climate action failure.

Key controls used by the Governors to identify, assess and mitigate risks during the year include:

- Formal programme of risk assessments and steps taken to mitigate those risks reported to Governors' meetings.
- Twice yearly detailed review of the whole school risk register.
- Reputational risks consideration as a standing agenda item for discussion at every Risk & Regulatory Committee meeting.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal written policies, including clear authorisation and approval levels.
- Vetting procedures as required by law for the protection of the vulnerable.

The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks across the Group, including "what-if" scenario planning to address the financial risks.

SECTION 172 STATEMENT

Berkhamsted Schools Group

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Berkhamsted School's Group is governed by its charitable objects as set out on page 8 which outline the purpose of the charity. All decisions and activities of the charity take into account how we best deliver that long-term purpose and are driven by our strategic aims (see page 10). All decisions we make as a charity, from our operational teams through to the Board of Governors, are made in the best interests of our beneficiaries, (pupils), and in the knowledge we are accountable to them, their parents, regulators and our staff.

The Board of Governors consider that they have adhered to the requirements of Section 172 of the Companies Act 2006 (the "Act") and have, in good faith, acted in a way that they consider would be most likely to promote the success of the school for the benefit of its key stakeholders and, in doing so, have had regard to and recognised the importance of considering all stakeholders and other matters (as set out in s.172(1)(a-f) of the Act) in its decision-making. Our Board of Governors consists of a broad mix of

backgrounds including former and existing parents of the school, educational experts plus well-established commercial successes in areas such as law, property, finance and risk management. Many of our Governors are also local community members.

The Board has approved a number of policies that help to ensure the safety of our pupils and staff, such as Child Protection and Safeguarding, Counselling and Coaching, Health & Safety, Missing Persons, Child-on-Child Abuse, Critical Incident Plan, as well as those that ensure the integrity of our business conduct, such as Anti-bribery and Corruption, Bursary, Complaints, Whistleblowing, Anti-modern slavery. The school's Anti-modern slavery statement can be seen on the school's website at the following location. <https://www.berkhamsted.com/wp-content/uploads/2023/09/Anti-Modern-Slavery-Statement-2023.pdf>

As part of the Governor induction process, governors are briefed on their duties and responsibilities under the Companies Act. The governors are entitled to request from the school all such information they may reasonably require in order to be able to perform their duties. On-going training is provided to the governors, as required, to ensure that their knowledge remains up to date and they continue to be able to discharge their duties as company directors.

For all decision making at Board level, discussion takes place around employee impact and impact on other stakeholders, such as pupils, parents and the local community. The relevance of each stakeholder group may vary by reference to the issue in question, so the Board seeks to understand the needs of each stakeholder group and any potential conflicts as part of its decision-making. The school's Executive team and Senior Management team ensure the Board are fully focused on the impacts to each stakeholder group.

Our Governors attend "Governor Engagement Days" during the school year which affords them the opportunity to engage directly with pupils and staff so they can gain a greater insight into the School's operations and also challenge staff and be challenged by them.

Key decisions

For the year ending 31 July 2023, the Governors consider that the following are examples of key decisions that they made in the year. This is not intended to be an exhaustive list of board decisions but instead highlights areas of significant impact:

- Restructuring of Estates Department including combining the responsibilities of estates development and facilities management
- Approval of estates masterplan funding loan facilities
- Approval to proceed with Prep landscaping strategic project
- Approval of Pre-Prep Year 1 classroom expansion strategic project

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- Commissioning of a third survey relating to Equality, Diversity and Inclusion aimed at fostering anti-racist cultures
- Entering into new utilities contracts for renewable energies (gas from October 2022 and electricity from October 2023)
- Appointment of a new Head of the Prep School, working across both Pre-Prep and Prep
- During an estates masterplan development phase, agreement to re-launch a Fees in Advance scheme within the 2023/24 academic year
- Appointment of a new Chair from September 2023
- Appointment of a two new Governors during the year and a third from 1 September 2023
- Continuation of an extensive wind and watertight inspection and maintenance programme across the School campus
- Replacement of de-commissioned Astroturf surface at Castle site on Mill Street
- Agreement to complete a feasibility study into alternative energy sources (solar panels) across the School sites
- Sanctioned a timetable reform for senior schools for 2024/25
- Reviewed best practice/most efficient governance and entity structure with decision to make no immediate changes

Stakeholder engagement

The table below sets out our approach to stakeholder engagement during 2022/2023:

Stakeholders	Why are they important to Berkhamsted School?	Our approach to stakeholder engagement and consideration in the Board's decision making
Parents	Parents are the school's customers and also joint stakeholders in the development of the pupils. Their involvement in the school in both these capacities is fundamental to the success of the school and we aim to form a key alliance with Parents through strong and varied communication.	<p>We aim to involve parents as much as possible in the running of the school through open days, parents' evenings and other events that showcase the School's strength in music, drama and sport.</p> <p>In addition the Governing body is always cognisant of the importance of fee levels in attracting and retaining the pupil base and places great importance in the efficient running of the school and the tight control of fee increases.</p> <p>During the year we introduced year group parent dinners.</p>
Pupils	Our values of "Aim high with integrity, Be adventurous and Serve others" are shared across the Berkhamsted family of schools. Children from	The senior school takes a strong pastoral approach to the development of pupils by maintaining a "house" structure which exists alongside the academic timetable.

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	<p>Nursery through to Sixth and staff too are encouraged to embrace these ideals in everyday life. Our pupils are the very reason the school exists and their development is at the heart of all we do.</p>	<p>The purpose of assigning all pupils to a house with dedicated house tutors is to ensure that each individual pupil has a sense of belonging and ready access to approachable members of staff who will look to ensure that there is a strong focus on their wellbeing. A revised pastoral structure for Sixth Form has been developed for implementation from 1 September 2023.</p> <p>An in-house psychologist has been appointed to add expertise to the pastoral support available.</p>
Employees	<p>Our employees' commitment to developing outstanding and rounded individuals is essential for us to earn the trust of both existing and prospective parents so that they have the confidence that Berkhamsted School is the best place for the education of their children.</p>	<p>We have a Staff Consultation Committee that meets regularly and raises matters to the Executive for discussion and decision and have a voluntary arrangement in place with the NASUWT (the NASUWT works to enhance the status of the teaching profession to deliver real improvements to teachers' working lives, seeking to ensure they are recognised and rewarded as highly skilled professionals with working conditions that enable them to focus on their core role of teaching).</p> <p>We have regular all staff meetings as well as a weekly briefing to cascade important information to all levels of the workforce.</p> <p>Berkhamsted School is committed to promoting the health and wellbeing of our workforce.</p>
Suppliers	<p>We rely on a range of suppliers to deliver services to ensure the school can operate efficiently and effectively for the benefit of our pupils and workforce. It is vital that we build strong working relationships with our intermediaries, including around risk management and customer service.</p>	<p>The school works closely with a wide range of key suppliers with the aim of ensuring that the school's requirements in terms of service levels and price are clearly understood and delivered upon.</p> <p>At the same time the school works ethically with suppliers settling invoices within payment terms and raising queries promptly.</p> <p>The school has well-developed internal processes to ensure that suppliers' invoices receive appropriate levels of authorisation for payment.</p>
Community/wider society	<p>We recognise the importance of contributing to our communities through volunteering, community investment, and long-term partnerships. In addition, as a significant employer in the area and a large landowner we are fully aware of our responsibilities with regard to the importance of sustainability and the impact our decisions may have on climate change.</p>	<p>We make our facilities available free of charge to a number of local community groups whether that be schools, sports clubs or disadvantaged individuals.</p> <p>In addition, we provide employment opportunities for a local learning disability employment charity.</p> <p>For significant development activities, such as the planning application for a new Sixth Form building, we hold public consultations to discuss details of our plans with all interested parties and to seek their feedback and concerns.</p> <p>In July 2023 we published our first "Community Impact Report" for key stakeholders.</p>

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Regulators	We understand that regulators are key in maintaining the credibility of both the school and the sector that we operate in. The school strives to be fully compliant in all areas in which we face external regulatory review and ensures that any regulatory changes are understood and acted upon quickly.	The Senior Management of the School are fully involved in all areas where the School is subject to regulatory control. School Governor Committees will be kept informed of all regulatory review outcomes and recommendations and governors will then ensure that Senior Management acts upon recommendations to resolve any areas of structural or process weakness. We seek (and follow) guidance from relevant parties such as ISBA, IPA, ISC and BSA.
Donors	Donations to the school's charitable entity provide opportunities to increase the public benefit from the delivery of the school's main charitable aim of promoting the education of its pupils.	All donations are gratefully received and acknowledged by the school. Donors are made aware by the school website and other forms of communication of how their donations are being used to provide educational opportunities.
Alumni	The School recognises the importance of its alumni in that they are the representation of the delivery of the School's talent and expertise in teaching and pastoral care. The School also regards its alumni as a strong link to the outside world which can provide further benefit to current pupils.	The School maintains contact with its alumni through its links with the Old Berkhamstedians organisation and also through the Berkhamsted Society which has been set up by the School to encourage stronger relationships between the town of Berkhamsted, the School and its alumni.

Sustainability Report

Berkhamsted School is committed to incorporating sustainability into all of its teaching and operations. This is reflected in these activities amongst others:

- The establishment of a Sustainability Committee to provide leadership, co-ordination and guidance on how to integrate sustainability principles and practices into all of the School's activities and operations.
- The provision from 2022 onwards of an Annual Sustainability Report, highlighting the School's Environmental, Social and Governance (ESG) strategy, goals, and activities.
- Participation in the Government's Streamlined Energy and Carbon Reporting (SECR) framework, on an annual basis - calculating the School's Scope 1 and 2 emissions, and comparing them on an absolute and intensity basis.
- Ensuring that the School's performance targets align with UN Sustainable Development Goals (SDGs), in those fields where the school has, or could have, the greatest impact.
- Putting initiatives and strategies in place, over the next few years, to reduce the School's overall carbon emissions. As well as continuing to reduce energy consumption, and transport-related emissions, the School will also seek to gain a greater understanding of the Scope 3 emissions generated in its supply chain.

Berkhamsted Schools Group

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- The provision of a home-to-school coach service transporting up to 580 pupils every day, with each coach journey on average saving 31 parent car trips and 3.47 g/km of CO₂. The School has also negotiated discounts with train and bus providers, and is developing software to facilitate car-sharing by pupils and their parents, and by staff.
- The recent addition of three fully electric zero emission vans to the School's vehicle fleet, and introduction of an electric bike scheme for staff travelling between School sites. Looking ahead, there are plans to develop electric vehicle charging, to be accessible to staff, pupils and visitors, by 2030.
- The adoption of a zero waste-to-landfill policy, supported by a partnership with Grundon Waste Management Ltd. This ensures that most waste is recycled, and that the remainder is incinerated in a way that generates electricity and provides heat to local homes.
- A partnership with the Wildlife Trust in 2022, to research the best ways to promote and increase biodiversity and flora on the School grounds.

The School acknowledges the wider impacts of our activities and operations on the natural environment and our surrounding communities, and that our decisions and initiatives can make a difference for the better. Berkhamsted Schools Group support the UN's Sustainability Development Goals (SDGs) and we therefore made sure that in setting our KPIs and goals that some of these aligned with the UN SDGs. We did this by identifying and focusing on the ones where we believe Berkhamsted can have the greatest impact. The targets we are focusing on are:



STATEMENT ON STREAMLINED ENERGY AND CARBON REPORTING (SECR)

GHG emissions and energy used between 1 August 2022 and 31 July 2023

Measure	Units	UK and Offshore	
		2022/23	2021/22
Energy consumption used to calculate emissions	Total Energy (kWh)	8,778,000	9,567,000
Emissions from the combustion of gas	Scope 1 (tonnes CO ₂ e)	1,165	1,305
Emissions from the combustion of fuel for transport	Scope 1 (tonnes CO ₂ e)	25	30
Emissions from purchased electricity (location based)	Scope 2 (tonnes CO ₂ e)	443	492
Emissions from the combustion of fuel for transport	Scope 3 (tonnes CO ₂ e)	0	0
Total gross tonnes CO ₂ e	Scope 1, 2 and 3	1,633	1,827
Intensity ratio : Gross tonnes CO ₂ e / number of students	Intensity ratio	0.758	0.880

Berkhamsted Schools Group

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Methodology

The above data has been prepared in accordance with the provisions of the GHG Reporting Protocol – Corporate standard and HM Government’s Environmental Reporting Guidelines including streamlined energy and carbon reporting guidance, issued March 2019.

DEFRA conversion factors 2019 have been used to convert electricity and gas consumption in kWh to tonnes CO₂e and to convert transport fuel consumption in mileage/litres to tonnes CO₂e and then to kWh.

Action on energy efficiency undertaken during the reporting period

- Significant investment has been made to our Building Management System during 2023, by upgrading the software and control systems. This will greatly reduce energy consumption to one of our senior school campuses by giving full automated operational control over heating and cooling to all areas.
- Significant investment was made during 2023 for the replacement of three large roof structures across three school campuses, projects completed August 2023. This will greatly reduce heat loss with the installation of modern thermal materials withing the new roof structure.
- The rolling programme of replacing all lighting to LED continued and is now 65% complete.

AUDITOR

Crowe U.K. LLP has indicated its willingness to be re-appointed as statutory auditor.

Insofar as each of the Governors of the school at the date of approval of this report is aware there is no relevant audit information (information needed by the school’s auditor in connection with preparing the audit report) of which the school’s auditor is unaware. Each Governor has taken all of the steps that he/she should have taken as a governor in order to make himself/herself aware of any relevant audit information and to establish that the school’s auditor is aware of that information.

Berkhamsted Schools Group

GOVERNORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The Governors are responsible for preparing the Governors' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net incoming resources for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 1993. 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.

APPROVAL

This Annual Report, including the Statement of Governors' Responsibilities, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Governors on 2 December 2023, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



C. COPLAND
Chair of Governors

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Members of Berkhamsted Schools Group

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the governor's responsibilities statement set out on page 26, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

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

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

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

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

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

Use of our report

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



Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date 31 January 2024

Berkhamsted Schools Group
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)

	Note	Unrestricted Funds		Restricted Funds	Endowment and Building Funds	Year Ended July 2023	Year Ended July 2022
		General £'000	Designated £'000	£'000	£'000	Total £'000	Total £'000
Income and endowments from Charitable activities							
School fees receivable	1	37,332				37,332	35,733
Ancillary trading income	2	2,489				2,489	2,121
Other trading activities							
Non-ancillary trading income	3	1,397				1,397	1,123
Investments							
Investment income		52	40			92	82
Bank and other interest		371				371	4
Voluntary sources							
Grants and donations		-	6	33	66	105	182
Total Incoming Resources		41,641	46	33	66	41,786	39,245
Expenditure on:							
Raising funds							
Non-ancillary trading	4	1,123				1,123	980
Fundraising and Development	4	22				22	21
Total deductible costs		1,145				1,145	1,001
Charitable activities							
Education and grant making	4	37,820	717	9	69	38,615	36,304
Total expenditure	4	38,965	717	9	69	39,760	37,305
Net income/(expenditure) before transfers and investment gains/(losses)		2,676	(671)	24	(3)	2,026	1,940
Losses on investments	8	-	(22)	-	(48)	(70)	(164)
Net income/(expenditure) after gains(losses) on investments		2,676	(693)	24	(51)	1,956	1,776
Transfer between funds	14	(2,676)	2,676	-	-	-	-
Net movement in funds		-	1,983	24	(51)	1,956	1,776
Fund balances at 1 August 2022		-	37,363	199	7,889	45,451	43,675
Fund balances at 31 July 2023		-	39,346	223	7,838	47,407	45,451

Berkhamsted Schools Group
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2023

	Notes	Group		School	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
Fixed assets					
Land and buildings	6	45,773	42,955	45,773	42,955
Other tangible assets	6	1,433	1,110	1,433	1,110
Intangible fixed assets	7	-	-	-	-
Investments	8	3,301	3,279	3,301	3,279
		<u>50,507</u>	<u>47,344</u>	<u>50,507</u>	<u>47,344</u>
Current assets					
Stock	9	65	29	65	29
Debtors	10	1,105	904	1,070	890
Cash at bank and in hand		13,358	6,727	13,240	6,642
		<u>14,528</u>	<u>7,660</u>	<u>14,375</u>	<u>7,561</u>
Creditors: Amounts falling due within one year	11	(7,995)	(8,026)	(7,842)	(7,890)
Net current assets / (liabilities)		<u>6,533</u>	<u>(366)</u>	<u>6,533</u>	<u>(329)</u>
Total assets less current liabilities		57,040	46,978	57,040	47,015
Creditors: Amounts falling due after one year	12	(9,633)	(1,527)	(9,633)	(1,527)
Net assets		<u>47,407</u>	<u>45,451</u>	<u>47,407</u>	<u>45,488</u>
Endowment and building funds	14a	7,838	7,888	7,838	7,888
Restricted funds	14b	223	200	223	200
Unrestricted funds					
Designated funds	14c	39,346	37,363	39,346	37,400
Total funds		<u>47,407</u>	<u>45,451</u>	<u>47,407</u>	<u>45,488</u>

Company number : 622349

The net incoming resources for the financial year dealt with in the financial statements of the parent Charity were £2.026m (2022 : £1.940m).

The financial statements were approved and authorised for issue by the Board of Governors on 2 December 2023 and are signed on their behalf by;



C. COPLAND (Chair)



N. TWOGOOD

Berkhamsted Schools Group
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2023

	Note	2023		2022	
		£'000	£'000	£'000	£'000
Net cash inflow from operations					
Net cash provided by operating activities	(i)		<u>2,052</u>		<u>6,174</u>
Cash flows from investing activities					
Payments for tangible fixed assets		(4,322)		(5,267)	
Decrease in cash held within Investment portfolio		(70)		(294)	
Investment income		92		54	
Bank interest received		371		-	
Net investment management charges settled from the investment portfolio		-		(7)	
Net cash used in investing activities			<u>(3,929)</u>		<u>(5,514)</u>
Cash flows from financing activities					
Bank loan drawdowns			9,000		-
Bank loan repayments			(492)		-
Net cash provided by financing activities			<u>8,508</u>		-
Change in cash and cash equivalents in the reporting period			6,631		660
Cash and cash equivalents at the beginning of the period			<u>6,727</u>		<u>6,067</u>
Cash and cash equivalents at the end of the period	(ii)		<u>13,358</u>		<u>6,727</u>
(i) Reconciliation of net income to net cash flow from operating activities					
		2023		2022	
		£'000	£'000	£'000	£'000
Net incoming resources			2,026		1,940
Elimination of non-operating cash flows:					
- Investment income		(92)		(58)	
- Bank interest received		(371)		-	
- Loan interest charges		291		-	
- Finance costs		22		20	
Depreciation charge		1,181		1,114	
Amortisation charge		-		6	
Prior year donation applied as bursary funding		(6)		-	
Profit on disposal of a fixed asset		(39)		(16)	
Increase in stock		(36)		(23)	
(Increase) / Decrease in debtors		(201)		19	
(Decrease) / Increase in creditors (excluding fees in advance scheme and deposits)		(419)		1,425	
(Decrease) / Increase in fees in advance scheme creditors		(999)		1,489	
Increase in parents' deposits		695		258	
			<u>26</u>		<u>4,234</u>
Net cash inflow from operations			<u>2,052</u>		<u>6,174</u>

Berkhamsted Schools Group
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2023

(ii) Analysis of cash and cash equivalents

	2023 £'000	2022 £'000
Cash at bank	<u>13,358</u>	<u>6,727</u>

(iii) Analysis of changes in net debt activities

	At 1 Aug 2022	Cash flows £'000	At 31 July 2023
Cash and cash equivalents	6,727	6,631	13,358
Borrowings:			
Debts due within one year	-	(173)	(173)
Debts due after one year	-	(8,626)	(8,626)
Total net debt	<u>6,727</u>	<u>(2,168)</u>	<u>4,559</u>

BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

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

The individual entities of Berkhamsted Schools Group have taken advantage of the disclosure exemption under FRS 102 to separately disclose categories of financial instruments and items of income, expenses, gains or losses relating to instruments as these have been presented on a group basis in the notes to the accounts.

The accounts present the Consolidated Statement of Financial Activities (SOFA), the consolidated balance sheet and the consolidated cash flow statement, comprising the results of the School and its wholly owned subsidiaries Berkhamsted Day Nursery Limited, Berkhamsted School Enterprises Limited and Berkhamsted Schools International Limited made up to 31 July 2023 and consolidated on a line by line basis. Intra-group transactions and profits are eliminated fully on consolidation. Uniform accounting policies have been adopted across the Group.

No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 5 March 1959 (company number: 622349) and registered as a charity on 15 November 1962 (charity number: 310630). Its registered office is 6 Chesham Road, Berkhamsted, Hertfordshire, HP4 3AA.

Berkhamsted Schools Group

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 July 2023

GOING CONCERN

The Governors closely monitor the current and future expected financial performance of the school, taking into consideration budgets, forecasts and the longer-term strategic business plan. In 2023, these budgets, cashflows and forecasts were remodelled to reflect plausible downside scenarios specifically relating to increasing energy costs and increases in interest rates. Conservative cash flows were prepared based on the revised forecasts with sensitivity analysis on the key assumptions such as the impact of a drop in pupil numbers. This scenario planning confirmed the cash reserves of the School are adequate to meet the charity's obligations as they fall due and the same modelling continues to be valid to demonstrate the School is financially secure and able to operate effectively for the foreseeable future.

The School reported a strong cash position at the year-end together with healthy pupil numbers for 2023/24, offering the Governors a confident expectation that the charity has adequate resources to continue its activities for the foreseeable future, being at least 12 months from the date of approval of the financial statements, with there being no material uncertainties over the school's financial viability. Accordingly, Governors continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities on page 27.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The items in the accounts where these judgements and estimates have been made include:

- the useful life of tangible and intangible fixed assets;
- the level of provision required for unpaid school fees;
- the amount of expenditure that should be accrued for; and
- the allocation of overheads and governance costs between charitable expenditure categories.

FEES AND SIMILAR EARNED INCOME

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

EXPENDITURE

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

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

Berkhamsted Schools Group

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 July 2023

DONATIONS, LEGACIES, GRANTS AND OTHER VOLUNTARY INCOME

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

TANGIBLE FIXED ASSETS

Land and Buildings are carried in the balance sheet at their cost as the Governors consider it is not appropriate to apply a current value to such property. The cost of new buildings is added to fixed assets as it is incurred. The School seeks to maintain its properties in a good condition. The costs incurred in doing so, which can include major building modernisation and improvement, are written off as incurred. The cost of land and buildings represents expenditure since 1866. Foundation land and buildings bequeathed on trust for retention in perpetuity have not been valued.

The School capitalises strategic development projects (which are typically greater than £100,000), motor vehicles and significant equipment purchases; minor items of School equipment and furniture are written off in the year of purchase.

DEPRECIATION

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices in equal annual instalments over their expected useful economic lives as follows:

Land & Buildings	1 - 10%
Furniture & Equipment	20% - 25%
Motor Vehicles	20% - 25%

The Governors have considered the value of buildings and deem the depreciation policy appropriate.

INTANGIBLE FIXED ASSETS

The intangible fixed asset shown in the balance sheet relates to software costs incurred on the School's Finance and Human Resources management systems.

AMORTISATION

Amortisation is provided to write off the cost of all relevant intangible fixed assets less estimated residual value based on current market prices in equal instalments over their expected useful lives as follows:

Business software	20% - 33%
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INVESTMENTS

Investments held as fixed assets are stated in the balance sheet at their bid price as at the balance sheet date. Any resulting gain or loss is taken to the fund to which it relates.

Berkhamsted Schools Group

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 July 2023

STOCK

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

ENDOWMENT AND BUILDING FUNDS

The Endowment and Building Funds represents the Charity's endowed assets comprising land and buildings and certain investments (as referred to in the Charity's Scheme dated 29th August 1996) together with all subsequent additions to buildings. All strategic building projects from 2004 were funded from general reserves and in recognition of this, these costs have been separately identified within a designated unrestricted fund.

TOTAL RETURN INVESTMENT ACCOUNTING

A Charity Commission Order dated 21 October 2012 authorises the School to adopt a 'total return' basis for the investment of its permanent endowment. Under the Total Return Order, the School can invest its permanent endowments without regard to the capital/income distinctions of trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated, under the Order, as a capital supplement to the preserved ('frozen') value of the permanent endowment.

FUND ACCOUNTING

The charitable trust funds of the School and its subsidiaries are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's Objects or to benefit the School itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the School (freehold land) or for financial benefit (by investment). The Total Return Order stipulates that any investment returns will accrue to a capital element (Unapplied Total Return) to the permanent endowment.

PENSION ARRANGEMENTS

For teachers the School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the School by the scheme administrator. The School is unable to identify its share of the Scheme Funds and therefore the Scheme has been accounted for as a defined contribution scheme. For non-teaching staff the School contributes to defined contribution pension schemes. For the Teachers' Pension Scheme and for defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. The School also sets aside funds to meet unfunded pension obligations for certain former members of staff.

Berkhamsted Schools Group
STATEMENT OF ACCOUNTING POLICIES
for the year ended 31 July 2023

OPERATING LEASES

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

FINANCIAL INSTRUMENTS

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2023

1 SCHOOL FEES	2023 £'000	2022 £'000
Fees receivable consist of:		
Gross fees	39,829	37,935
Less: Bursaries, Grants and Allowances	(2,503)	(2,290)
Add back: Scholarships paid for by Restricted funds	6	88
	37,332	35,733
	37,332	35,733
2 ANCILLARY TRADING INCOME	2023 £'000	2022 £'000
Registration fees	171	139
Extra-curricular lessons	735	686
Hire and lettings income	70	73
Income arising from school trips	967	730
Other income	546	493
	2,489	2,121
	2,489	2,121
3 NON-ANCILLARY TRADING INCOME	2023 £'000	2022 £'000
Membership fees	37	38
Hire of facilities	132	95
Classes and admissions	168	71
Other income	39	8
Nursery care	964	870
Holiday camp	57	41
	1,397	1,123
	1,397	1,123

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2023

4 ANALYSIS OF EXPENDITURE

4a Total expenditure

	Staff Costs £'000	Depreciation £'000	Other Costs £'000	Total 2023 £'000	Total 2022 £'000
Raising funds					
Trading costs	818	-	305	1,123	980
Fundraising for voluntary resources	-	-	22	22	21
Total costs of raising funds	818	-	327	1,145	1,001
Charitable activities					
Teaching	19,362	341	5,234	24,937	23,152
Welfare	27	-	2,260	2,287	2,170
Premises repair and maintenance	2,055	840	4,860	7,755	8,028
Support costs and governance	2,315	-	1,315	3,630	2,861
Funding of scholarships	-	-	9	9	93
Total charitable expenditure	23,759	1,181	13,678	38,618	36,304
	24,577	1,181	14,005	39,763	37,305
2022	23,260	1,120	12,925	37,305	

4b Governance included in support costs

	2023 £'000	2022 £'000
Management time	53	49
Auditor's fees		
- Audit	46	41
- Tax compliance	18	16
- Other Services	3	-
Governors Indemnity insurance	5	12
Legal and professional fees	35	40
	160	158

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2023

5 STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2023 £'000	2022 £'000
Total staff costs comprise:		
Wages and salaries	18,996	17,930
Social security costs	1,913	1,785
Pension contributions	3,668	3,456
	<u>24,577</u>	<u>23,171</u>
Aggregate employee benefits of key management personnel	<u>1,557</u>	<u>1,456</u>

Key management personnel comprise the Executive team as described in the Trustee's Report.

The number of employees whose emoluments (excluding employer pension contributions) exceeded £60,000 were:

	2023	2022
£250,001 - £260,000	1	-
£200,001 - £210,000	-	1
£170,001 - £180,000	1	-
£110,001 - £120,000	1	1
£100,001 - £110,000	1	-
£90,001 - £100,000	1	2
£80,001 - £90,000	5	5
£70,001 - £80,000	8	4
£60,001 - £70,000	44	25
	<u>62</u>	<u>38</u>

Total payments to the School's defined contribution pension scheme in the year-end 31 July 2023 were £984k (2022: £919k).

Redundancy or termination payments of £171k (2022: £113k) arose during the year. There was £142k outstanding to be paid at the year end (2022: £80k).

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2023

5 STAFF COSTS AND RELATED PARTY TRANSACTIONS (CONTINUED)

The average number of employees during the year was made up as follows:

	2023		2022	
	Full time	Part time	Full time	Part time
Teaching staff	186	90	184	84
School based support staff	97	113	94	92
Maintenance and domestic staff	38	25	35	35
Administrative and Sport Centre	18	18	17	18
	<u>339</u>	<u>246</u>	<u>330</u>	<u>229</u>

In the year ended 31 July 2023 no Governors or persons connected with them received any remuneration or other benefits from the school (year ended 31 July 2022: £Nil). Expenses of £194 were reimbursed to 3 Governors (2022: £278) wholly in relation to the carrying out of their duties.

Gift aid transactions and year end balances between the Charity and its subsidiaries are shown in Note 15.

There are no further related party transactions requiring disclosure.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2023

6 TANGIBLE FIXED ASSETS – GROUP AND SCHOOL

	Land and Buildings £'000	Assets under construction £,000	Furniture and Equipment £'000	Motor Vehicles £'000	Total £'000
Cost					
1 August 2022	50,441	2,373	4,924	853	58,591
Additions	1,548	2,075	491	208	4,322
Disposals	-	-	-	(160)	(160)
31 July 2023	51,989	4,448	5,415	901	62,753
Depreciation					
1 August 2021	9,859	-	4,081	586	14,526
Charged in the year	805	-	278	98	1,181
Disposals	-	-	-	(160)	(160)
31 July 2023	10,664	-	4,359	524	15,547
Net book value					
31 July 2023	41,325	4,448	1,056	377	47,206
31 July 2022	40,582	2,373	843	267	44,065

Buildings, including contents, are insured for £159 million (2022: £170 million).

A number of school buildings with a combined value of £26.4 million have been taken as security by NatWest Bank plc in connection with the loan facilities granted to the School for the Estates Masterplan development.

Assets under construction are capital projects the construction of which is still ongoing at the balance sheet date.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2023

7 INTANGIBLE FIXED ASSETS

GROUP	Software costs £'000
Cost	
1 August 2022	276
Additions	-
Disposals	-
	<hr/>
31 July 2023	276
	<hr/>
Depreciation	
1 August 2022	276
Charged in the year	-
	<hr/>
31 July 2023	276
	<hr/>
Net book value	
31 July 2023	-
	<hr/>
31 July 2022	-
	<hr/> <hr/>
SCHOOL	
	Software costs £'000
Cost	
1 August 2022	255
Additions	-
	<hr/>
31 July 2023	255
	<hr/>
Depreciation	
1 August 2022	255
Charged in the year	-
	<hr/>
31 July 2023	255
	<hr/>
Net book value	
31 July 2023	-
	<hr/>
31 July 2022	-
	<hr/> <hr/>

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2023

8 INVESTMENTS – GROUP AND SCHOOL

	Total 2023 £'000	Total 2022 £'000
Market value at 1 August 2022	3,279	3,141
Capital invested	71	294
Management charges	(22)	(20)
Revaluation	(70)	(164)
Net dividend income retained in Investment Fund	43	28
	<hr/>	<hr/>
Market value at 31 July 2023	3,301	3,279
	<hr/> <hr/>	<hr/> <hr/>

	Designated £'000	Restricted £'000	Endowment and Building £'000	Total 2023 £'000	Total 2022 £'000
Managed portfolio	1,188	-	2,113	3,301	3,279
	<hr/>				
Market value at 31 July 2023	1,188	-	2,113	3,301	3,279
	<hr/> <hr/>				
Historical cost of investments	1,190	-	2,008	3,198	3,024
	<hr/> <hr/>				

Investments are represented by (at market value):

	2023 £'000	2022 £'000
UK equity shares	647	692
UK bonds	159	143
Overseas bonds	323	158
Overseas equity shares	1,609	1,362
Other investments	381	505
Cash	182	419
	<hr/>	
Total	3,301	3,279
	<hr/>	

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2023

9 STOCK

	Group		School	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Stock of goods for resale	65	29	65	29

Stock held by the School comprises peripheral items for pupil laptops.

10a DEBTORS: Amounts due within one year

	Group		School	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Fees receivable	46	6	46	6
Recoverable disbursements	53	27	53	27
Trade debtors	179	132	77	100
Other debtors and prepayments	639	546	635	544
Due from subsidiary undertaking	-	-	71	20
	<u>917</u>	<u>711</u>	<u>882</u>	<u>697</u>

10b DEBTORS: Amounts due in more than one year

	Group		School	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Other debtors and prepayments	188	193	188	193
	<u>188</u>	<u>193</u>	<u>188</u>	<u>193</u>

Other debtors and prepayments due in more than one year relates to the obligation the school holds to use a court at a local squash club until the year 2059 following a contribution made to construction costs at the club in 2009.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2023

II CREDITORS: Amounts falling due within one year

	Group		School	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Bank loan	173	-	173	-
Fees received in advance	585	1,077	585	1,077
Payments received on account	243	173	243	173
Fee deposits held at year end	3,196	2,501	3,184	2,486
Trade creditors	1,856	2,219	1,844	2,207
Other taxes and national insurance contributions	524	464	523	455
Other creditors	422	454	417	451
Accruals	756	600	725	584
Deferred income	240	538	148	452
Due to subsidiary undertakings	-	-	-	5
	<u>7,995</u>	<u>8,026</u>	<u>7,842</u>	<u>7,890</u>

All deferred income shown in the table above relates to fees for the 2023/24 school year. All deferred income held at 31 July 2022 was released in the following year.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2023

12 CREDITORS: Amounts falling due in more than one year

	Group		School	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Bank loan	8,626	-	8,626	-
Fees received in advance	893	1,400	893	1,400
Deferred income	114	127	114	127
	9,633	1,527	9,633	1,527
	9,633	1,527	9,633	1,527

Fees received in advance total £1,478k of which £585k falls due within one year, and £893k falls due between two and five years. The balance represents the accrued liability under the contracts. The movements during the year were:

	2023 £'000	2022 £'000
Balance at 1 August 2022	2,477	988
New contracts	107	2,198
Repayments	-	-
Amounts used in payment of fees to the school	(1,106)	(709)
	1,478	2,477
Balance at 31 July 2023	1,478	2,477

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2023

The bank loan is analysed as:

	2023 £'000	2022 £'000
Repayable:		
Between one and two years	184	-
Between two and five years	619	-
In five years and more	7,823	-
	<hr/>	
	8,626	-
Repayable within one year	173	-
	<hr/>	
	8,799	-
	<hr/> <hr/>	

The charity has the following loans:

- A fixed interest rate loan was taken out in September 2022 for £6.0 million with a final repayment scheduled for August 2047. Interest is charged at 5.33% and the loan is secured against various school properties.
- A variable rate loan was taken out in December 2022 for £3.0 million with a final repayment scheduled for November 2047. Interest is charged at 1.55% per annum over Base Rate and the loan is secured against various school properties.
- Both loans were taken out for the purpose of financing the School's Estates Masterplan.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2023

13 ALLOCATION OF SCHOOL NET ASSETS

	Tangible fixed assets £'000	Investments £'000	Other assets/ (liabilities) £'000	Total £'000
Endowment and building funds	5,584	2,115	139	7,838
Restricted funds	-	-	223	223
Unrestricted funds:				
Designated funds	38,047	1,186	113	39,346
Retained income	3,575	-	(3,575)	-
	<hr/>	<hr/>	<hr/>	<hr/>
31 July 2023	47,206	3,301	(3,100)	47,407
	<hr/>	<hr/>	<hr/>	<hr/>
31 July 2022	44,065	3,278	(1,892)	45,451
			2023	2022
Unrealised losses included above in investments:			£'000	£'000
Endowment and building funds			(48)	(97)
Designated funds			(22)	(67)
			<hr/>	<hr/>
			(70)	(164)
			<hr/>	<hr/>

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2023

I4a ENDOWMENT AND BUILDING FUNDS

	Balance 1 August 2022 £'000	Incoming resources £'000	Resources Expended £'000	Investment gains/(losses) £'000	Transfers £'000	Balance 31 July 2023 £'000
Represented by:						
Land and buildings	5,653		(69)			5,584
Anniversary Fund	258	66				324
Scholarship and prize fund	1,978			(48)		1,930
	<u>7,889</u>	<u>66</u>	<u>(69)</u>	<u>(48)</u>		<u>7,838</u>

I4b RESTRICTED FUNDS

The Berkhamstedian Foundation	193	33	(3)			223
500 th Anniversary Fund	6	-	(6)			-
	<u>199</u>	<u>33</u>	<u>(9)</u>			<u>223</u>

I4c DESIGNATED FUNDS

The Berkhamstedian Foundation	111	3				114
500 th Anniversary Fund	1,165	43		(22)		1,186
Land and buildings	35,842		(717)		2,676	37,802
Heatherton Development Fund	245					245
	<u>37,363</u>	<u>46</u>	<u>(717)</u>	<u>(22)</u>	<u>2,676</u>	<u>39,346</u>

I4d UNRESTRICTED FUNDS

School funds	<u>-</u>	<u>41,641</u>	<u>(38,965)</u>		<u>(2,676)</u>	<u>-</u>
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I4e TOTAL FUNDS HELD

TOTAL FUNDS	<u>45,451</u>	<u>41,786</u>	<u>(39,760)</u>	<u>(70)</u>		<u>47,407</u>
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Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2023

Endowment and Building Funds

Land and Buildings

Tangible fixed assets are all held for use by the School. Land and Buildings represent assets donated on foundation and subsequent major additions at cost. As a consequence these assets are a mixture of those endowed to the School and those subsequently acquired. Tangible fixed assets are shown at cost in the balance sheet.

Buildings are depreciated at 1-10% of cost, with the charge being written off to the Endowment and Buildings Funds. All costs of maintaining the buildings are written off as expenses of the school in the year of expenditure.

Scholarships and Prize Fund

This fund represents bequests and donations received by the Charity, where the donor has specified that the funds should be used to provide opportunities for and acknowledgement of educational achievements for future generations. The investment income recognised on these funds is added to the balance each year.

During the year ended 31 July 2016 the Governors exercised the power granted under section 104A of the Charities Act 2011 to adopt a total return approach to the school's Scholarships and Prize fund. This allows the School to recognise an Unapplied Total Return ("UTR") element in the fund which is accessible for spending on current beneficiaries.

Under the Total Return approach, the school must ensure that the value of the fund does not fall below the core endowment value. The core endowment value is fixed at £1,144k representing the value of the endowment in 2003.

The overall movement in unapplied total return in the year ended 31 July 2022 was as follows:

	£'000
Unapplied total return at 1 August 2022	834
Add: Investment losses	(48)
Less: Resources expended	-
Unapplied total return before transfer to income	786
Less: transfer to income	-
Unapplied total return at 31 July 2023	786
Add: core value	1,144
Scholarship and prize fund assets at 31 July 2023	1,930

500th Anniversary Fund

This fund holds donations given to the school specifically to be invested under the name 500th Anniversary Fund to generate income from which school places will be made available to children who could not otherwise afford to attend the school. The name of the fund is in recognition of the forthcoming important anniversary of the school's foundation.

Berkhamsted Schools Group

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2023

Restricted Funds

The Berkhamstedian Foundation

This represents a restricted fund established for the purpose of providing resources for specific projects and to widen the opportunity for scholarships and bursaries.

500th Anniversary Fund

This part of the Anniversary Fund has been set up to receive donations to the Anniversary Fund that will be used to directly fund school places. The balance on this fund represents monies which have not yet been applied.

Designated Funds

Land and Buildings Fund

This represents fixed asset additions for major strategic projects mostly since 2004 funded from annual net incoming resources.

The Berkhamstedian Foundation

This represents a designated fund established by Governors. The fund represents unrestricted fundraising donations received which are set aside for the purpose of providing resources for specific projects and to widen the opportunity for scholarships and bursaries.

Heatherton Development Fund

The designated Development Fund represents unrestricted funds set aside by the Governors of Heatherton House School for the future functioning of the School.

500th Anniversary Fund

This fund is for unrestricted donations that the Governors have designated to be added to the 500th Anniversary Fund, a fund that provides access to the school for aspiring pupils who could not otherwise afford to attend.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2023

15 SUBSIDIARY UNDERTAKINGS

Berkhamsted Schools Group has three wholly owned subsidiaries all of which are registered in the United Kingdom and share the same registered office as the School (see page 5).

- Berkhamsted Day Nursery Limited (trading) - company number 07610890
- Berkhamsted School Enterprises Limited (trading) - company number 02048201
- Berkhamsted Schools International Limited (dormant) - company number 10054110

The trading subsidiaries pay all their distributable profits to the school through gift aid declarations and their results for the year and retained capital and reserves are shown below:

Berkhamsted Day Nursery Limited	2023	2022
	£'000	£'000
<i>Profit and loss account</i>		
Turnover	964	870
Total expenditure	(785)	(706)
Profit before tax and gift aid	179	164
Taxation	-	-
Gift Aid	(179)	(164)
Profit /(loss) after tax and gift aid	-	-
<i>Balance sheet</i>		
Total assets	62	70
Total liabilities	(62)	(70)
Net assets	-	-
Costs recharged from Berkhamsted Schools Group	39	37
Amount owed from / (to) Berkhamsted Schools Group	(8)	5
Berkhamsted School Enterprises Limited	2023	2022
	£'000	£'000
<i>Profit and loss account</i>		
Turnover	433	252
Total expenditure	(352)	(288)
Profit before tax and gift aid	81	(36)
Taxation	-	-
Gift Aid	(45)	-
Profit /(loss) after tax and gift aid	36	(36)
<i>Balance sheet</i>		
Total assets	161	55
Total liabilities	(161)	(91)
Net assets	-	(36)
Costs recharged from Berkhamsted Schools Group	15	5
Amount owed to Berkhamsted Schools Group	(62)	(20)

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2023

16 PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2.718m (2022: £2.647m) and at the year-end £226k (2022 - £215k) was accrued in respect of contributions to this scheme.

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

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

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

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

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2023

17 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2023 the School had minimum lease payments under non-cancellable operating leases as follows:

	2023 £'000	2022 £'000
Plant and machinery:		
Due within one year	599	555
Due between one and five years	920	464
	<hr/>	<hr/>
	1,519	1,019
	<hr/> <hr/>	<hr/> <hr/>

18 CAPITAL COMMITMENTS

There are £13.638m (2022: £14.697m) of capital commitments as at 31 July 2023.

19 FINANCIAL INSTRUMENTS

Group financial assets measured at fair value are the School's investments which totalled £3.301m (2022: £3.279m). Income from assets measured at fair value in the year totalled £51,000 (2022: £54,000) and unrealised losses totalled £70,000 (2022: a loss of £164,000).

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2023

20 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

Year Ended 31 July 2022

	Unrestricted Funds		Restricted Funds	Endowment and Building Funds	Total
	School £'000	Designated £'000	£'000	£'000	£'000
Income and endowments from					
Charitable activities					
School fees receivable	35,733	-	-	-	35,733
Ancillary trading income	2,121	-	-	-	2,121
Other trading activities					
Non-ancillary trading income	1,123	-	-	-	1,123
Other activities					
Investments					
Investment income	54	28	-	-	82
Bank and other interest	4	-	-	-	4
Voluntary sources					
Grants and donations	-	12	102	68	182
Total Incoming Resources	39,035	40	102	68	39,245
Expenditure on:					
Raising funds					
Non-ancillary trading	980	-	-	-	980
Fundraising and Development	21	-	-	-	21
Total deductible costs	1,001	-	-	-	1,001
Charitable activities					
Education and grant making	35,362	780	93	69	36,304
Total expenditure	36,363	780	93	69	37,305
Net incoming funds from operations before transfers and investment gains	2,672	(740)	9	(1)	1,940
Gains/(losses) on investments	-	(67)	-	(97)	(164)
Net income/(expenditure) after gains(losses) on investments	2,672	(807)	9	(98)	1,776
Transfer between funds	(2,672)	2,672	-	-	-
Net movement in funds	-	1,865	9	(98)	1,776
Fund balances at 31 July 2021	-	35,498	191	7,986	43,675
Fund balances at 31 July 2022	-	37,363	200	7,888	45,451

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2023

21 SUMMARY OF MOVEMENTS ON SCHOOL FUNDS AND ANALYSIS OF NET ASSETS BETWEEN FUNDS

Year Ended 31 July 2022

21a ENDOWMENT AND BUILDING FUNDS

	Balance 1 August 2021 £'000	Incoming resources £'000	Resources Expended £'000	Investment gains/(losses) £'000	Transfers £'000	Balance 31 July 2022 £'000
Represented by:						
Land and buildings	5,723	-	(69)	-	-	5,654
500 th Anniversary Fund	188	68	-	-	-	256
Scholarship and prize fund	2,075	-	-	(97)	-	1,978
	7,986	68	(69)	(97)	-	7,888

21b RESTRICTED FUNDS

The Berkhamstedian Foundation	191	4	(1)	-	-	194
500 th Anniversary Fund	-	98	(92)	-	-	6
	191	102	(93)	-	-	200

21c DESIGNATED FUNDS

The Berkhamstedian Foundation	118	3	-	-	-	121
500 th Anniversary Fund	1,196	37	-	(67)	-	1,166
Land and buildings	33,939	-	(780)	-	2,672	35,831
Heatherton Development Fund	245	-	-	-	-	245
	35,498	41	(780)	(67)	2,672	37,363

21d UNRESTRICTED FUNDS

School funds	-	39,035	(36,363)	-	(2,672)	-
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21e TOTAL FUNDS HELD

TOTAL FUNDS	43,675	39,245	(37,305)	(164)	-	45,451
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Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2023

21f ALLOCATION OF SCHOOL NET ASSETS

Year Ended 31 July 2022

	Tangible fixed assets £'000	Investments £'000	Other assets/ (liabilities) £'000	Total £'000
Endowment and building funds	5,654	3,278	(1,044)	7,888
Restricted funds	-	-	200	200
Unrestricted funds: Designated funds	36,076	-	1,287	37,363
Retained income	2,335	-	(2,335)	-
	<u>44,065</u>	<u>3,278</u>	<u>(1,892)</u>	<u>45,451</u>

BERKHAMSTED SCHOOLS GROUP

England & Wales - Charity number 310630

Accounts

Berkhamsted Schools Group

REPORT AND FINANCIAL STATEMENTS

For the year ended
31 July 2022

Berkhamsted Schools Group

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Berkhamsted Schools Group

WHO WE ARE

Berkhamsted Schools Group is a prestigious group of independent day schools in Hertfordshire and Buckinghamshire which also offer boarding for the senior year groups. Founded in 1541, the school celebrated 480 years of history and tradition in 2021. We are a school that is firmly rooted in our local community and also has an international outlook with overseas students joining the school from Year 10.

Berkhamsted has an outstanding reputation based on the following key characteristics:

A 'diamond school' - one of just a handful in the country, Berkhamsted offers co-educational tuition up to age 11 and single sex classroom education from the age of 11 to 16 - at a time when we believe girls and boys benefit most from being taught separately in the classroom, whilst extracurricular activities are undertaken co-educationally at all ages. Girls and boys come back together in a co-educational Sixth Form. We also have a girls-only Prep School, Heatherston, in Amersham, which has a co-educational nursery class.

A passion for learning and well-being – the world is changing at an ever-increasing pace. We believe life-long learning will be required of all of us and awareness of the skills that enable us to learn effectively are a key requirement. At the school we develop these skills through the use of an educational framework called the "Learning Powered Approach" which underpins our approach in the classroom and in all extra-curricular activities. We also believe that our pupils need to develop qualities of character such as mental toughness and resilience to believe they can cope with whatever life throws at them. Our well-being programme and framework is comparable with any school programme in the country and we care deeply about the well-being of our school community and the individuals within it.

A broad education - we develop outstanding, well-rounded, remarkable young people through a broad education based not just on academic excellence, but also through activities outside the classroom, including sport, outdoor education, music, art and drama. We are proud to have produced excellence at national and international levels while maintaining very high levels of pupil participation in extra-curricular activities. We have one of the most outstanding outdoor education programmes at any school in the country, demonstrated by the high numbers of participants in the Duke of Edinburgh's Award at all levels, and the range of experiences offered through our Combined Cadet Force. Every pupil in senior school attends Bushcraft training and spends a night under canvas as part of the introduction to the Duke of Edinburgh's Award.

A school that 'grows with you' - we offer our pupils fantastic experiences and opportunities that stretch their abilities and help develop their full potential at all stages throughout their formative years. Our pupils leave us with the qualifications and life skills needed to make a successful transition to the next stage of life, be that a top university, or the start of their career in the workplace. These are gained through initiatives such as our innovative Student Consultancy, pioneered at Berkhamsted in conjunction with the Oxford University Careers Service and since rolled out nationally, or the work experience opportunities we provide to our Sixth Formers. Other opportunities exist at our Sports Centre as a lifeguard or with our in-house caterers to gain customer service experience at School events.

Outstanding pastoral care – we are predominantly a day school running on structures built up through a history of being a traditional boarding school. We have a vertical house system, run by Heads of House and their teams of tutors, who oversee and support each child's personal development.

A large school with a small school feel - we are based on four campuses in Berkhamsted and one in Amersham, each structured to cater for the different age groups taught at those sites from Pre-Prep in the woodland setting of the Haresfoot campus to a Sixth Form moving between Castle and Kings campuses as a taster of what lies ahead at university. Each school benefits from outstanding whole school facilities in close proximity, which smaller schools are unable to provide. Examples include our 500 seat Centenary

Berkhamsted Schools Group

Theatre, the Knox-Johnston Sports Centre and 25 metre swimming pool, nine Eton Fives courts, a Wooded Gruffalo Trail and our High Ropes course.

A school **with community spirit** - our pupils are consistently helping in the community and looking to uphold the school's value of 'Serving Others'. From the Prep school children visiting the local care home for regular musical performances, to Year 7 boys litter picking across town, through to our Sixth Formers helping at local primary schools and in High Street charity shops. The introduction of The Berkhamsted Society has also offered our local neighbours the opportunity to use the school's facilities and attend a number of cultural events which are open to all. We work with maintained sector schools in Berkhamsted, Hemel Hempstead and Luton, and co-sponsor the Wren Academies Trust.

A school which **supports working parents** - we provide care at all stages of a child's school journey so parents need never be concerned if they are delayed at the office, have to go on a business trip, or wish to find activities for their child in the holidays. We provide wrap-around care at both ends of the day up to Prep School, flexi-boarding at the senior schools, and work with a specialist company to lay on a range of courses and activities during half terms. We offer all year-round nursery provision from five months to three years old. In addition, our travel network also offers those in senior school a coach service from home to school each day with late services available to cater for those pupils taking part in after-school activities.

A key aim of the Berkhamsted Schools Group is to deliver teaching and learning excellence for the benefit of pupils throughout the group. Investment in the continuous training, professional development and well-being of our staff is a priority. We are proud to have been awarded the Investors in People Gold Award twice in recent years, an unprecedented achievement for an independent school, reflecting our commitment to this aim.

Berkhamsted Schools Group

GOVERNORS

The Board of Governors is appointed in accordance with the terms and conditions laid down in the Scheme of the Charity Commissioners for England and Wales sealed on 29 August 1996. Except as otherwise indicated, the Governors served throughout the year and are as follows:

	Appointed /Resigned	(1)	(2)	(3)	(4)	(5)	(6)
G.C. Laws (Chair)	Appointed 17 March 2012	▪ (c)				▪ (c)	▪ (c)
D.J. Atkins	Appointed 1 September 2014		▪				
Prof S-J. Blakemore	Appointed 17 June 2017				▪		
C. Edwards	Appointed 1 September 2022		▪				
Dr M.A. Fenton	Appointed 1 January 2014				▪ (c)		
A.R Hart	Appointed 1 December 2018			▪			
K. Musgrave	Appointed 1 December 2018		▪				
K. Nijjar	Appointed 24 September 2020				▪		
C. Nicholls	Appointed 1 September 2015				▪	▪	
S. Rolland	Appointed 19 January 2011			▪			
S. Shields	Appointed 25 March 2017			▪			
J.J. Smith	Appointed 1 September 2020				▪		▪
N. Twogood	Appointed 1 September 2015	▪	▪ (c)			▪	▪
A. Wilcock	Appointed 26 November 2016				▪		
J. Williams	Appointed 1 March 2018	▪		▪ (c)		▪	

- (1) Chair's Committee
- (2) Finance and Property Committee
- (3) Risk and Regulatory Committee
- (4) Education Committee
- (5) Nominations Committee
- (6) Remuneration Committee

- (c) Chair

Berkhamsted Schools Group

OFFICERS

Principal	R P Backhouse MA (Cantab)
Clerk to the Governors	M Shell LL.B (Hons)
Vice Principal	A Ford BA
Chief Operating Officer	J Anthony BSc, FCA
Chief People Officer	T L Evans CIPD, FInstLM
Assistant Vice Principal (External Relations)	R C Thompson BA
Headteacher, Berkhamsted Sixth	M Walker BA
Headteacher, Berkhamsted Boys (left 31 Dec 2021)	M-C Startin BA, MA
Headteacher, Berkhamsted Boys (joined 1 Jan 2022)	TL Hadcroft BA (Hons), MSc, MRes, MEd
Headteacher, Berkhamsted Girls (left 31 Aug 2022)	E Richardson BA
Headteacher, Berkhamsted Girls (joined 1 Sept 2022)	E Watson BEng
Headteacher, Berkhamsted Prep	J Hornshaw MEd, BEd, NPQH, FInstLM
Headteacher, Heatherton	N Nicoll MEd, BEd (Hons)
Headteacher, Berkhamsted Pre-Prep	K O'Connor BA (Hons), PGCE, NPQH

Principal address and Registered Office

6 Chesham Road
Berkhamsted
Hertfordshire HP4 3AA

Bankers NatWest Bank
P.O. Box 202
199 High Street
Berkhamsted, Herts. HP4 1BH

Solicitors Veale Wasbrough Vizards
Orchard Lane
Bristol BS1 5WS

Auditors Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Investment Advisors Brewin Dolphin
12 Smithfield Street
London EC1A 9BD

Insurance Brokers Aon UK Limited
8 Devonshire Square
London EC2M 4PL

Property Advisers Aitchison Raffety
8 Cavendish Square
London W1G 0PD

Bidwells
Trumpington Road
Cambridge CB2 9LD

ESG Advisers Orbis Advisory
25 Wilton Road
London SW1V

Berkhamsted Schools Group

ANNUAL REPORT OF THE GOVERNORS CHAIR'S REPORT

CHAIR'S REPORT

Once again staff and students at the Berkhamsted Schools Group have had a year characterised by outstanding support for students academically, pastorally, and in their extra-curricular pursuits. Pastoral care of pupils has been a particular focus, given the challenges which recent Covid-caused turbulence in education. Parental feedback has been exceptionally strong. Consequently, the reputation of the school grows: enquiries for places have risen by one third, and we have waiting lists for entry into many of our year groups.

Our aim is to be a school which serves its local community excellently, with outstanding staff and infrastructure that compares to the best in the country. We want to be world class in everything we do to give the young people here the best chance to develop and succeed in whatever they choose to do. We do not just select pupils purely on academic skills – we offer an all-round education challenging our students and giving them real skills to help in later life.

During the academic year we have continued to build on our Digital Device Provision strategy which saw School Microsoft Surface devices provided to every child in Years 5-13, using the advances made during remote learning while also gaining the benefits of the resumption of face to face learning. We were pleased to win an award for the best Leadership Team across schools in the UK, and for recognition of excellence for provision in Sport (rugby, netball, lacrosse and football particularly excelling) and for our international boarding provision. The academic results gained this year were the best ever – higher at A level even than the two previous years, despite lower aggregates at high grades nationally.

We continue to invest sustainably in our infrastructure. During the year, demolition began on the site where a new Sixth Form Centre will be constructed, projects to relocate maintenance workshops were successfully continued and Berkhamsted Day Nursery's accommodation was further upgraded. Negotiations were successfully undertaken to acquire a valuable piece of land adjacent to Heatherton. We have now invested over £30m in the schools' sites during the last 15 years. We recognise that students and parents rightly expect first class facilities, and we are continuing to invest in infrastructure which generates educational opportunities for young people. We are also very aware that affordability of school fees is at the front of many parents' minds. Our goal is to provide an outstanding all-round education at a competitive price and therefore we have continued to strive to constrain our fee increases for the past few years whilst finding efficiencies within the schools to allow continued investment in staff and facilities.

With over 500 staff and around 2,000 pupils aged between 5 months and 18 years old, and in excess of 100 acres of land in Berkhamsted, we recognise our importance and need to contribute to, the local community. Our students continue to give thousands of hours of their time to community service, with nearly 2,000 hours by the sixth form alone. Whether it's visiting a senior citizens' home, a hospice, reading with pupils at local primary schools, or working with disabled adults and children, Berkhamstedians' time and effort makes a difference to the lives of so many in our community. We also open up our facilities to the community, and the Knox-Johnston Sports Centre is very well used outside of school hours. We support the people of the area through the provision of wraparound care and holiday camps to help working parents. In a new development, we have hosted booster weeks for Looked-After-Children in partnership with Hertfordshire Virtual Schools in both Easter and Summer. The Berkhamsted Schools Group and the London Diocesan Board for Schools continue to co-sponsor the Wren Academies Trust who have recently opened a new school in Enfield.

I would like to thank all our staff who commit so much time, energy, skill and professionalism to the school. Without them we wouldn't be the school of choice for so many families. Our Governors

Berkhamsted Schools Group

ANNUAL REPORT OF THE GOVERNORS CHAIR'S REPORT

continue to work tirelessly and commit many hours to the school. We have an exceptional board and I thank them all for their commitment.

A handwritten signature in black ink, appearing to read 'G.C. LAWS', with a long horizontal stroke extending to the right.

G.C. LAWS
Chair of Governors

Berkhamsted Schools Group

STRATEGIC REPORT

CONSTITUTION AND OBJECTS

Berkhamsted Grammar School was founded on 14 October 1541, re-founded by an Act of Parliament in 1549, and is regulated by a scheme made under the Endowed Schools Act on 13 May 1887 and subsequent amendments. Berkhamsted Girls Grammar School was constituted by the above scheme on 13 May 1887. The administration and management of these two charities and other subsidiary charities were amalgamated by a scheme dated 14 August 1975 approved by the Charity Commissioners for England and Wales.

With effect from 1 August 2011, the School merged with Heatherton House, a Prep School for Girls in Amersham. As part of the merger process, Berkhamsted School changed its name to Berkhamsted Schools Group and became an incorporated charity. The registered charity number is 310630 and the registered company number is 622349.

The Charity has two operating wholly owned non-charitable subsidiaries, Berkhamsted School Enterprises Limited and Berkhamsted Day Nursery Limited. The school actively supports the provision of the highest standards of education in the independent sector and co-operates with many local charities, schools and organisations to widen public access to the education and facilities it provides for the public benefit.

The School's objects and principal activity, as set out in the Articles of Association, are to promote the education (including social and physical training) of boys and girls for the public benefit and in particular to conduct and maintain day or day and boarding schools in or near Berkhamsted, at which religious education in accordance with the principles of the Church of England is provided.

GOVERNANCE AND MANAGEMENT

Governing Body

There is one Governing Body for all the schools in the Group. Details of the Governing Body, together with the school's officers and principal advisors, are given on pages 4-5.

The Governing Body consists of between twelve and fifteen people with each Governor term limited to three years. Each Governor is limited to a maximum of three terms, unless elected to become the Chair or Vice Chair, or if the Board consider it would be in the best interest of the Charity for a Governor to be eligible for re-election, in which case further terms are permissible.

Recruitment and Training of Governors

The school's Governors are appointed at a meeting of the Governing Body on the basis of recommendations made by the Nominations Committee, taking into account eligibility, personal competence, specialist skills and availability.

New Governors are inducted into the workings of the school and of the Charity, including Strategy, Policies and Procedures, at an induction meeting organised by the Clerk to the Governors. Governor training is carried out by using seminars either organised nationally or arranged internally.

During the 2021-22 year, Governors undertook a voluntary governance review with a team from AGBIS undertaking a series of interviews with all governors and senior members of the executive. The outcome of this review was both to endorse strongly the governance of the School, and to make recommendations for consideration in respect of further development. As a consequence of this review, and the consequent implementation of recommendations, the Governors are satisfied that the Charity both applies the principles of the Charity Governance Code, and that governance is executed very well at the School.

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Organisational Management

The School Governors, as the Trustees of the Charity, are legally responsible for the overall management and control of the school and normally meet four times each year, plus one biennial meeting usually in Lent Term to review strategy.

The School's Committees are:

- The Finance and Property Committee, whose responsibility is to plan and oversee delivery of the Board's strategies in relation to all financial and property matters.
- The Education Committee, whose responsibility is to plan and oversee the delivery of all academic, co-curricular and pastoral education.
- The Risk and Regulatory Committee, which has responsibility for the implementation, ongoing management and review of performance in practice of the Group's regulatory, statutory and general policies. It also acts to ensure that major risks for the Group are actively managed, and that an appropriate balance is struck between controls to mitigate risk and the costs (financial or non-financial) associated with doing so and to monitor the environmental and sustainability activities being done across the group to ensure we continually work to improve our environmental impact.
- The Chair's Committee, comprising the Chair of Governors, the Chairs of the other Governor Committees, the Principal, Vice Principal, Chief Operating Officer and Chief People Officer. The function of this Committee is to review strategic issues prior to consideration by the full Governing Body.
- The Nominations Committee, which has responsibility for overseeing Governor and Executive appointments.
- The Remuneration Committee, which has responsibility for setting the remuneration of the Principal and overseeing the remuneration of other senior personnel.

The day-to-day management of the school is delegated to the Principal, Vice Principal, Chief Operating Officer and Chief People Officer who, together with the Headteachers of the respective schools in the group and the Vice Principal, External Relations form the Executive. The Executive is supported by the Senior Management Team which includes the Deputy Heads and other key educational and operational roles.

Remuneration of staff is set by the Governors with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the school's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere.

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We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the school's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

Employment Policy

The school is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

The school has a Disability policy and an Equal Opportunities policy, which is compliant with the Equality Act 2010, and has regard to the guidance issued by the Equality and Human Rights Commission "What equality law means for you as an education provider: schools". The Disability policy states that the school will maintain and drive a positive culture towards inclusion of disabled people in all the activities of the school, and will not knowingly discriminate against any disabled person, including in matters of employment such as admissions, training and career development.

In addition, the school has a strict Staff Code of Conduct policy that sets the standards of behaviour for all staff to ensure the ethos of the school is maintained.

AIMS, OBJECTIVES AND ACTIVITIES

Aims

The School's aim for the public benefit is to be the first-choice independent school in the area for families seeking educational excellence.

The governors are mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Board has monitored closely the guidance of public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Primary Objectives

The School continues to place huge importance on its Core Values. At the heart of every decision made and practice used we continue to cultivate a culture in which our values are evident. Our Values are as follows:

- Aim High with Integrity

We believe that we should strive to be the best possible version of ourselves, in the classroom or debating chamber, on the stage or sports pitches, to be the best we can be in everything we do. To aim high *with integrity* means being successful without exercising sharp elbows. Try, as CS Lewis suggested, to 'do the right thing even when no one is looking'. Whatever we achieve in life will be all the more worthy if it is done in support and not at the expense, of others.

- Be Adventurous

Being adventurous is an important ingredient of aiming high. We need to discover what our talents might be before we can develop them, and this will only happen if we are adventurous in thought, word, and deed. We must all have the courage to fail and the resilience to do so repeatedly...because we will. We should all think of mistakes – whether made by ourselves or others – as opportunities to learn. As Nelson Mandela once said: 'Do not judge me by my successes; judge me by how many times I fell down and got up again.' If we are all brave enough to try, fail and then start again, we will all, in time, become the best we can be.

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- **Serve Others**

We want our students to grow in moral purpose, character, and courage as they go through our school, and in doing so, contribute to the wellbeing of our community. We want them to become remarkable people. Our definition of success is an inclusive one, and our expectation of school life is for it to be a team game: we believe it is as important to contribute to the successes of others as to our own. Our definition of leadership includes elements of altruism, and being a school community, we often find that, in giving, we are also receiving. We celebrate and encourage the work of our students in the local community, as volunteers for example, and as those who engineer change for good, inside and outside the School. Our expectation is that Berkhamstedians will not just go on and do well, although of course, we expect that they will, but that they will also go on and do good.

The implementation of these values in the provision of education which is both excellent and broad, boarding and day, single sex and co-educational, large in scale, but small school in feel, traditional and forward looking continues to be the aim of the Group.

STRATEGIES TO ACHIEVE PRIMARY OBJECTIVES

The Group has selected seven areas of focus, which will not only help us to meet our primary aims and objectives but move us to a position where we are recognised to be world class. It must be noted that this list does not preclude our pursuit of excellence in all areas.

Teaching and Learning / ICT

The “Learning Powered Approach”, a whole school approach to teaching and learning, is being embedded across the group to provide a core focus on dispositions within the four learning types (emotional, social, cognitive, and strategic). We will continue to work with schools in both the independent and maintained sectors, universities, and teacher training institutions to share best practice so that Berkhamsted becomes a centre of excellence for teaching and learning. Alongside a strong focus on cyber security we have this year continued our digital device provision plan so that each pupil in Y5-13 has their own Microsoft Surface device, with younger children having access to class sets of iPads, the stock of which was renewed during the year.

Wellbeing

The school recognises the importance of wellbeing amongst its pupils and staff and employs several strategies to encourage and promote it. The senior school operates a house system which ensures a high level of pastoral care for pupils which is further supported by the availability of counselling services and other initiatives such as the presence of wellbeing dogs throughout the school week. In all parts of the school, class sizes are small enough to enable our teachers to notice any behavioural changes that may require their intervention. Staff wellbeing is also deemed very important and all staff have access to counselling services on request and provision is made for other beneficial activities such as mindfulness sessions, yoga, wellbeing treatments and a wide range of other social activities.

Outdoor Education

Very few schools in the South-East have strong Outdoor Education – this is seen as a market differentiator. The School has a long and distinguished Duke of Edinburgh Award programme and Combined Cadet Force (CCF). Today pupils from Stepping Stones through to Year 13 have extensive opportunities to have a range of outdoor education experiences both at school and around the country and world. An Outdoor Education centre for the Group has been established on the site of the Pre-Prep school.

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Business Education and Skills

Berkhamsted is a business community and many of our parents are business professionals. Berkhamsted School is well placed to be a leader in Business Education and Skills and looks to achieve this by closing the gap between academic education and the world of work. We give our pupils an understanding of how business works and also work experiences outside of the main curriculum. By developing links with alumni and the local community we can offer insights into business and provide enterprise opportunities to enable pupils to develop the skills required for the modern workplace. We are now planning for a new Sixth Form Centre configured to help bridge the gap between school, university and work, and we continue to seek international opportunities that could give pupils a taste of international culture and diversity that will prepare them for careers in a global market.

Early Years

Berkhamsted is a centre of excellence for Early Years Education, regularly hosting national Early Years' conferences and is seen as a beacon of best practice. We have a highly innovative curriculum and some of the best facilities in the country. The teaching facilities at the Pre-Prep in a wonderful woodland setting enable the school to provide the very best in Early Years Education. These facilities have been augmented during a period of significant investment in the facilities used by children between the ages of 5 months to three years old..

Sport

Berkhamsted has a distinguished sporting heritage for both boys' and girls' sport. We aim to be one of the top sporting schools in England by being consistently:

- in the top four schools nationally at Lacrosse, with Regional and National representatives;
- in the top 18 schools nationally at Netball;
- in the top 12 schools nationally at Rugby, with Regional and National representatives;
- the best Fives school in the country for boys and girls, attaining National Championship titles.

Furthermore, we actively seek to have some of the highest participation rates in school sport for a large school as evidenced by the number of pupils who actively participate in physical activity each and every week.

Music and Drama

Berkhamsted offers pupils the opportunity of music and drama within the curriculum across the age span, but many pupils undertake additional lessons with 388 Senior pupils playing an instrument and 127 music exams taken by Senior pupils in the 2021/22 academic year. Drama also has many participants with over 299 Senior pupils taking LAMDA lessons each term

FUTURE PLANS

A new version of the Group's current Strategic Plan was agreed by Governors in 2022. This will continue to be subject to bi-annual review by Governors. Significant progress has been made towards the objectives identified in this plan. Future plans to underpin the Group's primary aims and objectives include:

- Further implementation of our plans to 'develop remarkable people', focusing on education of character, skills, and leadership, in order that the education offered to pupils meets excellently the

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challenges posed by contemporary changes in society, the economy, further education and the workplace;

- Developing our campus to support the education we seek to offer our pupils in every way;
- Intentionally developing the culture of the school to be, ambitious, adventurous, humble, kind, and inclusive;
- Continuing to develop and sustain a quality of community among pupils, staff, parents and the locality that sets us apart as a school;
- Excellence in our commercial practices to support the public benefit activity, bursaries and outreach schemes operated by the School

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

The school has again had a remarkable year. During the 2021/22 academic year the school averaged 2,005 pupils, of whom 1,953 were day pupils. This compares to 2,002 and 1,958 pupils in 2020/21 respectively. Demand for places continues to be high, allowing for comprehensive planning for future improvements and developments.

For the first time since the pandemic, students returned to the exam hall to undertake their GCSE's and A Levels. The results overall, were extremely successful given the disruption that these pupils have seen in their education, showing the digital provision provided by Berkhamsted during the pandemic was excellent. 28.3% of GCSE results were at grade 9, down just 1.7% on Teacher Assessed Grades of 2021 and 74.7% at grade 7 or above. The continued increase in both attainment and value-added continues to show that Berkhamsted adds significant improvement to pupil outcomes when measured against other participating independent schools.

A-level results were also to a very high standard again this year. Students increased the attainment of the top grades from 32.2% to 32.9% graded at A*; 68% at A* or A; and 90.1% at A*, A or B. An increase was seen in all the highest grades by our hard-working pupils. Value-added results were as expected.

In Sport, Michaelmas Term kicked off with pre-season training. This year Lacrosse had a very successful year at National Schools with all teams achieving at least Top 8 in the Country in their respective categories. Our 1st and 2nd Senior Teams both reached National finals after a two-day competitive tournament and finished first and second with our 3rd team finishing in the top 8. The U15A team were crowned National Champions after beating Putney High in a fantastic final in which they performed with tenacity and flare. The U15B team also had a very successful day reaching the semi-final stages of their competition. In the younger competitions both of our U13A and U14A teams had a great experience at their first ever Nationals and finished Top 8 in the Country. Across all the age groups this was our most consistently successful Nationals Schools in Berkhamsted Lacrosse history, it was a fantastic achievement for the school.

In Rugby, during the Michaelmas term the school had 14 teams who played 108 fixtures and finished with a 55%/45% win/loss ratio. Over 280 boys represented Berkhamsted in competitive matches. This was a very positive return to inter-school rugby after the disruption of the previous 18 months. The fixture card continues to evolve with the inclusion of highly respected Bromsgrove and Seaford. Local block fixtures of sufficient standard or quantity of games is becoming more difficult to find.

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This season saw further development of inter-school non-contact fixtures for lower ability teams. Partly due to Covid and partly to ensure those boys have a competitive but safe and controlled enjoyable rugby experience.

The 1st XV won the Daily Mail Trophy, a feat which would have been unthinkable only 5 years ago due to the highly competitive nature of the competition. 15 senior boys represented their respective RFU Academies at Saracens, Wasps and London Irish, 4 senior boys have been involved with England U18/U17 squads either playing internationals or in training squads and 1 has represented the Scotland U17 team.

The 2021-2022 sporting year has also been very successful for the 31 Berkhamsted Netball Teams. It has been uplifting to see so many of our girls represent the school in over 220 fixtures and display our school values both on and off the court.

We had some terrific runs in the National Cup Competitions where many of our teams because of their success travelled around the country competing against some of the other top Netball schools. During the year the 1st VII, the U16's and the U12's all secured top four places before losing to tough opposition in their Semi-Finals.

The school achieved further success in the County League Cricket Competition with all 5 teams finishing in the top 2. Well done to the 1st VII and the U15's being crowned County Champions and for the U13's, U14's and U16's for being runners up!

In Music and Drama our students continued to excel; the hugely successful production of Shrek was performed by senior school pupils to a full theatre over three nights, showcasing the talents of our remarkable students. Once Upon A Time, a play written by a member of our English department, was also performed to full audiences.

The Music department performed in musical Gala evenings, and showcased their talents too, culminating in a hugely successful Music tour to Paris in June 2022, which included 140 students.

Our value to 'Serve Others' often sees our students giving something back to the local community. This continued with the regular House charity support, the Year 13 volunteering and the Year 7 litter picking. We were delighted to be able to welcome back Senior Citizens to our tea party in the summer. Whilst enjoying the musical talents of students they tucked into sandwiches and cakes (made by the students) and entered the cake baking competition. The usual non-school uniform days took place with money raised donated to worthy charities, together with numerous House charity events also contributing significantly.

In July 2022 with the lifting of all restrictions the annual Prize Giving Service was able to resume with 2,700 parents, staff, governors, pupils, and guests in attendance. The change also took place with our prizes being value based and awarded on contribution to the school rather than based on academic achievement. The Academic Attainment awards were presented in an end of year assembly at each Senior school.

PUBLIC BENEFIT

In considering the provision of Public Benefit, the Governors have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

Scholarships and Bursaries

The Governors are committed to broadening access to the school by offering means-tested bursaries to eligible parents/guardians. The gross value of scholarships and bursaries awarded totalled £1.377m (2021: £1.178m) of which £1.289m (2021: £1.083m) was met from unrestricted funds, where the policy is to assist in hardship cases where the pupil's education and prospects would otherwise be at risk. Bursaries are available both to new pupils to the school where a scholarship place has been offered and

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parents/guardians cannot afford the tuition fees, and also existing pupils where a unexpected change in parents'/guardians' circumstances has resulted in severe difficulty in meeting tuition fees and may otherwise result in a pupil being withdrawn part way through a stage of education.

The school has continued with its plans to raise the level of bursary funding through an increased programme of activity to reach out to talented pupils in the local community who would benefit from financial assistance towards fees. Bursary funding was £1.014m (2021: £0.782m) which supported 52 pupils, 27 of these receiving fully funded school places.

Scholarships are awarded on merit to pupils who Governors wish to attract to the school because of the contribution that they can make to school life, be that academic, musical, sporting, creative or leadership. Individual scholarship awards are usually worth 10% of tuition fees and means-tested bursaries are available to increase the support where needed. Financial assistance may also be provided, where appropriate, for uniform and sports kit, travel to and from School and for extra-curricular activities and lessons.

Partnerships with other schools and the community

The school seeks to share its expertise and perspectives with colleagues from state schools. This has involved exchanging teaching experience for newly qualified teachers and trainees and providing INSET advice for state schoolteachers and moderators. Our sports staff have organised tournaments for local and other state schools and the regular annual Oxbridge Information Evening is open to local state schools.

Our pupils take part in many activities in the community including visiting the local Hospice, helping in charity shops, visiting the elderly, hosting an Easter tea party, as well as assisting in local primary schools. Year 13 students also join The Student Consultancy which is run in conjunction with the Careers Service at the University of Oxford, a programme which is now being rolled out to schools around the country after its introduction here through which free management consultancy is offered to charities and local government.

The school's Knox-Johnston Sports Centre is open to the public and priority is given to local children's groups and clubs.

The school is a co-sponsor with the London Diocese for Schools of Wren Academies Trust, based in Finchley and Enfield, providing two Directors for the Board, and two governors for the local governing bodies. The school continues to offer extensive help and advice to both the senior team and to Heads of Department at Wren Academy Finchley. Pupils from Wren Academy Finchley continue to enjoy visits to utilise the school's extensive facilities on site, as well as some of our education programmes. The relationship with Wren is of mutual benefit for both parties. For example, Wren's experience of being a Building Learning Power school pre-dates ours.

We have also developed a similar partnership with Denbigh High School in Luton, sharing access to facilities and expertise. Denbigh High School does not have its own Sixth Form, and in September 2018 we admitted an initial intake of six aspirational pupils from this school to benefit from a Berkhamsted Sixth Form education, funded completely from School bursary funds and targeted donations. A further Six pupils from Denbigh High School have joined our Sixth Form in September 2022 making a total of 35 since 2018.

Our Chief People Officer is Vice Chair of Governors at Ashlyn's, a local secondary state school, and Assistant Vice Principal (External Relations) is a serving governor at Gayhurst School in Gerrards Cross. The Headteacher of Berkhamsted Sixth Form is a governor at Chesham Preparatory School, and the Headteacher of Berkhamsted Prep School is a governor at York House School.

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Further afield the Preparatory and Senior Schools have sustained their links with the Ntsundwane Primary and Sandi Secondary Schools in Eastern Cape Province, South Africa. During 2021 the school also donated thousands of pounds worth of classroom furniture, books, dining room fixtures and sports equipment to schools in Gambia through "Gambia Building Project", a charity dedicated to improving the lives and education of children in The Gambia by supporting and building schools.

FINANCIAL REVIEW

Results for the Year

The Consolidated Statement of Financial Activities on Page 31 shows net incoming resources before transfers for the year of £1.940m (2021: £2.832m).

COVID-19

Unlike the previous two years there were no interruptions to the school year from the COVID-19 pandemic.

Income

School fee income was £35.733m in the year (2021: £33.697m), representing an increase of 6.0% mainly due to there being no requirement to offer parents a concession for physical school closures during this year. Ancillary income was also higher at £2.121m (2021: £1.675m) primarily due to the resumption of residential school trips.

Expenditure

A large proportion of the School's expenditure item is on staff costs and these rose in the year ended 31 July 2022 to £23.171m (2021: £21.850m), a increase of 6.0%. This was due primarily to a full working year for all support staff, a significant number of whom had received reduced pay whilst on furlough leave for periods during the previous year.

Cash

The School's net cash position improved in the year ended 31 July 2022. At the year-end cash balances were £6.727m (2021: £6.067m).

Subsidiary company performance

The School has two wholly owned trading subsidiaries. Berkhamsted School Enterprises Limited runs the various commercial activities of Berkhamsted School, and due to these not yet having returned to full operation since the pandemic these activities generated a loss of £36k (2021: profit of £111k). Berkhamsted Day Nursery Limited provides day-care to babies and children under 3 years old and out of school hours care for Prep and Pre-Prep pupils. The Nursery company generated a profit before tax and gift aid of £164k (2021: £86k).

Contribution to UK authorities

The School's direct contribution during the year to the UK Exchequer amounted to £8.3m (2021: £7.5m) of tax revenues, based on the school's payments of employer national insurance contributions (NICs), business rates and council tax, Vehicle Excise Duty, taxes on business supplies purchased (such as VAT), plus payments by our school's staff of income tax and NICs.

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It is also worth noting that all parents in our school, as with all other private schools, contribute to State school funding via taxes whilst also saving the government from having to fund their children's education in the State system. Based on State funding fees, as per the government's published National Funding Formula, the estimated saving to the public purse is £9m-£10m per annum.

Going concern assumption

The Governors closely monitor the current and future expected financial performance of the school, taking into consideration budgets, forecasts and the longer-term strategic business plan. In 2022, these budgets, cashflows and forecasts have been remodelled to reflect plausible downside scenarios specifically relating to increasing energy costs and increases in interest rates. Conservative cash flows were prepared based on the revised forecasts with sensitivity analysis on the key assumptions such as the impact of a drop in pupil numbers. This scenario planning confirmed the cash reserves of the School are adequate to meet the charity's obligations as they fall due and the same modelling continues to be valid to demonstrate the School is financially secure and able to operate effectively for the foreseeable future.

The School reported a strong cash position at the year-end together with healthy pupil numbers for 2022/23 offering the Governors a confident expectation that the charity has adequate resources to continue its activities for the foreseeable future, being at least 12 months from the date of approval of the financial statements with there being no material uncertainties over the school's financial viability. Accordingly, Governors continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities on page 26.

Fundraising Performance

The school continues to progress a number of initiatives to increase awareness amongst the school's constituent communities to provide additional resources. £182k (2021: £223k) was raised during the year, with monies allocated to Bursary and Scholarship Funds. The Governors would like to thank all of the donors for their generosity and support for the school in this regard.

The majority of the school's income is from school fees and other associated income. The school has not engaged with third parties to raise funds and any direct approach to members of the public for funding has been limited to parents of pupils and alumni. No complaints were received in relation to our fundraising activities.

Investment policy, objectives and performance

The Governing Body aims to maximise the overall return on the portfolio consistent with a degree of risk acceptable to it. Funds are invested with Brewin Dolphin in a broad range of global equities, bonds and other forms of investment.

The overall investment objective for total return for funds invested with Brewin Dolphin can be quantified as inflation plus 3% per annum. The Charity's investment performance of its managed investment funding is monitored as a standing item by the Finance & Property Committee. During the year, the value of investments held in the School's main investment account with Brewin Dolphin fell from £1.976m in 2021 to £1.866m in 2022, a 5.5% decrease. The school also has a second investment account for the management of the monies raised for its Anniversary Fund. The value of this investment account increased from £1.165m to £1.411m. This increase was due to £294k of additional funds which was partly offset by a fall in the value of the existing investments. On an annual basis Governors assess performance in the light of prevailing market conditions. Whilst it is disappointing that the investment performance has not met the objectives set, the volatility across the market place over the last twelve months has driven the under performance and Governors will continue to assess the fund management effectiveness..

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Reserves level and policy

The school's reserves policy is to maintain sufficient unrestricted income reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall.

The school's total reserves of £45.451m at the year-end included £7.888m of endowment funds, £0.2m of unspent restricted funds and unrestricted funds of £37,363m. The school has no free reserves at the balance

sheet date due to the investment of funds in tangible fixed assets, largely buildings for use within the school. However, the Governors regularly examine the school's cash flows alongside the development plans for the future and are satisfied that they are adequate for the purpose of meeting its working capital requirements and that they will also cover strategic capital expenditure.

Notes 14 and 15 to the financial statements set out an analysis of the school's endowment, restricted and unrestricted funds and their attributable assets. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

It is the school's policy to build up funds to meet planned improvements and additions to the School's resources by means of annual operating surpluses and judicious management of investment assets.

Total investment return

During the year ended 31 July 2016 the Governors, in their role as Trustees, exercised the power granted under section 104A of the Charities Act 2011 to adopt a total return approach to investment of the School's permanent endowment. A permanent endowment of £1,144k was originally given to the school in 2003 and an initial valuation of the Unapplied Total Return (UTR) of £687k was approved by the Governors on 14 June 2016.

- In years when the permanent endowment generates sufficient UTR an amount equivalent to the brought forward value of the permanent endowment multiplied by the annual increase in the Consumer Price Index (CPI) should be allocated to capital to maintain the value of the fund for future beneficiaries.
- Where there is insufficient UTR generated each year to make the allocation to capital indicated above the school must retain £100,000 of UTR to act as a buffer against years when the UTR is flat or reduced.

PRINCIPAL RISKS AND UNCERTAINTIES

The current cost of living and energy crises together with the Russia Ukrainian war represent significant risks for the School both in terms of its own cost base, its supply chain sustainability and the potential impact on affordability of fees by parents across the independent sector due to interruption in employment and wealth. These challenges come on top of the ongoing effects from the COVID-19 pandemic, which still poses risks to continuity of teaching and learning. Demand for places at the School remain high and Governors are keen to ensure all that can be done is done to maintain that interest. The School's cost base was already under significant pressure from managing the COVID-19 pandemic and Brexit impacts on supply chains, so the latest challenges emphasise even more sharply how important robust cost management is to the School to enable Governors to continue to ensure fee increases are maintained to an average well below that of the Independent School sector and general inflation.

Linked to the effects of all the challenges referenced above, Governors are also very conscious of the potential risk to the morale and general wellbeing of staff and pupils and this is an area reviewed with Management on a regular basis.

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Cyber risk and general data security remains in sharp focus, with schools continually being targets for cyber attacks. With the support of our Governors the School has invested in tools and user training to protect against attack.

The rising costs of the Teachers' Pension Scheme arrangements remain a significant risk within the sector and any risk mitigation needs to balance the exposure to further cost rises with the need to retain and recruit outstanding staff.

The Governors have agreed an estates development masterplan aimed at ensuring the School can deliver the best and most appropriate facilities to help our pupils develop to the best of their potential and to prepare them for the world beyond school. Such ambitious building development plans also carry associated risks, particularly in relation to planning issues, that are managed with the appointment of relevant expertise and close Senior Management and Governor supervision.

Health and Safety is considered to play a significant part in risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). Risk is mitigated via risk assessment and the enforcement of Health and Safety Policy which is monitored and reviewed by the School's Health and Safety Committee. This body reports to the Risk and Regulatory Committee. The School also employs a Health and Safety Officer to ensure that the Health and Safety Policy is consistently applied.

Governors are responsible for the management of the risks faced by the School. Detailed consideration of risk has been formally delegated by Governors to the Risk and Regulatory Committee, assisted by the Principal, Chief Operating Officer, and members of the School's Senior Management Team.

Through the above risk management processes, the Governors are satisfied that major risks are identified and, as far as practicable, adequately mitigated. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed. Other key risks are considered to be those which would materially impact the brand and reputation of the Group. Examples of these, which should they occur would likely generate significant media interest, include:

- A major business interruption causing partial or total closure of the School for some time.
- A major accident involving death or serious injury, possibly as a result of contributory negligence.
- A major scandal involving child protection issues.
- A failed regulatory inspection
- A breach of statutory requirements (such as data protection or the Charity Act)
- Climate action failure

Key controls used by the Governors to identify, assess and mitigate risks during the year include:

- Formal programme of risk assessments and steps taken to mitigate those risks reported to Governors' meetings.
- Comprehensive strategic planning, budgeting and management accounting.

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- Established organisational structure and lines of reporting.
- Formal written policies, including clear authorisation and approval levels.
- Vetting procedures as required by law for the protection of the vulnerable.

The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks across the Group, including “what-if” scenario planning to address the financial risks.

SECTION 172 STATEMENT

Berkhamsted School’s Group is governed by its charitable objects as set out on page 8 which outline the purpose of the charity. All decisions and activities of the charity take into account how we best deliver that long-term purpose and are driven by our strategic aims (see page 10). All decisions we make as a charity, from our operational teams through to the Board of Governors, are made in the best interests of our beneficiaries, (pupils), and in the knowledge we are accountable to them, their parents, regulators and our staff.

The Board of Governors consider that they have adhered to the requirements of Section 172 of the Companies Act 2006 (the “Act”) and have, in good faith, acted in a way that they consider would be most likely to promote the success of the school for the benefit of its key stakeholders and, in doing so, have had regard to and recognised the importance of considering all stakeholders and other matters (as set out in s.172(1)(a-f) of the Act) in its decision-making. Our Board of Governors consists of a broad mix of backgrounds including former and existing parents of the school, educational experts plus well-established commercial successes in areas such as law, property, finance and risk management. Many of our Governors are also local community members.

The Board has approved a number of policies that help to ensure the safety of our pupils and staff, such as Child Protection and Safeguarding, Counselling and Coaching, Health & Safety, Missing Persons, Child-on-Child Abuse, Critical Incident Plan, as well as those that ensure the integrity of our business conduct, such as Anti-bribery and Corruption, Bursary, Complaints, Whistleblowing, Anti-modern slavery. The school’s Anti-modern slavery statement can be seen on the school’s website.
(<https://www.berkhamsted.com/wp-content/uploads/2022/10/Anti-Modern-Slavery-Statement-2022.pdf>)

As part of the Governor induction process, governors are briefed on their duties and responsibilities under the Companies Act. The governors are entitled to request from the school all such information they may reasonably require in order to be able to perform their duties. On-going training is provided to the governors, as required, to ensure that their knowledge remains up to date and they continue to be able to discharge their duties as company directors.

For all decision making at Board level, discussion takes place around employee impact and impact on other stakeholders, such as pupils, parents and the local community. The relevance of each stakeholder group may vary by reference to the issue in question, so the Board seeks to understand the needs of each stakeholder group and any potential conflicts as part of its decision-making. The school’s Executive team and Senior Management team ensure the Board are fully focused on the impacts to each stakeholder group.

Our Governors attend “Governor Engagement Days” during the school year which affords them the opportunity to engage directly with pupils and staff so they can gain a greater insight into the School’s operations and also challenge staff and be challenged by them.

Key decisions

Berkhamsted Schools Group

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For the year ending 31 July 2022, the Governors consider that the following are examples of key decisions that they made in the year. This is not intended to be an exhaustive list of board decisions but instead highlights areas of significant impact:

- Bank funding for the Estates masterplan developments
- Implementation of a Code of Conduct for the school community in relation to ethnicity
- Appointment of a contractor for the construction of the School's new Sixth Form Centre, following a robust tender exercise
- Admission of Afghan refugee pupils on full bursaries
- Commissioning of a second survey relating to Equality, Diversity and Inclusion aimed at fostering anti-racist cultures
- Engagement of an education management company to carry out an independent Governance review
- Appointment of a new Head of the Girls School
- Appointment of an in-house psychologist to commence September 2022, to add further skills to the School's pastoral support
- Appointment of a new Governor from September 2022
- Budget approval for an extensive wind and watertight inspection and maintenance programme across the School campus
- Approval of the new Gender Separation Policy
- Formation of a new Sustainability Committee to provide leadership, coordination and guidance to the School for integration of sustainability principles and practices throughout the School's core teaching, learning, operational and charitable activities

Stakeholder engagement

The table below sets out our approach to stakeholder engagement during 2022:

Stakeholders	Why are they important to Berkhamsted School?	Our approach to stakeholder engagement and consideration in the Board's decision making
Parents	Parents are the school's customers and also joint stakeholders in the development of the pupils. Their involvement in the school in both these capacities is fundamental to the success of the school and we aim to form a key alliance with Parents	We aim to involve parents as much as possible in the running of the school through open days, parents' evenings and other events that showcase the School's strength in music, drama and sport. In addition the Governing body is always cognisant of the importance of fee levels in attracting and retaining the pupil base and places great importance in the efficient running of the school and the tight control of fee increases.

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	through strong and varied communication.	Throughout the year we continued to be pro-active in our messaging regarding Covid measures
Pupils	Our values of “Aim high with integrity, Be adventurous and Serve others” are shared across the Berkhamsted family of schools. Children from Nursery through to Sixth and staff too are encouraged to embrace these ideals in everyday life. Our pupils are the very reason the school exists and their development is at the heart of all we do.	<p>The senior school takes a strong pastoral approach to the development of pupils by maintaining a “house” structure which exists alongside the academic timetable.</p> <p>The purpose of assigning all pupils to a house with dedicated house tutors is to ensure that each individual pupil has a sense of belonging and ready access to approachable members of staff who will look to ensure that there is a strong focus on their wellbeing.</p> <p>An in-house psychologist has been appointed to add expertise to the pastoral support available.</p>
Employees	Our employees' commitment to developing outstanding and rounded individuals is essential for us to earn the trust of both existing and prospective parents so that they have the confidence that Berkhamsted School is the best place for the education of their children.	<p>We have a Staff Consultation Committee that meets regularly and raises matters to the Executive for discussion and decision and have a voluntary arrangement in place with the NASUWT (the NASUWT works to enhance the status of the teaching profession to deliver real improvements to teachers' working lives, seeking to ensure they are recognised and rewarded as highly skilled professionals with working conditions that enable them to focus on their core role of teaching).</p> <p>We have regular all staff meetings as well as a weekly briefing to cascade important information to all levels of the workforce.</p> <p>Berkhamsted School is committed to promoting the health and wellbeing of our workforce.</p>
Suppliers	We rely on a range of suppliers to deliver services to ensure the school can operate efficiently and effectively for the benefit of our pupils and workforce. It is vital that we build strong working relationships with our intermediaries, including around risk management and customer service.	<p>The school works closely with a wide range of key suppliers with the aim of ensuring that the school's requirements in terms of service levels and price are clearly understood and delivered upon.</p> <p>At the same time the school works ethically with suppliers settling invoices within payment terms and raising queries promptly.</p> <p>The school has well-developed internal processes to ensure that suppliers' invoices receive appropriate levels of authorisation for payment.</p>
Community/wider society	We recognise the importance of contributing to our communities through volunteering, community investment, and long-term partnerships. In addition, as a significant employer in the area	<p>We make our facilities available free of charge to a number of local community groups whether that be schools, sports clubs or disadvantaged individuals.</p> <p>In addition, we provide employment opportunities for a local learning disability employment charity.</p>

Berkhamsted Schools Group

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	and a large landowner we are fully aware of our responsibilities with regard to the importance of sustainability and the impact our decisions may have on climate change.	For significant development activities, such as the planning application for a new Sixth Form building, we hold public consultations to discuss details of our plans with all interested parties and to seek their feedback and concerns.
Regulators	We understand that regulators are key in maintaining the credibility of both the school and the sector that we operate in. The school strives to be fully compliant in all areas in which we face external regulatory review and ensures that any regulatory changes are understood and acted upon quickly.	The Senior Management of the School are fully involved in all areas where the School is subject to regulatory control. School Governor Committees will be kept informed of all regulatory review outcomes and recommendations and governors will then ensure that Senior Management acts upon recommendations to resolve any areas of structural or process weakness.
Donors	Donations to the school's charitable entity provide opportunities to increase the public benefit from the delivery of the school's main charitable aim of promoting the education of its pupils.	All donations are gratefully received and acknowledged by the school. Donors are made aware by the school website and other forms of communication of how their donations are being used to provide educational opportunities.
Alumni	The School recognises the importance of its alumni in that they are the representation of the delivery of the School's talent and expertise in teaching and pastoral care. The School also regards its alumni as a strong link to the outside world which can provide further benefit to current pupils.	The School maintains contact with its alumni through its links with the Old Berkhamstedians organisation and also through the Berkhamsted Society which has been set up by the School to encourage stronger relationships between the town of Berkhamsted, the School and its alumni.

Sustainability Report

Berkhamsted Schools Group is committed to incorporating sustainability within all core activities of teaching and operations. During the year the school established a Sustainability Committee to provide leadership, coordination and guidance for integration of sustainable principles and practices across our activities and operations. The Committee will report on the groups sustainability performance, including our work with the local community, to the Governors via the Risk and Regulatory Committee.

The School is strongly committed to integrating environmental, social, and governance (ESG) priorities into all aspects of the School's functions and decision-making, and recognise the importance of having an inclusive ESG strategy that benefits the Group as well as the community it represents. We therefore work closely with the local council, businesses, and organisations on various projects that have environmental, social, and wider community benefits.

With the help of an external sustainability consultancy the newly established Sustainability Committee has developed and set Key Performance Indicators (KPIs) with short-term and long-term goals that will allow

Berkhamsted Schools Group

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us to track and measure our performance and progression each year. Targets have been set at Group level and progress will be reviewed during committee meetings.

Starting this year, Berkhamsted School plans to increase its transparency on ESG reporting, by publishing an Annual Sustainability Report. The report will highlight the School's ESG aspects, strategy, and goals, along with some of the ESG initiatives undertaken by the School at a group-level.

The School acknowledges the wider impacts of our activities and operations on the natural environment and our surrounding communities, and that our decisions and initiatives can make a difference for the better. Berkhamsted Schools Group support the UN's Sustainability Development Goals (SDGs) and we therefore made sure that in setting our KPIs and goals that some of these aligned with the UN SDGs. We did this by identifying and focusing on the ones where we believe Berkhamsted can have the greatest impact. The targets we are focusing on are:



STATEMENT ON STREAMLINED ENERGY AND CARBON REPORTING (SECR)

GHG emissions and energy used between 1 August 2021 and 31 July 2022

Measure	Units	UK and Offshore	
		2021/22	2020/21
Energy consumption used to calculate emissions	Total Energy (kWh)	9,567,000	7,745,960
Emissions from the combustion of gas	Scope 1 (tonnes CO ₂ e)	1,305	1,012
Emissions from the combustion of fuel for transport	Scope 1 (tonnes CO ₂ e)	30	19
Emissions from purchased electricity (location based)	Scope 2 (tonnes CO ₂ e)	492	504
Emissions from the combustion of fuel for transport	Scope 3 (tonnes CO ₂ e)	0	0
Total gross tonnes CO ₂ e	Scope 1, 2 and 3	1,827	1,535
Intensity ratio : Gross tonnes CO ₂ e / number of students	Intensity ratio	0.880	0.7668

Methodology

The above data has been prepared in accordance with the provisions of the GHG Reporting Protocol – Corporate standard and HM Government's Environmental Reporting Guidelines including streamlined energy and carbon reporting guidance, issued March 2019.

DEFRA conversion factors 2019 have been used to convert electricity and gas consumption in kWh to tonnes CO₂e and to convert transport fuel consumption in mileage/litres to tonnes CO₂e and then to kWh.

Berkhamsted Schools Group

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Action on energy efficiency undertaken during the reporting period

The programme to upgrade lighting to LED bulbs has been continued across the school and roof structures have been repaired and replaced across several sites.

AUDITOR

Crowe U.K. LLP has indicated its willingness to be re-appointed as statutory auditor.

Insofar as each of the Governors of the school at the date of approval of this report is aware there is no relevant audit information (information needed by the school's auditor in connection with preparing the audit report) of which the school's auditor is unaware. Each Governor has taken all of the steps that he/she should have taken as a governor in order to make himself/herself aware of any relevant audit information and to establish that the school's auditor is aware of that information.

Berkhamsted Schools Group

GOVERNORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The Governors are responsible for preparing the Governors' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

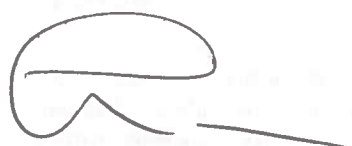
Under charity law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net incoming resources for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 1993. 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.

APPROVAL

This Annual Report, including the Statement of Governors' Responsibilities, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Governors on 3 December 2022, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



G.C. LAWS
Chair of Governors

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Members of Berkhamsted Schools Group

Opinion

We have audited the financial statements of Berkhamsted Schools Group and its subsidiaries ('the group') for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Statement of Cash Flow and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 July 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the governor's responsibilities statement set out on page 26, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

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

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

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

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

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

Use of our report

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



Andrew Thomas
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date 24 January 2023

Berkhamsted Schools Group
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)


	Notes	Unrestricted Funds		Restricted Funds	Endowment and Building Funds	Year Ended July 2022	Year Ended July 2021
		School £'000	Designated £'000	£'000	£'000	Total £'000	Total £'000
Income and endowments from Charitable activities							
School fees receivable	1	35,733				35,733	33,697
Ancillary trading income	2	2,121				2,121	1,675
Other trading activities							
Non-ancillary trading income	3	1,123				1,123	1,074
Investments							
Investment income		54	28			82	55
Bank and other interest		4				4	1
Voluntary sources							
Grants and donations		-	12	102	68	182	611
Total Incoming Resources		39,035	40	102	68	39,245	37,113
Expenditure on:							
Raising funds							
Non-ancillary trading	4	980				980	911
Fundraising and Development	4	21				21	20
Total deductible costs		1,001				1,001	931
Charitable activities							
Education and grant making	4	35,362	780	93	69	36,304	33,350
Total expenditure	4	36,363	780	93	69	37,305	34,281
Net income/(expenditure) before transfers and investment gains/(losses)		2,672	(740)	9	(1)	1,940	2,832
Gains/(losses) on investments	9	-	(67)	-	(97)	(164)	528
Net income/(expenditure) after gains(losses) on investments		2,672	(807)	9	(98)	1,776	3,360
Transfer between funds	15	(2,672)	2,672	-	-	-	-
Net movement in funds		-	1,865	9	(98)	1,776	3,360
Fund balances at 1 August 2021		-	35,498	191	7,986	43,675	40,315
Fund balances at 31 July 2022		-	37,363	200	7,888	45,451	43,675

Berkhamsted Schools Group
CONSOLIDATED AND SCHOOL BALANCE SHEETS
for the year ended 31 July 2022

	Notes	Group		School	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
Fixed assets					
Land and buildings	7	42,955	39,256	42,955	39,256
Other tangible assets	7	1,110	656	1,110	656
Intangible fixed assets	8	-	6	-	6
Investments	9	3,279	3,141	3,279	3,141
		<u>47,344</u>	<u>43,059</u>	<u>47,344</u>	<u>43,059</u>
Current assets					
Stock	10	29	7	29	7
Debtors	11	904	923	890	904
Cash at bank and in hand		6,727	6,067	6,642	6,003
		<u>7,660</u>	<u>6,997</u>	<u>7,561</u>	<u>6,914</u>
Creditors: Amounts falling due within one year	12	(8,026)	(5,812)	(7,890)	(5,729)
Net current assets / (liabilities)		<u>(366)</u>	<u>1,185</u>	<u>(329)</u>	<u>1,185</u>
Total assets less current liabilities		46,978	44,244	47,015	44,244
Creditors: Amounts falling due after one year	13	(1,527)	(569)	(1,527)	(569)
Net assets		<u>45,451</u>	<u>43,675</u>	<u>45,488</u>	<u>43,675</u>
Endowment and building funds	15a	7,888	7,986	7,888	7,986
Restricted funds	15b	200	191	200	191
Unrestricted funds					
Designated funds	15c	37,363	35,498	37,400	35,498
Total funds		<u>45,451</u>	<u>43,675</u>	<u>45,488</u>	<u>43,675</u>

The net incoming resources for the financial year dealt with in the financial statements of the parent Charity were £1.940m (2021 : £2.832m).

The financial statements were approved and authorised for issue by the Board of Governors on 3 December 2022 and are signed on their behalf by;


G.C. LAWS (Chair)


N. TWOGOOD

Berkhamsted Schools Group
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2022

	Note	2022		2021	
		£'000	£'000	£'000	£'000
Net cash inflow from operations					
Net cash provided by operating activities	(i)		<u>6,174</u>		<u>4,717</u>
Cash flows from investing activities					
Payments for tangible fixed assets		(5,267)		(4,270)	
Decrease in cash held within Investment portfolio		(294)		(292)	
Investment income and bank interest received		54		55	
Net investment management charges settled from the investment portfolio		(7)		-	
Net cash used in investing activities			<u>(5,514)</u>		<u>(4,507)</u>
Cash flows from financing activities					
Bank loan repayments			-		-
Change in cash and cash equivalents in the reporting period			<u>660</u>		<u>210</u>
Cash and cash equivalents at the beginning of the period			6,067		5,857
Cash and cash equivalents at the end of the period	(ii)		<u>6,727</u>		<u>6,067</u>

(i) Reconciliation of net income to net cash flow from operating activities

	2022		2021	
	£'000	£'000	£'000	£'000
Net incoming resources		1,940		2,832
Elimination of non-operating cash flows:				
- Investment income	(58)		(55)	
- Finance costs	20		18	
Depreciation charge	1,114		1,155	
Amortisation charge	6		58	
Loss/(Profit) on disposal of a fixed asset	(16)		700	
Decrease / (Increase) in stock	(23)		47	
Decrease / (Increase) in debtors	19		58	
(Decrease) / Increase in creditors (excluding fees in advance scheme and deposits)	1,425		359	
(Decrease) / Increase in fees in advance scheme creditors	1,489		(554)	
Increase in parents' deposits	258		99	
		<u>4,234</u>		<u>1,885</u>
Net cash inflow from operations		<u>6,174</u>		<u>4,717</u>

(ii) Analysis of cash and cash equivalents

	2022	2021
	£'000	£'000
Cash at bank	<u>6,727</u>	<u>6,067</u>

Berkhamsted Schools Group

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 July 2022

BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

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

The individual entities of Berkhamsted Schools Group have taken advantage of the disclosure exemption under FRS 102 to separately disclose categories of financial instruments and items of income, expenses, gains or losses relating to instruments as these have been presented on a group basis in the notes to the accounts.

The accounts present the Consolidated Statement of Financial Activities (SOFA), the consolidated balance sheet and the consolidated cash flow statement, comprising the results of the School and its wholly owned subsidiaries Berkhamsted Day Nursery Limited, Berkhamsted School Enterprises Limited and Berkhamsted Schools International Limited made up to 31 July 2022 and consolidated on a line by line basis. Intra-group transactions and profits are eliminated fully on consolidation. Uniform accounting policies have been adopted across the Group.

No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 5 March 1959 (company number: 622349) and registered as a charity on 15 November 1962 (charity number: 310630). Its registered office is 6 Chesham Road, Berkhamsted, Hertfordshire, HP4 3AA.

GOING CONCERN

The Governors closely monitor the current and future expected financial performance of the school, taking into consideration budgets, forecasts and the longer-term strategic business plan. In 2020, due to the ongoing COVID-19 pandemic, these budgets, cashflows and forecasts were remodelled to reflect, plausible worst case, downside scenarios. Conservative cash flows were prepared based on the revised forecasts with sensitivity analysis on the key assumptions such as the impact of a drop in pupil numbers. This scenario planning confirmed the cash reserves of the School are adequate to meet the charity's obligations as they fall due and the same modelling continues to be valid to demonstrate the School is financially secure and able to operate effectively for the foreseeable future.

The School reported a strong cash position at the year-end together with healthy pupil numbers for 2021/22, offering the Governors a confident expectation that the charity has adequate resources to continue its activities for the foreseeable future, being at least 12 months from the date of approval of the financial statements, with there being no material uncertainties over the school's financial viability. Accordingly, Governors continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities on page 26.

Berkhamsted Schools Group
STATEMENT OF ACCOUNTING POLICIES
for the year ended 31 July 2022

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The items in the accounts where these judgements and estimates have been made include:

- the useful life of tangible and intangible fixed assets;
- the level of provision required for unpaid school fees;
- the amount of expenditure that should be accrued for; and
- the allocation of overheads and governance costs between charitable expenditure categories.

FEES AND SIMILAR EARNED INCOME

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

EXPENDITURE

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

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

DONATIONS, LEGACIES, GRANTS AND OTHER VOLUNTARY INCOME

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

Government grants are recognised on the performance model, when the School has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme was recognised in the period to which the underlying furloughed staff costs relate to. An amount of £388k received in respect of the Coronavirus Job Retention Scheme was recognised in the year ended 31 July 2021.

Berkhamsted Schools Group

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 July 2022

TANGIBLE FIXED ASSETS

Land and Buildings are carried in the balance sheet at their cost as the Governors consider it is not appropriate to apply a current value to such property. The cost of new buildings is added to fixed assets as it is incurred. The School seeks to maintain its properties in a good condition. The costs incurred in doing so, which can include major building modernisation and improvement, are written off as incurred. The cost of land and buildings represents expenditure since 1866. Foundation land and buildings bequeathed on trust for retention in perpetuity have not been valued.

The School capitalises strategic development projects (which are typically greater than £100,000), motor vehicles and significant equipment purchases; minor items of School equipment and furniture are written off in the year of purchase.

DEPRECIATION

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices in equal annual instalments over their expected useful economic lives as follows:

Land & Buildings	1 - 10%
Furniture & Equipment	20% - 25%
Motor Vehicles	20% - 25%

The Governors have considered the value of buildings and deem the depreciation policy appropriate.

INTANGIBLE FIXED ASSETS

The intangible fixed asset shown in the balance sheet relates to software costs incurred on the School's Finance and Human Resources management systems.

AMORTISATION

Amortisation is provided to write off the cost of all relevant intangible fixed assets less estimated residual value based on current market prices in equal instalments over their expected useful lives as follows:

Business software	20% - 33%
-------------------	-----------

INVESTMENTS

Investments held as fixed assets are stated in the balance sheet at their open market value as at the balance sheet date. Any resulting gain or loss is taken to the fund to which it relates.

STOCK

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

ENDOWMENT AND BUILDING FUNDS

The Endowment and Building Funds represents the Charity's endowed assets comprising land and buildings and certain investments (as referred to in the Charity's Scheme dated 29th August 1996) together with all subsequent additions to buildings. All strategic building projects from 2004 were funded from general

Berkhamsted Schools Group

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 July 2022

reserves and in recognition of this, these costs have been separately identified within a designated unrestricted fund.

TOTAL RETURN INVESTMENT ACCOUNTING

A Charity Commission Order dated 21 October 2012 authorises the School to adopt a 'total return' basis for the investment of its permanent endowment. Under the Total Return Order, the School can invest its permanent endowments without regard to the capital/income distinctions of trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated, under the Order, as a capital supplement to the preserved ('frozen') value of the permanent endowment.

FUND ACCOUNTING

The charitable trust funds of the School and its subsidiaries are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's Objects or to benefit the School itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the School (freehold land) or for financial benefit (by investment). The Total Return Order stipulates that any investment returns will accrue to a capital element (Unapplied Total Return) to the permanent endowment.

PENSION ARRANGEMENTS

For teachers the School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the School by the scheme administrator. The School is unable to identify its share of the Scheme Funds and therefore the Scheme has been accounted for as a defined contribution scheme. For non-teaching staff the School contributes to defined contribution pension schemes. For the Teachers' Pension Scheme and for defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. The School also sets aside funds to meet unfunded pension obligations for certain former members of staff.

OPERATING LEASES

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

FINANCIAL INSTRUMENTS

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value. Financial assets held at

Berkhamsted Schools Group
STATEMENT OF ACCOUNTING POLICIES
for the year ended 31 July 2022

amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2022

1 SCHOOL FEES	2022 £'000	2021 £'000
Fees receivable consist of;		
Gross fees	37,935	36,972
Less; Bursaries, Grants and Allowances	(2,290)	(2,146)
Less: Trinity term COVID-19 fee concession	-	(1,224)
Add back; Scholarships paid for by Restricted funds	88	95
	35,733	33,697
	35,733	33,697
2 ANCILLARY TRADING INCOME	2022 £'000	2021 £'000
	139	
Registration fees		101
Extra-curricular lessons	686	635
Hire and lettings income	73	78
Income arising from school trips	730	-
Other income	493	861
	2,121	1,675
	2,121	1,675
3 NON-ANCILLARY TRADING INCOME	2022 £'000	2021 £'000
	38	
Membership fees		39
Hire of facilities	95	30
Classes and admissions	71	34
Other income	8	388
Nursery care	870	535
Holiday camp	41	48
	1,123	1,074
	1,123	1,074

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2022

4 ANALYSIS OF EXPENDITURE

4a Total expenditure

	Staff Costs £'000	Depreciation £'000	Other Costs £'000	Total 2022 £'000	Total 2021 £'000
Raising funds					
Trading costs	744	-	236	980	911
Fundraising for voluntary resources	-	-	21	21	20
Total costs of raising funds	744		257	1,001	931
Charitable activities					
Teaching	18,379	185	4,588	23,152	20,966
Welfare	34	-	2,136	2,170	1,790
Premises repair and maintenance	1,939	929	5,160	8,028	7,617
Support costs and governance	2,164	6	691	2,861	2,882
Funding of scholarships	-	-	93	93	95
Total charitable expenditure	22,516	1,120	12,668	36,304	33,350
	23,260	1,120	12,925	37,305	34,281
2021	21,924	1,861	10,496	34,281	

4b Governance included in support costs

	2022 £'000	2021 £'000
Management time	49	49
Auditor's fees		
- Audit	41	39
- Tax compliance	16	13
- Other Services	-	3
Governors Indemnity insurance	12	12
Legal and professional fees	40	78
	158	194

5 STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2022 £'000	2021 £'000
Total staff costs comprise:		
Wages and salaries	17,930	16,791
Social security costs	1,785	1,650
Pension contributions	3,456	3,409
	<u>23,171</u>	<u>21,850</u>
Aggregate employee benefits of key management personnel	<u>1,456</u>	<u>1,419</u>

Key management personnel comprise the Executive team as described in the Trustee's Report.

The number of employees whose emoluments (excluding employer pension contributions) exceeded £60,000 were:

	2022	2021
£200,001 - £210,000	1	1
£110,000 - £120,000	1	1
£90,001 - £100,000	2	1
£80,001 - £90,000	5	4
£70,001 - £80,000	4	6
£60,001 - £70,000	<u>25</u>	<u>25</u>
	<u>38</u>	<u>38</u>

Total payments to the School's defined contribution pension scheme in the year-end 31 July 2022 were £919k (2021: £884k).

Redundancy or termination payments of £113k (2021: £46k) arose during the year. There was £80k outstanding to be paid at the year end (2021: £46k).

Grants and donations in the Consolidated Statement of Financial Activities includes £Nil of income received from the Government's Coronavirus Job Retention Scheme (2021: £388k).

6 STAFF COSTS AND RELATED PARTY TRANSACTIONS (CONTINUED)

The average number of employees during the year was made up as follows:

	2022		2021	
	Full time	Part time	Full time	Part time
Teaching staff	184	84	188	79
School based support staff	94	92	91	92
Maintenance and domestic staff	35	35	33	31
Administrative and Sport Centre	17	18	19	19
	<u>330</u>	<u>229</u>	<u>331</u>	<u>221</u>

In the year ended 31 July 2022 no Governors or persons connected with them received any remuneration or other benefits from the school (year ended 31 July 2021: £nil). Expenses of £278 were reimbursed to Governors (2021: £175) wholly in relation to the carrying out of their duties.

Gift aid transactions and year end balances between the Charity and its subsidiaries are shown in Note 15.

There are no further related party transactions requiring disclosure.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2022

7 TANGIBLE FIXED ASSETS – GROUP AND SCHOOL

	Land and Buildings £'000	Furniture and Equipment £'000	Motor Vehicles £'000	Total £'000
Cost				
1 August 2021	48,251	4,371	748	53,370
Additions	4,563	553	151	5,267
Disposals	-	-	(46)	(46)
31 July 2022	52,814	4,924	853	58,591
Depreciation				
1 August 2021	8,995	3,931	532	13,458
Charged in the year	864	150	100	1,114
Disposals	-	-	(46)	(46)
31 July 2022	9,859	4,081	586	14,526
Net book value				
31 July 2022	42,955	843	267	44,065
31 July 2021	39,256	440	216	39,912

Buildings, including contents, are insured for £170 million (2021: £165 million).

The flats known as Dean Fry Court and the Haresfoot site are subject to a charge by the National Westminster Bank. The School is in the process of arranging additional security with NatWest in connection with a facility which will be used to finance the School's Estates Masterplan.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2022

8 INTANGIBLE FIXED ASSETS

GROUP	Software costs £'000
Cost	
1 August 2021	276
Additions	-
Disposals	-
	<hr/>
31 July 2022	276
	<hr/>
Depreciation	
1 August 2021	270
Charged in the year	6
	<hr/>
31 July 2022	276
	<hr/>
Net book value	
31 July 2022	-
	<hr/>
31 July 2021	6
	<hr/>
	<hr/>
 SCHOOL	
	Software costs £'000
Cost	
1 August 2021	255
Additions	-
	<hr/>
31 July 2022	255
	<hr/>
Depreciation	
1 August 2021	249
Charged in the year	6
	<hr/>
31 July 2022	255
	<hr/>
Net book value	
31 July 2022	-
	<hr/>
31 July 2021	6
	<hr/>
	<hr/>

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2022

9 INVESTMENTS – GROUP AND SCHOOL

	Total 2022 £'000	Total 2021 £'000
Market value at 1 August 2021	3,141	2,322
Capital invested	294	292
Management charges	(20)	(19)
Revaluation	(164)	528
Net dividend income retained in Investment Fund	28	18
	<hr/>	<hr/>
Market value at 31 July 2022	3,279	3,141

	Designated £'000	Restricted £'000	Endowment and Building £'000	Total 2022 £'000	Total 2021 £'000
Managed portfolio	1,412	-	1,867	3,279	3,141
	<hr/>				
Market value at 31 July	1,412	-	1,867	3,279	3,141
	<hr/>				
Historical cost of investments	1,414	-	1,610	3,024	2,446

Investments are represented by (at market value):

	2022 £'000	2021 £'000
UK equity shares	692	815
UK bonds	143	178
Overseas bonds	158	129
Overseas equity shares	1,362	1,402
Other investments	505	458
Cash	419	159
	<hr/>	
Total	3,279	3,141

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2022

10 STOCK

	Group		School	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Stock of goods for resale	29	7	29	7

Stock held by the School comprises peripheral items for pupil laptops.

11a DEBTORS: Amounts due within one year

	Group		School	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Fees receivable	6	21	6	21
Recoverable disbursements	27	37	27	37
Trade debtors	132	136	100	111
Other debtors and prepayments	546	531	544	530
Due from subsidiary undertaking	-	-	20	7
	<u>711</u>	<u>725</u>	<u>697</u>	<u>706</u>

11b DEBTORS: Amounts due in more than one year

	Group		School	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Other debtors and prepayments	193	198	193	198
	<u>193</u>	<u>198</u>	<u>193</u>	<u>198</u>

Other debtors and prepayments due in more than one year comprises the benefit accruing to the school from an arrangement that allows the School the use of a court at a local squash club until the year 2059 following a contribution made to construction costs at the club in 2009.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2022

12 CREDITORS: Amounts falling due within one year

	Group		School	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Fees received in advance	1,077	546	1,077	546
Payments received on account	173	249	173	249
Fee deposits held at year end	2,501	2,243	2,486	2,232
Trade creditors	2,219	1,010	2,207	1,002
Other taxes and national insurance contributions	464	419	455	419
Other creditors	454	529	451	526
Accruals	600	552	584	540
Deferred income	538	264	452	211
Due to subsidiary undertakings	-	-	5	4
	<u>8,026</u>	<u>5,812</u>	<u>7,890</u>	<u>5,729</u>

All deferred income shown in the table above relates to fees for the 2022/23 school year. All deferred income held at 31 July 2021 was released in the following year.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2022

13 CREDITORS: Amounts falling due in more than one year

	Group		School	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Fees received in advance	1,400	442	1,400	442
Deferred income	127	127	127	127
	<u>1,527</u>	<u>569</u>	<u>1,527</u>	<u>569</u>

Fees received in advance total £2,477k of which £1,077k falls due within one year, and £1,400k falls due between two and five years. The balance represents the accrued liability under the contracts. The movements during the year were:

	2022 £'000	2021 £'000
Balance at 1 August 2021	988	1,542
New contracts	2,198	304
Repayments	-	-
Amounts used in payment of fees to the school	(709)	(858)
	<u>2,477</u>	<u>988</u>

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2022

14 ALLOCATION OF SCHOOL NET ASSETS

	Tangible fixed assets £'000	Investments £'000	Other assets/ (liabilities) £'000	Total £'000
Endowment and building funds	5,654	3,278	(1,044)	7,888
Restricted funds	-	-	200	200
Unrestricted funds: Designated funds	36,076	-	1,287	37,363
Retained income	2,335	-	(2,335)	-
	<u>44,065</u>	<u>3,278</u>	<u>(1,892)</u>	<u>45,451</u>

	2022 £'000	2021 £'000
Unrealised gains / (losses) included above in investments:		
Endowment and building funds	(97)	376
Designated funds	(67)	152
	<u>(164)</u>	<u>528</u>

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2022

15a ENDOWMENT AND BUILDING FUNDS

	Balance 1 August 2021 £'000	Incoming resources £'000	Resources Expended £'000	Investment gains/(losses) £'000	Transfers £'000	Balance 31 July 2022 £'000
Represented by:						
Land and buildings	5,723		(69)			5,654
Anniversary Fund	188	68				256
Scholarship and prize fund	2,075			(97)		1,978
	<u>7,986</u>	<u>68</u>	<u>(69)</u>	<u>(97)</u>		<u>7,888</u>

15b RESTRICTED FUNDS

The Berkhamstedian Foundation	191	4	(1)			194
500 th Anniversary Fund	-	98	(92)			6
	<u>191</u>	<u>102</u>	<u>(93)</u>			<u>200</u>

15c DESIGNATED FUNDS

The Berkhamstedian Foundation	118	3				121
500 th Anniversary Fund	1,196	37		(67)		1,166
Land and buildings	33,939		(780)		2,672	35,831
Heatherton Development Fund	245					245
	<u>35,498</u>	<u>41</u>	<u>(780)</u>	<u>(67)</u>	<u>2,672</u>	<u>37,363</u>

15d UNRESTRICTED FUNDS

School funds	<u>-</u>	<u>39,035</u>	<u>(36,363)</u>		<u>(2,672)</u>	<u>-</u>
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15e TOTAL FUNDS HELD

TOTAL FUNDS	<u>43,675</u>	<u>39,245</u>	<u>(37,305)</u>	<u>(164)</u>		<u>45,451</u>
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Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2022

Endowment and Building Funds

Land and Buildings

Tangible fixed assets are all held for use by the School. Land and Buildings represent assets donated on foundation and subsequent major additions at cost. As a consequence these assets are a mixture of those endowed to the School and those subsequently acquired. Tangible fixed assets are shown at cost in the balance sheet.

Buildings are depreciated at 1-10% of cost, with the charge being written off to the Endowment and Buildings Funds. All costs of maintaining the buildings are written off as expenses of the school in the year of expenditure.

Scholarships and Prize Fund

This fund represents bequests and donations received by the Charity, where the donor has specified that the funds should be used to provide opportunities for and acknowledgement of educational achievements for future generations. The investment income recognised on these funds is added to the balance each year.

During the year ended 31 July 2016 the Governors exercised the power granted under section 104A of the Charities Act 2011 to adopt a total return approach to the school's Scholarships and Prize fund. This allows the School to recognise an Unapplied Total Return ("UTR") element in the fund which is accessible for spending on current beneficiaries.

Under the Total Return approach, the school must ensure that the value of the fund does not fall below the core endowment value. The core endowment value is fixed at £1,144k representing the value of the endowment in 2003.

The overall movement in unapplied total return in the year ended 31 July 2022 was as follows:

	£'000
Unapplied total return at 1 August 2021	930
Add: Investment losses	(97)
Less: Resources expended	-
Unapplied total return before transfer to income	833
Less: transfer to income	-
Unapplied total return at 31 July 2022	833
Add: core value	1,145
Scholarship and prize fund assets at 31 July 2022	<u>1,978</u>

500th Anniversary Fund

This fund holds donations given to the school specifically to be invested under the name 500th Anniversary Fund to generate income from which school places will be made available to children who could not otherwise afford to attend the school. The name of the fund is in recognition of the forthcoming important anniversary of the school's foundation.

Berkhamsted Schools Group

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2022

Restricted Funds

The Berkhamstedian Foundation

This represents a restricted fund established for the purpose of providing resources for specific projects and to widen the opportunity for scholarships and bursaries.

500th Anniversary Fund

This part of the Anniversary Fund has been set up to receive donations to the Anniversary Fund that will be used to directly fund school places. The balance on this fund represents monies which have not yet been applied.

Designated Funds

Land and Buildings Fund

This represents fixed asset additions for major strategic projects mostly since 2004 funded from annual net incoming resources.

The Berkhamstedian Foundation

This represents a designated fund established by Governors. The fund represents unrestricted fundraising donations received which are set aside for the purpose of providing resources for specific projects and to widen the opportunity for scholarships and bursaries.

Heatherton Development Fund

The designated Development Fund represents unrestricted funds set aside by the Governors of Heatherton House School for the future functioning of the School.

500th Anniversary Fund

This fund is for unrestricted donations that the Governors have designated to be added to the 500th Anniversary Fund, a fund that provides access to the school for aspiring pupils who could not otherwise afford to attend.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2022

16 SUBSIDIARY UNDERTAKINGS

Berkhamsted Schools Group has three wholly owned subsidiaries all of which are registered in the United Kingdom and share the same registered office as the School (see note 1).

- Berkhamsted Day Nursery Limited (trading) - company number 07610890
- Berkhamsted School Enterprises Limited (trading) - company number 02048201
- Berkhamsted Schools International Limited (dormant) - company number 10054110

The trading subsidiaries pay all their distributable profits to the school through gift aid declarations and their results for the year and retained capital and reserves are shown below:

Berkhamsted Day Nursery Limited	2022	2021
	£'000	£'000
<i>Profit and loss account</i>		
Turnover	870	657
Total expenditure	(706)	(571)
Profit before tax and gift aid	<u>164</u>	<u>86</u>
Taxation		-
Gift Aid	(164)	(86)
Profit /(loss) after tax and gift aid	<u>-</u>	<u>-</u>
 <i>Balance sheet</i>		
Total assets	70	53
Total liabilities	(70)	(53)
Net assets	<u>-</u>	<u>-</u>
Costs recharged from Berkhamsted Schools Group	37	38
Amount owed from / (to) Berkhamsted Schools Group	5	4
 Berkhamsted School Enterprises Limited		
	2022	2021
	£'000	£'000
<i>Profit and loss account</i>		
Turnover	252	466
Total expenditure	(288)	(355)
Profit before tax and gift aid	<u>(36)</u>	<u>111</u>
Taxation		-
Gift Aid	-	(111)
Profit /(loss) after tax and gift aid	<u>(36)</u>	<u>-</u>
 <i>Balance sheet</i>		
Total assets	55	41
Total liabilities	(91)	(41)
Net assets	<u>(36)</u>	<u>-</u>
Costs recharged from Berkhamsted Schools Group	5	14
Amount owed from Berkhamsted Schools Group	(20)	(7)

Berkhamsted Schools Group

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2022

17 PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2.647m (2021: £2.534m) and at the year-end £215k (2021 - £213k) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2022

18 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2022 the School had minimum lease payments under non-cancellable operating leases as follows:

	2022 £'000	2021 £'000
Plant and machinery:		
Due within one year	555	816
Due between one and five years	464	541
	<hr/>	<hr/>
	1,019	1,357
	<hr/>	<hr/>

19 CAPITAL COMMITMENTS

There are £14.697m (2021: £63k) of capital commitments as at 31 July 2022.

20 FINANCIAL INSTRUMENTS

Group financial assets measured at fair value are the School's investments which totalled £3.279m (2021: £3.141m). Income from assets measured at fair value in the year totalled £54,000 (2021: £55,000) and unrealised losses totalled £164,000 (2021: a gain of £528,000).

21 POST BALANCE SHEET EVENT

The School entered into a loan agreement with NatWest on 27 September 2022 for the purpose of providing funding towards the School's Estates Masterplan. The loan amount of £6 million has initially been borrowed at a fixed rate of 5.33% for a 10 year term and unless repaid before then will be then subject to a variable rate of interest at 1.55% above base rate for a further 15 years. The terms of the loan allow the School to repay the loan at any time without penalty. The School has pledged property with a loan to value ratio of 70% as security for this loan.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2022

**22 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE
FIGURES BY FUND TYPE**

Year Ended 31 July 2021

	Unrestricted Funds		Restricted Funds	Endowment and Building Funds	Total
	School £'000	Designated £'000	£'000	£'000	£'000
Income and endowments from					
Charitable activities					
School fees receivable	33,697	-	-	-	33,697
Ancillary trading income	1,675	-	-	-	1,675
Other trading activities					
Non-ancillary trading income	1,074	-	-	-	1,074
Other activities					
Investments					
Investment income	55	-	-	-	55
Bank and other interest	1	-	-	-	1
Voluntary sources					
Grants and donations	388	43	96	84	611
Total Incoming Resources	36,890	43	96	84	37,113
Expenditure on:					
Raising funds					
Non-ancillary trading	911	-	-	-	911
Fundraising and Development	20	-	-	-	20
Total deductible costs	931	-	-	-	931
Charitable activities					
Education and grant making	31,756	1,430	95	69	33,350
Total expenditure	32,687	1,430	95	69	34,281
Net incoming funds from operations before transfers and investment gains	4,203	(1,387)	1	15	2,832
Gains/(losses) on investments	-	152	-	376	528
Transfer between funds	(4,203)	4,203			
Net movement in funds	-	2,968	1	391	3,360
Fund balances at 31 July 2020	-	32,530	190	7,595	40,315
Fund balances at 31 July 2021	-	35,498	191	7,986	43,675

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2022

23 SUMMARY OF MOVEMENTS ON SCHOOL FUNDS AND ANALYSIS OF NET ASSETS BETWEEN FUNDS

Year Ended 31 July 2021

23a ENDOWMENT AND BUILDING FUNDS

	Balance 1 August 2020 £'000	Incoming resources £'000	Resources Expended £'000	Investment gains/(losses) £'000	Transfers £'000	Balance 31 July 2021 £'000
Represented by:						
Land and buildings	5,792	-	(69)	-	-	5,723
500 th Anniversary Fund	104	84	-	-	-	188
Scholarship and prize fund	1,699	-	-	376	-	2,075
	7,595	84	(69)	376	-	7,986

23b RESTRICTED FUNDS

The Berkhamstedian Foundation	190	1	-	-	-	191
500 th Anniversary Fund	-	95	(95)	-	-	-
	190	96	(95)	-	-	191

23c DESIGNATED FUNDS

The Berkhamstedian Foundation	115	3	-	-	-	118
500 th Anniversary Fund	800	40	-	152	204	1,196
Land and buildings	31,370	-	(1,430)	-	3,999	33,939
Heatherton Development Fund	245	-	-	-	-	245
	32,530	43	(1,430)	152	4,203	35,498

23d UNRESTRICTED FUNDS

School funds	-	36,890	(32,687)	-	(4,203)	-
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23e TOTAL FUNDS HELD

TOTAL FUNDS	40,315	37,113	(34,281)	528	-	43,675
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Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2022

23f ALLOCATION OF SCHOOL NET ASSETS

Year Ended 31 July 2021

	Tangible fixed assets £'000	Investments £'000	Other assets/ (liabilities) £'000	Total £'000
Endowment and building funds	5,723	3,141	(878)	7,986
Restricted funds	-	-	191	191
Unrestricted funds: Designated funds	34,184	-	1,314	35,498
Retained income	5	-	(5)	-
	<u>39,912</u>	<u>3,141</u>	<u>622</u>	<u>43,675</u>

BERKHAMSTED SCHOOLS GROUP

England & Wales - Charity number 310630

Accounts

Berkhamsted Schools Group

REPORT AND FINANCIAL STATEMENTS

For the year ended
31 July 2021

Berkhamsted Schools Group

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Berkhamsted Schools Group

WHO WE ARE

Berkhamsted Schools Group is a prestigious group of independent day schools in Hertfordshire and Buckinghamshire which also offer boarding for the senior year groups. Founded in 1541, the school celebrated 480 years of history and tradition in 2021. We are a school firmly rooted in our local community with an international outlook having overseas students joining the school from Year 10.

Berkhamsted has an outstanding reputation based on the following key characteristics:

A 'diamond school' - one of just a handful in the country, Berkhamsted offers co-educational tuition up to age 11 and single sex classroom education from the age of 11 to 16 - at a time when we believe girls and boys benefit most from being taught separately in the classroom, whilst extracurricular activities are undertaken co-educationally at all ages. Girls and boys come back together in a co-educational Sixth Form. We also have a girls-only Prep School, Heatherton, in Amersham, which has a co-educational nursery class.

A passion for learning and well-being – the world is changing at an ever-increasing pace. We believe life-long learning will be required of all of us and awareness of the skills that enable us to learn effectively are a key requirement. At the school we develop these skills through the use of an educational framework called "Building Learning Power" which underpins our approach in the classroom and in all extra-curricular activities. We also believe that our pupils need to develop mental toughness and resilience to believe they can cope with whatever life throws at them. Our well-being programme and framework is at the forefront of any school programme in the country and we care deeply about the well-being of our school community and the individuals within it.

A broad education - we develop outstanding, well-rounded, remarkable young people through a broad education based not just on academic excellence, but also through activities outside the classroom, including sport, outdoor education, music, art and drama. We are proud to have produced excellence at national and international levels while maintaining very high levels of pupil participation in extra-curricular activities. We have one of the most outstanding outdoor education programmes at any school in the country, demonstrated by the high numbers of participants in the Duke of Edinburgh's Award at all levels, and the range of experiences offered through our Combined Cadet Force. Every pupil in senior school attends Bushcraft training and spends a night under canvas as part of the introduction to the Duke of Edinburgh's Award.

A school that 'grows with you' - we offer our pupils fantastic experiences and opportunities that stretch their abilities and develop their all-round potential at all stages throughout their formative years. Our pupils leave us with the qualifications and life skills needed to make a successful transition to the next stage of life, be that a top university, or the start of their career in the workplace. These are gained through initiatives such as our innovative The Student Consultancy, pioneered at Berkhamsted in conjunction with the Oxford University Careers Service and since rolled out nationally or the work experience opportunities we provide to our Sixth Formers. Other opportunities exist at our Sports Centre as a lifeguard or with our in-house caterers to gain customer service experience at School events.

Outstanding pastoral care – we are predominantly a day school running on structures built up through a history of being a traditional boarding school. We have a vertical house system, run by Heads of House and their teams of tutors, who oversee and support each child's personal development.

Berkhamsted Schools Group

A large school with a small school feel - we are based on four campuses in Berkhamsted and one in Amersham, each structured to cater for the different age groups taught at those sites from Pre-Prep in the woodland setting of the Haresfoot campus to a Sixth Form moving between Castle and Kings campuses as a taster of what lies ahead at university. Each school benefits from outstanding whole school facilities in close proximity, which smaller schools are unable to provide. Examples include our 500 seat Centenary Theatre, the Knox-Johnston Sports Centre and 25 metre swimming pool, nine Eton Fives courts, a Wooded Gruffalo Trail and our High Ropes course.

A school with community spirit - our pupils are consistently helping in the community and looking to uphold the school's value of 'Serving Others'. From the Prep school children visiting the local care home for regular musical performances, to Year 7 boys litter picking across town, through to our Sixth Formers helping at local primary schools and in High Street charity shops. The introduction of The Berkhamsted Society has also offered our local neighbours the opportunity to use the school's facilities and attend a number of cultural events which are open to all. We work with maintained sector schools in Berkhamsted, Hemel Hempstead and Luton, and co-sponsor the Wren Academies Trust.

A school which supports working parents - we provide care at all stages of a child's school journey so parents need never be concerned if they are delayed at the office, have to go on a business trip, or wish to find activities for their child in the holidays. We provide wrap-around care at both ends of the day up to Prep School, flexi-boarding at the senior schools, and work with a specialist company to lay on a range of courses and activities during half terms. We offer all year-round nursery provision from five months to three years old. In addition, our travel network also offers those in senior school a coach service from home to school each day with late services available to cater for those pupils taking part in after-school activities.

A key aim of the Berkhamsted Schools Group is to deliver teaching and learning excellence for the benefit of pupils throughout the group. Investment in the continuous training, professional development and well-being of our staff is a priority. We are proud to have been awarded the Investors in People Gold Award twice in recent years, an unprecedented achievement for an independent school, reflecting our commitment to this aim.

Berkhamsted Schools Group

GOVERNORS

The Board of Governors is appointed in accordance with the terms and conditions laid down in the Scheme of the Charity Commissioners for England and Wales sealed on 29 August 1996. Except as otherwise indicated, the Governors served throughout the year and are as follows:

	Appointed /Resigned	(1)	(2)	(3)	(4)	(5)	(6)
G.C. Laws (Chair)	Appointed 17 March 2012	* (c)				* (c)	* (c)
S. Turner (Vice Chair until 5 December 2020)	Appointed 19 January 2011 Resigned 5 December 2020			*		*	
D.J. Atkins	Appointed 1 September 2014		*				
Prof S-J Blakemore	Appointed 17 June 2017				*		
A.K. Fahy	Appointed 1 September 2014 Resigned 13 March 2021		*				
Dr M.A. Fenton	Appointed 1 January 2014				*		
A.R Hart	Appointed 1 December 2018			*			
K Musgrave *	Appointed 1 December 2018		*		*		
K Nijjar	Appointed 24 September 2020				*		
C. Nicholls	Appointed 1 September 2015	*			* (c)		
S. Rolland	Appointed 19 January 2011			*			
S. Shields	Appointed 25 March 2017			*			
S. Tidey	Appointed 19 January 2011 Resigned 5 December 2020		*				
J.J. Smith	Appointed 1 September 2020				*		*
N. Twogood	Appointed 1 September 2015	*	* (c)			*	*
A. Wilcock	Appointed 26 November 2016				*		
J. Williams (Vice-Chair from 5 December 2020)	Appointed 1 March 2018	*		* (c)		*	

- (1) Chair's Committee
- (2) Finance and Property Committee
- (3) Risk and Regulatory Committee
- (4) Education Committee
- (5) Nominations Committee
- (6) Remuneration Committee

- (c) Chair

Note * K Musgrave served initially on the Education Committee before switching to the Finance & Property Committee in March 2021

Berkhamsted Schools Group

OFFICERS

The Principal	R P Backhouse MA (Cantab)
Clerk to the Governors	M Shell LL.B (Hons)
Vice Principal	A Ford BA
Chief Operating Officer	J Anthony BSc, FCA
Chief People Officer	T L Evans CIPD, FInstLM
Assistant Vice Principal (External Relations)	R C Thompson BA
Headteacher, Berkhamsted Sixth	M Walker BA
Headteacher, Berkhamsted Boys	M-C Startin BA, MA
Headteacher, Berkhamsted Girls	E A Richardson BA
Headteacher, Berkhamsted Prep	J Hornshaw MEd, BEd, NPQH, FInstLM
Headteacher, Heatherton (left 31 st August 2020)	D Isaachsen MEd, BEd (Hons)
Headteacher, Heatherton (joined 1 st September 2020)	N Nicoll MEd, BEd (Hons)
Headteacher, Berkhamsted Pre-Prep	K O'Connor BA (Hons), PGCE, NPQH

Principal address and Registered Office

6 Chesham Road
Berkhamsted
Hertfordshire HP4 3AA

Bankers	NatWest Bank P.O. Box 202 199 High Street Berkhamsted Hertfordshire HP4 1BH	
Solicitors	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS	
Auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW	
Investment Advisors	Brewin Dolphin 12 Smithfield Street London EC1A 9BD	
Insurance Brokers	Aon UK Limited 8 Devonshire Square London EC2M 4PL	
Property Advisers	Aitchison Raffety 8 Cavendish Square London W1G 0PD	Bidwells Trumpington Road Cambridge CB2 9LD

Berkhamsted Schools Group

ANNUAL REPORT OF THE GOVERNORS CHAIR'S REPORT

CHAIR'S REPORT

Despite the disruptions imposed on them by the pandemic, staff and students at the Berkhamsted Schools Group have had a year characterised by outstanding support for students academically, pastorally, and, as far as has been possible, in their extra-curricular pursuits. Parental feedback has been exceptionally strong. Consequently, the reputation of the school grows: enquiries for places have risen by double digit percentages and we have waiting lists for entry into many of our year groups.

Our aim is to be a school which serves its local community excellently, with outstanding staff and infrastructure that compares to the best in the country. We want to be world class in everything we do to give the young people here the best chance to develop and succeed in whatever they choose to do. We do not just select pupils purely on academic skills – we offer an all-round education challenging our students and giving them real skills to help in later life.

During the academic year we have continued to build on our Digital Device Provision strategy which saw School Microsoft Surface devices provided to every child in Years 5-13. The use of Microsoft Teams and OneNote and digital device provision continued to be expanded to support the teaching of skills and dispositions consistent with our long-term strategy to implement Professor Guy Claxton's research on excellent learning and teaching.

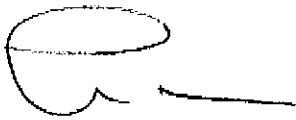
We continue to invest sustainably in our infrastructure. During the year, planning permission was obtained for a new Sixth Form Centre, and projects to relocate maintenance workshops and the Principal's accommodation were successfully undertaken. The refurbishment of Deans' Hall to provide flexible lecture space and large group accommodation for up to 500 pupils was completed on time and to the highest standard. Berkhamsted Day Nursery's accommodation was upgraded to provide an improved environment for our youngest pupils. Negotiations were successfully undertaken to acquire a valuable piece of land adjacent to Heatherton. We have now invested over £30m in the schools' sites during the last 15 years. We recognise that students and parents rightly expect first class facilities, and we are continuing to invest in infrastructure which generates educational opportunities for young people. We are also very aware that affordability of school fees is at the front of many parents' minds. Our goal is to provide an outstanding all-round education at a competitive price and therefore we have continued to strive to constrain our fee increases for the past few years whilst finding efficiencies within the schools to allow continued investment in staff and facilities.

With over 500 staff and around 2,000 pupils aged between 5 months and 18 years old, and in excess of 100 acres of land in Berkhamsted, we recognise our importance and need to contribute to, the local community. Our students have committed thousands of hours of their time to community service, with nearly 2,000 hours by the sixth form alone. Whether it's visiting a senior citizens' home, a hospice, reading with pupils at local primary schools, or working with disabled adults and children, Berkhamstedians' time and effort makes a difference to the lives of so many in our community. We also open up our facilities up to the community, and the Knox-Johnston Sports Centre is very well used outside of school hours. We support the people of the area through the provision of wraparound care and holiday camps to help working parents. In a new development, we have hosted booster weeks for Looked After Children in partnership with Hertfordshire Virtual Schools in both Easter and Summer holidays and participated in a pilot in which teaching staff mentored Key Stage 5 students in Wandsworth. The Berkhamsted Schools Group and the London Diocesan Board for Schools continue to co-sponsor the Wren Academies Trust who have opened a new school in Enfield.

Berkhamsted Schools Group

ANNUAL REPORT OF THE GOVERNORS CHAIR'S REPORT

The community of the school – staff, pupils and parents – have worked together in an extraordinary way in the last 12 months. I would like particularly to thank the staff for their commitment and dedication. I would also like to place on record my appreciation of all the work done by Governors this year. Berkhamsted Schools Group is in good shape and ready for any challenges that may be thrown at us.



G.C. LAWS
Chair of Governors

Berkhamsted Schools Group

STRATEGIC REPORT

CONSTITUTION AND OBJECTS

Berkhamsted Grammar School was founded on 14 October 1541, re-founded by an Act of Parliament in 1549, and is regulated by a scheme made under the Endowed Schools Act on 13 May 1887 and subsequent amendments. Berkhamsted Girls Grammar School was constituted by the above scheme on 13 May 1887. The administration and management of these two charities and other subsidiary charities were amalgamated by a scheme dated 14 August 1975 approved by the Charity Commissioners for England and Wales.

With effect from 1 August 2011, the School merged with Heatherton House, a Prep School for Girls in Amersham. As part of the merger process, Berkhamsted School changed its name to Berkhamsted Schools Group and became an incorporated charity. The registered charity number is 310630 and the registered company number is 622349.

The Charity has two operating wholly owned non-charitable subsidiaries, Berkhamsted School Enterprises Limited and Berkhamsted Day Nursery Limited. The school actively supports the provision of the highest standards of education in the independent sector and co-operates with many local charities, schools and organisations to widen public access to the education and facilities it provides for the public benefit.

The School's objects and principal activity, as set out in the Articles of Association, are to promote the education (including social and physical training) of boys and girls for the public benefit and in particular to conduct and maintain day or day and boarding schools in or near Berkhamsted, at which religious education in accordance with the principles of the Church of England is provided.

GOVERNANCE AND MANAGEMENT

Governing Body

There is one Governing Body for all the schools in the Group. Details of the Governing Body, together with the school's officers and principal advisors, are given on pages 4-5.

The Governing Body consists of between twelve and fifteen people with each Governor term limited to three years. Each Governor is limited to a maximum of three terms, unless elected to become the Chair or Vice Chair, or if the Board consider it would be in the best interest of the Charity for a Governor to be eligible for re-election, in which case further terms are permissible.

Recruitment and Training of Governors

The school's Governors are appointed at a meeting of the Governing Body on the basis of recommendations made by the Nominations Committee, taking into account eligibility, personal competence, specialist skills and availability.

New Governors are inducted into the workings of the school and of the Charity, including Strategy, Policies and Procedures, at an induction meeting organised by the Clerk to the Governors. Governor training is carried out by using seminars either organised nationally or arranged internally.

Having carried out a detailed self-assessment exercise in March 2020 the Governors are familiar with the Charity Governance Code including updates published in December 2020 which sets out the principles and recommended practice for good governance within the sector. As a result of their self-assessment review, the Governors implemented some additional practices including the following:

- Ensure suppliers have a strong environment sustainability programme when tendering for services such as catering and construction

Berkhamsted Schools Group

STRATEGIC REPORT

- At the end of the auditors' annual presentation to the Finance & Property committee, the Executive team to be asked to leave the room for a few minutes so that the Governors have the opportunity to meet the auditors without paid staff being present at least once a year.
- Carry out an SDI (Strength Deployment Inventory) session with Governors, identifying personal characteristics, strengths and overdone strengths, to enhance their abilities to lead with clarity and empathy, building stronger teams, and more effectively navigating conflict.
- Formalise the Governors' skills register for submission to the Board
- Enhanced processes and website coverage for interested parties to apply for vacant Governor positions
- Add complaints reporting as a standing agenda item for Risk & Regulatory Committee.

The Governors are therefore satisfied that the Charity applies the principles of the code within its current Governance arrangements.

Organisational Management

The School Governors, as the Trustees of the Charity, are legally responsible for the overall management and control of the school and normally meet four times each year, plus one biennial meeting usually in Lent Term to review strategy.

The School's Committees are:

- The Finance and Property Committee, whose responsibility is to plan and oversee delivery of the Board's strategies in relation to all financial and property matters.
- The Education Committee, whose responsibility is to plan and oversee the delivery of all academic, co-curricular and pastoral education.
- The Risk and Regulatory Committee, which has responsibility for the implementation, ongoing management and review of performance in practice of the Group's regulatory, statutory and general policies. It also acts to ensure that major risks for the Group are actively managed, and that an appropriate balance is struck between controls to mitigate risk and the costs (financial or non-financial) associated with doing so and to monitor the environmental and sustainability activities being done across the group to ensure we continually work to improve our environmental impact.
- The Chair's Committee, comprising the Chair of Governors, the Chairs of the other Governor Committees, the Principal, Vice Principal, Chief Operating Officer and Chief People Officer. The function of this Committee is to review strategic issues prior to consideration by the full Governing Body.
- The Nominations Committee, which has responsibility for overseeing Governor and Executive appointments.
- The Remuneration Committee, which has responsibility for setting the remuneration of the Principal and overseeing the remuneration of other senior personnel.

The day-to-day management of the school is delegated to the Principal, Vice Principal, Chief Operating Officer and Chief People Officer who, together with the Headteachers of the respective schools in the group and the Vice Principal, External Relations form the Executive. The Executive is supported by the Senior Management Team which includes the Deputy Heads and other key educational and operational roles. Remuneration of staff is set by the Governors with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the school's success.

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The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere.

We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the school's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

Employment Policy

The school is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

The school has a Disability policy and an Equal Opportunities policy, which is compliant with the Equality Act 2010, and has regard to the guidance issued by the Equality and Human Rights Commission "What equality law means for you as an education provider: schools". The Disability policy states that the school will maintain and drive a positive culture towards inclusion of disabled people in all the activities of the school, and will not knowingly discriminate against any disabled person, including in matters of employment such as admissions, training and career development.

In addition, the school has a strict Staff Code of Conduct policy that sets the standards of behaviour for all staff to ensure the ethos of the school is maintained.

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AIMS, OBJECTIVES AND ACTIVITIES

Aims

The School's aim for the public benefit is to be the first-choice independent school in the area for families seeking educational excellence.

The governors are mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Board has monitored closely the guidance of public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Primary Objectives

The primary objectives of the School to fulfil these aims are for every pupil to:

- develop the skills and ambition necessary for lifelong success;
- strive for the best achievements possible;
- grow in moral purpose and courage to become respectful and wise;
- explore and enjoy the fullest breadth and extent of life's opportunities;
- contribute to the success and wellbeing of each other, locally, nationally and globally;
- belong to a community which looks outwards and forwards;
- be inspired by the School's values, heritage, and Christian foundation.

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

The School continues to place huge importance on its Core Values. At the heart of every decision made and practice used we continue to cultivate a culture in which our values are evident. Our Values are as follows:

- Aim High with Integrity

We believe that we should strive to be the best possible version of ourselves, in the classroom or debating chamber, on the stage or sports pitches, to be the best we can be in everything we do. To aim high *with integrity* means being successful without exercising sharp elbows. Try, as CS Lewis suggested, to 'do the right thing even when no one is looking'. Whatever we achieve in life will be all the more worthy if it is done in support and not at the expense, of others.

- Be Adventurous

Being adventurous is an important ingredient of aiming high. We need to discover what our talents might be before we can develop them, and this will only happen if we are adventurous in thought, word, and deed. We must all have the courage to fail and the resilience to do so repeatedly...because we will. We should all think of mistakes – whether made by ourselves or others – as opportunities to learn. As Nelson Mandela once said: 'Do not judge me by my successes; judge me by how many times I fell down and got up again.' If we are all brave enough to try, fail and then start again, we will all, in time, become the best we can be.

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- **Serve Others**

We want our students to grow in moral purpose, character, and courage as they go through our school, and in doing so, contribute to the wellbeing of our community. We want them to become remarkable people. Our definition of success is an inclusive one, and our expectation of school life is for it to be a team game: we believe it is as important to contribute to the successes of others as to our own. Our definition of leadership includes elements of altruism, and being a school community, we often find that, in giving, we are also receiving. We celebrate and encourage the work of our students in the local community, as volunteers for example, and as those who engineer change for good, inside and outside the School. Our expectation is that Berkhamstedians will not just go on and do well, although of course, we expect that they will, but that they will also go on and do good.

STRATEGIES TO ACHIEVE PRIMARY OBJECTIVES

The Group has selected seven areas of focus, which will not only help us to meet our primary aims and objectives but move us to a position where we are recognised to be world class. It must be noted that this list does not preclude our pursuit of excellence in all areas.

Teaching and Learning / ICT

Building Learning Power, a whole school approach to teaching and learning, is being embedded across the group to provide a core focus on dispositions within the four learning types (emotional, social, cognitive, and strategic). We will continue to work with schools in both the independent and maintained sectors, universities, and teacher training institutions to share best practice so that Berkhamsted becomes a centre of excellence for teaching and learning. Alongside a strong focus on cyber security we have this year rolled out phase 3 of the Digital Device provision, issuing 575 new and replacement devices as well as migrating to a new intranet and resource platform providing staff and pupils with an easy to use dashboard and navigation, consolidating the digital side of teaching and learning.

Wellbeing

The school recognises the importance of wellbeing amongst its pupils and staff and employs several strategies to encourage and promote it. The senior school operates a house system which ensures a high level of pastoral care for pupils which is further supported by the availability of counselling services and other initiatives such as the presence of wellbeing dogs throughout the school week. In all parts of the school, class sizes are small enough to enable our teachers to notice any behavioural changes that may require their intervention. Staff wellbeing is also deemed very important and all staff have access to counselling services on request and provision is made for other beneficial activities such as mindfulness sessions, yoga, wellbeing treatments and a wide range of other social activities.

Outdoor Education

Very few schools in the South-East have strong Outdoor Education -- this is seen as a market differentiator. The School has a long and distinguished Duke of Edinburgh Award programme and Combined Cadet Force (CCF). Today pupils from Stepping Stones through to Year 13 have extensive opportunities to have a range of outdoor education experiences both at school and around the country and world. An Outdoor Education centre for the Group has been established on the site of the Pre-Prep school.

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Business Education and Skills

Berkhamsted is a business community and many of our parents are business professionals. Berkhamsted School is well placed to be a leader in Business Education and Skills and looks to achieve this by closing

the gap between academic education and the world of work. We give our pupils an understanding of how business works and experience of the workplace outside of the main curriculum. By developing links with alumni and the local community we can offer insights into business and provide enterprise opportunities to enable pupils to develop the skills required for the modern workplace. We are now planning for a new Sixth Form Centre configured to help bridge the gap between school, university and work, and we continue to seek international opportunities that could give pupils a taste of international culture and diversity that will prepare them for careers in a global market.

Early Years

Berkhamsted is a centre of excellence for Early Years Education, regularly hosting national Early Years' conferences and is seen as a beacon of best practice. We have a highly innovative curriculum and some of the best facilities in the country. The teaching facilities at the Pre-Prep in a wonderful woodland setting enable the school to provide the very best in Early Years Education.

Sport

Berkhamsted has a distinguished sporting heritage for both boys' and girls' sport. We aim to be one of the top sporting schools in England by being consistently:

- in the top four schools nationally at Lacrosse, with Regional and National representatives;
- in the top 18 schools nationally at Netball;
- in the top 12 schools nationally at Rugby, with Regional and National representatives;
- the best Fives school in the country for boys and girls, attaining National Championship titles.

Furthermore, we actively seek to have some of the highest participation rates in school sport for a large school as evidenced by the number of pupils who actively participate in physical activity each and every week even though chances of representing the school at sport have been temporarily halted due to Covid.

Music and Drama

Berkhamsted offers pupils the opportunity of music and drama within the curriculum across the age span, but many pupils undertake additional lessons with 378 Senior pupils playing an instrument and 244 music exams taken by Senior pupils in the 2020/21 academic year. Drama also has many participants with over 300 Senior pupils taking LAMDA lessons each term

FUTURE PLANS

The Group's current Strategic Plan was agreed by Governors in 2020 and is subject to bi-annual review by Governors. Significant progress has been made towards the objectives identified in this plan. Future plans to underpin the Group's primary aims and objectives include:

- Continuing to identify and embed the values that the School seeks to live by day to day – to aim high with integrity, be adventurous and serve others based on our heritage and in our community;

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- Developing the education offered to pupils so that it meets excellently the challenges posed by contemporary changes in society, the economy, further education and the workplace;
- Enabling young people to pursue a diverse range of activities and studies excellently, in order to develop character and intellect, and to have outstanding opportunities;
- Attracting and retaining the best teachers, and sector leading staff development;
- Optimising the Group's facilities to better meet the challenges and opportunities above;
- Delivering public benefit by engagement with the local community, co-sponsorship of a MAT, a programme of life-changing bursaries by means of the Anniversary Fund, and more formal and informal partnerships with maintained sector schools.

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

The School has again had a remarkable year. During the 2020/21 academic year the School averaged 2,002 pupils, of whom 1,958 were day pupils. This compares to 1,965 and 1,921 pupils in 2019/20 respectively. Demand for places continues to be high, allowing for comprehensive planning for future improvements and developments.

Following the pandemic, pupils have continued to thrive with their studies via the use of technology. During the year teachers were briefed and guided on the Teacher Assessed Grade process. The Year 11 and Year 13 students along with their parents were provided with guidelines as to how their results would be calculated. These grades were submitted to the exam boards and after following their own procedures the boards issued results as usual in August (albeit a bit earlier than normal). The results overall, especially the value that we add to our pupils, showed an increase from the previous year. Over 30% of GCSE results were at grade 9 and 74% at grade 7 or above. The increase in both attainment and value-added continues to show that Berkhamsted adds significant improvement to pupil outcomes when measured against other participating independent schools.

A-level results were also calculated according to the Government guidelines through the pandemic. Students increased the attainment of the top grades from 22.5% to 32.2% graded at A*; 63% at A* or A; and 88% at A*, A or B. An increase was seen in all the highest grades by our hard-working pupils. Value-added results were as expected.

In Sport, Michaelmas Term kicked off in year group bubbles, with a programme focusing on the 'Return to Sport'. Emphasis was on re-conditioning, athletic development and re-introducing the fundamentals of each sport. Rugby followed the Ready4Rugby initiative – introduced by RFU in recognition of time away from competition in the sport. Saturday Sport began an internal programme of inter year competition and attracted over 500 pupils weekly across Cricket, Football, Rugby, Lacrosse, Netball and Eton Fives. All Sports utilised House Competitions in year groups through the first half term, again looking for creative ways to continue to offer competition.

Lent Term was delivered largely remotely with an emphasis on keeping students engaged in physical activity. The department led two whole school Challenges - 'Berko around the world' (covering the distance of the Earth's circumference as a school community in two weeks), and 'The Berk-tual Challenge' (a series of personal virtual challenges to walk, run or cycle some of the most famous routes in the world). Other department initiatives included daily live high intensity interval training workouts, keeping an exercise diary at Key Stage 3, Beat the Teacher Week, and a virtual Parents in Sport workshop.

Trinity Term enabled the PE department to return to sport again and focused on the following aims for the

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term; Return to normality, Socialise and be active, Compete again safely. The department ran a successful Athletics, Tennis and Cricket pre-season and then resumed external fixtures. 39 boys and girls teams made up of 503 students played 139 cricket fixtures across the term and in tennis the highlight was the U13 boys

team reaching the Aegon County Final. The department also run 12 separate sports days, to incorporate both genders in each year group separately.

Team successes included winning 2 national netball titles in the Under 14 age group and 6 national Equestrian titles including 4 British Show Jumping victories and 2 titles at the NSEA National Championships held at Hickstead. The school also became National Eton Fives champions in the Under 11 age group.

There were also notable individual successes including selection for National representation in Lacrosse, Athletics and Cricket.

In Outdoor Education the Duke of Edinburgh Award enrolment remained high and throughout the summer the team were one of the few DofE centres to offer socially distanced camps to allow our pupils to finish their bronze and gold planned trips.

The school's high ropes course continued to be used for teambuilding for pupils, house events, public benefit days and staff CPD. The Outdoor Education team regularly support all the schools in the group and have links with Ashlyns School, Tring School, and the Wren Academy. The development of the use of this site with other independent schools began with a successful Year 8 trip from Edge Grove, but sadly the effects of the pandemic meant that this has not developed further.

Pupils from Years 7 to 13 (over 1,100 pupils) enjoyed over 86 clubs of a huge variety, an increase in clubs on the previous year. Many clubs were pupil led and supported by a teacher giving pupils the opportunity to mix with other age groups and genders.

Our value to 'Serve Others' often sees our students giving something back to the local community. This continued with the regular House charity support, the Year 13 volunteering and the Year 7 litter picking. During the pandemic many of our students also took it upon themselves to support their local community or to raise funds for a charity that they knew was suffering due to the lockdown and lack of fundraising events. Pupils also took on a number of virtual challenges from a virtual bike ride (cycling from John O'Groats to Land's End) to sponsored walks from our youngest pupils at the Prep through to making scrubs for Nurses at the local hospital or delivery of hand-baked cookies to neighbours. The school also came together for a reverse muft seeing pupils don rainbow colours with their school uniform to raise over £5,000 across the group for a range of charities including the NHS.

Due to Covid restrictions we ran a virtual Prize Giving service, with the focus of our prizes being the school values. This was a real change of focus, as students are usually awarded prizes for subject related achievement and effort.

PUBLIC BENEFIT

In considering the provision of Public Benefit, the Governors have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

Scholarships and Bursaries

The Governors are committed to broadening access to the School by offering means-tested bursaries to eligible parents/guardians. The gross value of scholarships and bursaries awarded totalled £1.178m (2020:

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£1.082m) of which £1.083m (2020: £0.937m) was met from unrestricted funds, where the policy is to assist in hardship cases where the pupil's education and future prospects would otherwise be at risk. Bursaries are available both to new pupils to the School where a scholarship place has been offered where parents/guardians cannot afford the tuition fees and existing pupils where a change in parents'/guardians' circumstances has resulted in difficulty in meeting tuition fees and may otherwise result in a pupil being withdrawn part way through a stage of education.

The school has continued with its plans to raise the level of bursary funding through an increased programme of activity to reach out to talented pupils in the local community who would benefit from financial assistance towards fees. Bursary funding was £0.782m (2020: £0.678m) which supported 56 pupils, 18 of these receiving fully funded school places.

Scholarships are awarded on merit to pupils who Governors wish to attract to the school because of the contribution that they can make to school life, be that academic, musical, sporting, creative or leadership. Individual scholarship awards are usually worth 10% of tuition fees and means-tested bursaries are available to increase the support where needed. Financial assistance may also be provided, where appropriate, for uniform and sports kit, travel to and from School and for extra-curricular activities and lessons.

Partnerships with other schools and the community

The school seeks to share its expertise and perspectives with colleagues from state schools. This has involved exchanging teaching experience for newly qualified teachers and trainees and providing INSET advice for state schoolteachers and moderators. Our sports staff have organised tournaments for local and other state schools and the regular annual Oxbridge Information Evening is open to local state schools.

Our pupils take part in many activities in the community including visiting the local Hospice, helping in charity shops, visiting the elderly, hosting an Easter tea party, as well as assisting in local primary schools. Year 13 students also join The Student Consultancy which is run in conjunction with the Careers Service at the University of Oxford, a programme which is now being rolled out to schools around the country after its introduction here through which free management consultancy is offered to charities and local government.

The school's Knox-Johnston Sports Centre is open to the public and priority is given to local children's groups and clubs.

The school is a co-sponsor with the London Diocese for Schools of Wren Academies Trust, based in Finchley and Enfield, providing two Directors for the Board, and two governors for the local governing bodies. The school continues to offer extensive help and advice to both the senior team and to Heads of Department at Wren Academy Finchley. Pupils from Wren Academy Finchley continue to enjoy visits to utilise the school's extensive facilities on site, as well as some of our education programmes. The relationship with Wren is of mutual benefit for both parties. For example, Wren's experience of being a Building Learning Power school pre-dates ours.

We have also developed a similar partnership with Denbigh High School in Luton, sharing access to facilities and expertise. Denbigh High School does not have its own Sixth Form, and in September 2018 we admitted an initial intake of six aspirational pupils from this school to benefit from a Berkhamsted Sixth Form education, funded completely from School bursary funds and targeted donations. A further Seven pupils from Denbigh High School have joined our Sixth Form in September 2021, making a total of 29 since 2018.

Our Chief People Officer and Assistant Vice Principal (External Relations) are both serving governors at local schools (Ashlyns School in Berkhamsted and Gayhurst School in Gerrards Cross respectively). The Headteacher of Berkhamsted Sixth Form is a governor at Chesham Preparatory School, the Headteacher of Berkhamsted Girls School is a director of the Bishop Ramsey CE Academies Trust and the Headteacher of Berkhamsted Prep School is a governor at York House School.

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Further afield the Preparatory and Senior Schools have sustained their links with the Ntsundwane Primary and Sandi Secondary Schools in Eastern Cape Province, South Africa. During 2021 the school also donated thousands of pounds worth of classroom furniture, books, dining room fixtures and sports equipment to schools in Gambia through "Gambia Building Project", a charity dedicated to improving the lives and education of children in The Gambia by supporting and building schools.

FINANCIAL REVIEW

Results for the Year

The Consolidated Statement of Financial Activities on Page 32 shows net incoming resources before transfers for the year of £2.832m (2020: £0.969m). This result included £900k of business interruption insurance income that related wholly to the surpluses lost in financial year ended 31 July 2020. In the financial statements this income is shown partly in Ancillary Income (£516k) where it related to lost surplus from School activities and partly in Non-Ancillary Income (£384k) where it was allocated to replace lost profitability from commercial activities and the provision of childcare.

The underlying surplus result of £1.93m (after stripping out the one-off business interruption insurance) compares with pre-pandemic annual surplus results of £2.6m (2019), with the difference representing the surplus foregone by breaking even for the period of physical site closure (Lent term 2021).

COVID-19

The continuation of the COVID-19 pandemic during the 2020/21 school year led to the School's sites being closed for the majority of the Lent term during which time remote teaching continued for all year groups. As in the previous year Berkhamsted and Heatherton Schools offered families a fee concession for the period when the schools were physically closed in recognition that the wider aspects of School life were not able to be provided during this period. As a result of savings arising from the reduced activities, combined with the the Coronavirus Job Retention Scheme funds, the School was able to give fee concessions totalling £1.224m whilst managing to break even during the period of closure.

Income

School fee income was £33.697m in the year (2020: £30.563m), representing an increase of 10.3% largely driven by a shorter COVID-19 lockdown period with reduced fee concessions compared to the initial COVID-19 year. Ancillary income was also higher at £1.675m (2019: £1.414m) primarily due to the recognition of £0.52m of business interruption income by the School as mentioned above.

Expenditure

A large proportion of the School's expenditure item is on staff costs and these fell in the year ended 31 July 2021 to £21.850m (2020: £21.871m), a decrease of 0.1%. This was due primarily to a significant number of support staff receiving reduced pay whilst on furlough leave for periods during the year.

Cash

The School's net cash position increased in the year ended 31 July 2021. At the year-end cash balances were £6.067m (2020: £5.857m).

Subsidiary company performance

The School has two wholly owned trading subsidiaries that both made material financial surpluses for the benefit of the School and its objectives. Berkhamsted School Enterprises Limited operates the various

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commercial activities of Berkhamsted School and from these generated profit before tax and gift aid of £111k (2020: £10k). Berkhamsted Day Nursery Limited provides day-care to babies and children under 3 years old and out of school hours care for Prep and Pre-Prep pupils. The Nursery company generated profit before tax and gift aid of £86k (2020: £21k). The financial performance of both companies was significantly

affected by the disruption caused by the COVID-19 pandemic, however they both received an allocation of the business interruption insurance income during the year (as a result of losses experienced from the suspension of activities) which improved their reported results. The value of this insurance income was £112k for Berkhamsted Day Nursery Limited and £272k for Berkhamsted School Enterprises Limited.

Contribution to UK authorities

The School's direct contribution during the year to the UK Exchequer amounted to £7.5m of tax revenues, based on the school's payments of employer national insurance contributions (NICs), business rates and council tax, Vehicle Excise Duty, taxes on business supplies purchased (such as VAT), plus payments by our school's staff of income tax and NICs.

It is also worth noting that all parents in our school, as with all other private schools, contribute to State school funding via taxes whilst also saving the government from having to fund their children's education in the State system. Based on State funding fees, as per the government's published National Funding Formula, the estimated saving to the public purse is £9m-£10m per annum.

Going concern assumption

The Governors closely monitor the current and future expected financial performance of the school, taking into consideration budgets, forecasts and the longer-term strategic business plan. In 2020, due to the ongoing COVID-19 pandemic these budgets, cashflows and forecasts were remodelled to reflect plausible downside scenarios. Conservative cash flows were prepared based on the revised forecasts with sensitivity analysis on the key assumptions such as the impact of a drop in pupil numbers. This scenario planning confirmed the cash reserves of the School are adequate to meet the charity's obligations as they fall due and the same modelling continues to be valid to demonstrate the School is financially secure and able to operate effectively for the foreseeable future.

The School reported a strong cash position at the year-end together with healthy pupil numbers for 2021/22 offering the Governors a confident expectation that the charity has adequate resources to continue its activities for the foreseeable future, being at least 12 months from the date of approval of the financial statements with there being no material uncertainties over the school's financial viability. Accordingly, Governors continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities on page 27.

Fundraising Performance

The school continues to progress a number of initiatives to increase awareness amongst the school's constituent communities to provide additional resources. £223k (2020 £160k) was raised during the year, with monies allocated to Bursary and Scholarship Funds. The Governors would like to thank all of the donors for their generosity and support for the school in this regard. The Grants and Donations income of £611k within the Statement of Financial Activities includes this £223k also in addition to £388k claimed from the Coronavirus Job Retention Scheme.

The majority of the school's income is from school fees and other associated income. The school has not engaged with third parties to raise funds and any direct approach to members of the public for funding has been limited to parents of pupils and alumni. No complaints were received in relation to our fundraising activities.

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Investment policy, objectives and performance

The Governing Body aims to maximise the overall return on the portfolio consistent with a degree of risk acceptable to it. Funds are invested with Brewin Dolphin in a broad range of global equities, bonds and other forms of investment.

The overall investment objective for total return for funds invested with Brewin Dolphin can be quantified as inflation plus 3%. The Charity's investment performance of its managed investment funding is monitored as a standing item by the Finance Committee. During the year, the value of investments held in the School's main investment account with Brewin Dolphin increased from £1.613m in 2020 to £1.976m in 2021, a 22.5% increase. The school also has a second investment account for the management of the monies raised for its Anniversary Fund. The value of this investment account increased from £709k to £1.165m, an increase of £456k of which £290k was from additional funds being added. On an annual basis Governors assess performance in the light of prevailing market conditions.

Reserves level and policy

The school's reserves policy is to maintain sufficient unrestricted income reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall.

The school's total reserves of £43.675m at the year-end included £7.986m of endowment funds, £0.19m of unspent restricted funds and unrestricted funds of £35,498m. The school has no free reserves at the balance sheet date due to the investment of funds in tangible fixed assets, largely buildings for use within the school. However, the Governors regularly examine the school's cash flows alongside the development plans for the future and are satisfied that they are adequate for the purpose of meeting its working capital requirements and that they will also cover strategic capital expenditure. Accordingly, the school is operating on a going concern basis.

Notes 13 and 14 to the financial statements set out an analysis of the school's endowment, restricted and unrestricted funds and their attributable assets. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

It is the school's policy to build up funds to meet planned improvements and additions to the School's resources by means of annual operating surpluses and judicious management of investment assets.

Total investment return

During the year ended 31 July 2016 the Governors, in their role as Trustees, exercised the power granted under section 104A of the Charities Act 2011 to adopt a total return approach to investment of the School's permanent endowment. A permanent endowment of £1,144k was originally given to the school in 2003 and an initial valuation of the Unapplied Total Return (UTR) of £687k was approved by the Governors on 14 June 2016.

- In years when the permanent endowment generates sufficient UTR an amount equivalent to the brought forward value of the permanent endowment multiplied by the annual increase in the Consumer Price Index (CPI) should be allocated to capital to maintain the value of the fund for future beneficiaries.
- Where there is insufficient UTR generated each year to make the allocation to capital indicated above the school must retain £100,000 of UTR to act as a buffer against years when the UTR is flat or reduced.

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PRINCIPAL RISKS AND UNCERTAINTIES

The Governors consider the COVID-19 pandemic to remain a significant risk for the School, particularly with regard to maintaining the continuity of teaching and learning, maximising the attendance levels of staff and pupils in School and protecting our School community from risk of spread of the virus. That is in addition to the potential impact on affordability of fees by parents across the independent sector due to interruption in employment and wealth. Places at the School remain in high demand but the Governors are aware that there is no room for complacency. The School has experienced significant cost pressures, not least of all related to managing the COVID-19 pandemic and Brexit impacts on supply chains, whilst operating in an increasingly volatile political environment. Despite this, and with careful cost management, the Governors limited the September 2021 fee increase to an average well below that of the Independent School sector.

Linked to the effects of the COVID-19 pandemic, Governors are also very conscious of the potential risk to the morale and general wellbeing of staff and pupils and this is an area reviewed with Management on a regular basis.

Cyber risk and general data security is more in focus than ever before, with schools increasingly being targets for cyber attacks. As such our Governors have supported the implementation of enhanced tools to protect against attack.

The rising costs of the Teachers' Pension Scheme arrangements are a significant risk within the sector and any risk mitigation needs to balance the exposure to further cost rises with the need to retain and recruit outstanding staff.

Health and Safety is considered to play a significant part in risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). Risk is mitigated via risk assessment and the enforcement of Health and Safety Policy which is monitored and reviewed by the School's Health and Safety Committee. This body reports to the Risk and Regulatory Committee. The School also employs a Safety and Environmental Manager to ensure that the Health and Safety Policy is consistently enforced.

Governors are responsible for the management of the risks faced by the School. Detailed consideration of risk has been formally delegated by Governors to the Risk and Regulatory Committee, assisted by the Principal, Chief Operating Officer, and members of the School's Senior Management Team.

Through the above risk management processes, the Governors are satisfied that major risks are identified and, as far as practicable, adequately mitigated. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed. Other key risks are considered to be those which would materially impact the brand and reputation of the Group. These are listed below, and should these occur it is likely they would generate significant media interest:

- A major business interruption causing partial or total closure of the School for some time.
- A major accident involving death or serious injury, possibly as a result of contributory negligence.
- A major scandal involving child protection issues.

Key controls used by the Governors to identify, assess and mitigate risks during the year include:

- Formal programme of risk assessments and steps taken to mitigate those risks reported to Governors' meetings.
- Comprehensive strategic planning, budgeting and management accounting.

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- Established organisational structure and lines of reporting.
- Formal written policies, including clear authorisation and approval levels.
- Vetting procedures as required by law for the protection of the vulnerable.

The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks across the Group.

SECTION 172 STATEMENT

Berkhamsted School's Group is governed by its charitable objects as set out on page 8 which outline the purpose of the charity. All decisions and activities of the charity take into account how we best deliver that long-term purpose and are driven by our strategic aims (see page 11). All decisions we make as a charity, from our operational teams through to the Board of Governors, are made in the best interests of our beneficiaries, (pupils), and in the knowledge we are accountable to them, their parents, regulators and our staff.

The Board of Governors consider that they have adhered to the requirements of Section 172 of the Companies Act 2006 (the "Act") and have, in good faith, acted in a way that they consider would be most likely to promote the success of the school for the benefit of its key stakeholders and, in doing so, have had regard to and recognised the importance of considering all stakeholders and other matters (as set out in s.172(1)(a-f) of the Act) in its decision-making. Our Board of Governors consists of a broad mix of backgrounds including former and existing parents of the school, educational experts plus well-established commercial successes in areas such as law, property, finance and risk management. Many of our Governors are also local community members.

The Board has approved a number of policies that help to ensure the safety of our pupils and staff, such as Child Protection and Safeguarding, Counselling and Coaching, Health & Safety, Missing Persons, Peer-on-Peer Abuse, Critical Incident Plan, as well as those that ensure the integrity of our business conduct, such as Anti-bribery and Corruption, Bursary, Complaints, Whistleblowing, Anti-modern slavery. The school's Anti-modern slavery statement can be seen on the school's website (<https://www.berkhamsted.com/wp-content/uploads/2021/10/Anti-Modern-Slavery-Statement-2021.pdf>)

As part of the Governor induction process, governors are briefed on their duties and responsibilities under the Companies Act. The governors are entitled to request from the school all such information they may reasonably require in order to be able to perform their duties. On-going training is provided to the governors, as required, to ensure that their knowledge remains up to date and they continue to be able to discharge their duties as company directors.

For all decision making at Board level, discussion takes place around employee impact and impact on other stakeholders, such as pupils, parents and the local community. The relevance of each stakeholder group may vary by reference to the issue in question, so the Board seeks to understand the needs of each stakeholder group and any potential conflicts as part of its decision-making. The school's Executive team and Senior Management team ensure the Board are fully focused on the impacts to each stakeholder group.

Our Governors attend "Governor Engagement Days" during the school year which affords them the opportunity to engage directly with pupils and staff so they can gain a greater insight into the School's operations and also challenge staff and be challenged by them.

Berkhamsted Schools Group

STRATEGIC REPORT

Key decisions

For the year ending 31 July 2021, the Governors consider that the following are examples of key decisions that they made in the year. This is not intended to be an exhaustive list of board decisions but instead highlights areas of significant impact:

- Extended roll out of digital devices to younger pupils
- Payment concessions for Lent term following the further COVID-19 pandemic lockdown
- Phase 2 refurbishment and expansion of the Berkhamsted Day Nursery at Haresfoot
- Implementation of a robust process for allocating Centre Assessed Grades in the absence of public examinations
- Proceeding with the detailed design following planning permission for the new Sixth Form Centre
- Resetting of financial targets and implementation of measures, to achieve break even in Lent term
- Acquisition of the Principal's Accommodation off campus
- Heatherston adjacent land purchase
- Amendments to the governance structure for the School's subsidiaries
- Budget approval for the Estates Development Masterplan, phase 1

Stakeholder engagement

The table below sets out our approach to stakeholder engagement during 2021:

Stakeholders	Why are they important to Berkhamsted School?	Our approach to stakeholder engagement and consideration in the Board's decision making
Parents	Parents are the school's customers and also joint stakeholders in the development of the pupils. Their involvement in the school in both these capacities is fundamental to the success of the school and we aim to form a key alliance with Parents through strong and varied communication.	We aim to involve parents as much as possible in the running of the school through open days, parents' evenings and other events that showcase the School's strength in music, drama and sport. In addition the Governing body is always cognisant of the importance of fee levels in attracting and retaining the pupil base and places great importance in the efficient running of the school and the tight control of fee increases.
Pupils	Our values of "Aim high with integrity, Be adventurous and Serve others" are shared	The senior school takes a strong pastoral approach to the development of pupils by maintaining a "house" structure which exists alongside the academic timetable.

Berkhamsted Schools Group

STRATEGIC REPORT

	<p>across the Berkhamsted family of schools. Children from Nursery through to Sixth and staff too are encouraged to embrace these ideals in everyday life. Our pupils are the very reason the school exists and their development is at the heart of all we do.</p>	<p>The purpose of assigning all pupils to a house with dedicated house tutors is to ensure that each individual pupil has a sense of belonging and ready access to approachable members of staff who will look to ensure that there is a strong focus on their wellbeing.</p>
Employees	<p>Our employees' commitment to developing outstanding and rounded individuals is essential for us to earn the trust of both existing and prospective parents so that they have the confidence that Berkhamsted School is the best place for the education of their children.</p>	<p>We have a Staff Consultation Committee that meets regularly and raises matters to the Executive for discussion and decision and have a voluntary arrangement in place with the NASUWT (the NASUWT works to enhance the status of the teaching profession to deliver real improvements to teachers' working lives, seeking to ensure they are recognised and rewarded as highly skilled professionals with working conditions that enable them to focus on their core role of teaching).</p> <p>We have regular all staff meetings as well as a weekly briefing to cascade important information to all levels of the workforce.</p> <p>Berkhamsted School is committed to promoting the health and wellbeing of our workforce.</p>
Suppliers	<p>We rely on a range of suppliers to deliver services to ensure the school can operate efficiently and effectively for the benefit of our pupils and workforce. It is vital that we build strong working relationships with our intermediaries, including around risk management and customer service.</p>	<p>The school works closely with a wide range of key suppliers with the aim of ensuring that the school's requirements in terms of service levels and price are clearly understood and delivered upon.</p> <p>At the same time the school works ethically with suppliers settling invoices within payment terms and raising queries promptly.</p> <p>The school has well-developed internal processes to ensure that suppliers' invoices receive appropriate levels of authorisation for payment.</p> <p>During 2021 the school has approved an Anti-modern slavery policy and implemented a new supplier due diligence procedure.</p>
Community/wider society	<p>We recognise the importance of contributing to our communities through volunteering, community investment, and long-term partnerships. In</p>	<p>We make our facilities available free of charge to a number of local community groups whether that be schools, sports clubs or disadvantaged individuals.</p> <p>In addition, we provide employment opportunities for a local learning disability employment charity.</p>

Berkhamsted Schools Group

STRATEGIC REPORT

	<p>addition, as a significant employer in the area and a large landowner we are fully aware of our responsibilities with regard to the importance of sustainability and the impact our decisions may have on climate change.</p>	<p>For significant development activities, such as the planning application for a new Sixth Form building, we hold public consultations to discuss details of our plans with all interested parties and to seek their feedback and concerns.</p>
Regulators	<p>We understand that regulators are key in maintaining the credibility of both the school and the sector that we operate in. The school strives to be fully compliant in all areas in which we face external regulatory review and ensures that any regulatory changes are understood and acted upon quickly.</p>	<p>The Senior Management of the School are fully involved in all areas where the School is subject to regulatory control. School Governor Committees will be kept informed of all regulatory review outcomes and recommendations and governors will then ensure that Senior Management acts upon recommendations to resolve any areas of structural or process weakness.</p>
Donors	<p>Donations to the school's charitable entity provide opportunities to increase the public benefit from the delivery of the school's main charitable aim of promoting the education of its pupils.</p>	<p>All donations are gratefully received and acknowledged by the school. Donors are made aware by the school website and other forms of communication of how their donations are being used to provide educational opportunities.</p>
Alumni	<p>The School recognises the importance of its alumni in that they are the representation of the delivery of the School's talent and expertise in teaching and pastoral care. The School also regards its alumni as a strong link to the outside world which can provide further benefit to current pupils.</p>	<p>The School maintains contact with its alumni through its links with the Old Berkhamstedians organisation and also through the Berkhamsted Society which has been set up by the School to encourage stronger relationships between the town of Berkhamsted, the School and its alumni.</p>

Berkhamsted Schools Group

STRATEGIC REPORT

STATEMENT ON STREAMLINED ENERGY AND CARBON REPORTING (SECR)

GHG emissions and energy used between 1 August 2020 and 31 July 2021

Measure	Units	UK and Offshore	
		2020/21	2019/20
Energy consumption used to calculate emissions	Total Energy (kWh)	7,745,960	7,118,570
Emissions from the combustion of gas	Scope 1 (tonnes CO ₂ e)	1,012	915
Emissions from the combustion of fuel for transport	Scope 1 (tonnes CO ₂ e)	19	19
Emissions from purchased electricity (location based)	Scope 2 (tonnes CO ₂ e)	504	527
Emissions from the combustion of fuel for transport	Scope 3 (tonnes CO ₂ e)	0	0
Total gross tonnesCO ₂ e	Scope 1, 2 and 3	1,535	1,461
Intensity ratio : Gross tonnesCO ₂ e / number of students	Intensity ratio	0.7668	0.7282

Methodology

The above data has been prepared in accordance with the provisions of the GHG Reporting Protocol – Corporate standard and HM Government’s Environmental Reporting Guidelines including streamlined energy and carbon reporting guidance, issued March 2019.

DEFRA conversion factors 2019 have been used to convert electricity and gas consumption in kWh to tonnesCO₂e and to convert transport fuel consumption in mileage/litres to tonnesCO₂e and then to kWh.

Action on energy efficiency undertaken during the reporting period

The programme to upgrade lighting to LED bulbs has been continued across the school and roof structures have been repaired and replaced across several sites.

Berkhamsted Schools Group

STRATEGIC REPORT

AUDITOR

Crowe U.K. LLP has indicated its willingness to be re-appointed as statutory auditor.

Insofar as each of the Governors of the school at the date of approval of this report is aware there is no relevant audit information (information needed by the school's auditor in connection with preparing the audit report) of which the school's auditor is unaware. Each Governor has taken all of the steps that he/she should have taken as a governor in order to make himself/herself aware of any relevant audit information and to establish that the school's auditor is aware of that information.

Berkhamsted Schools Group

GOVERNORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The Governors are responsible for preparing the Governors' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net incoming resources for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 1993. 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.

APPROVAL

This Annual Report, including the Statement of Governors' Responsibilities, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Governors on 4 December 2021, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



G.C. LAWS
Chair of Governors

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Members of Berkhamsted Schools Group

Opinion

We have audited the financial statements of Berkhamsted Schools Group for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Statement of Cash Flow and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 July 2021 and of the group's/ income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the governors' responsibilities statement set out on page 27, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial

Perkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

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

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

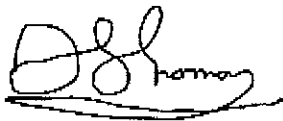
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance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

Berkhamsted Schools Group

INDEPENDENT AUDITOR'S REPORT

Use of our report

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



Andrew Thomas
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date 18 January 2022

Berkhamsted Schools Group
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)

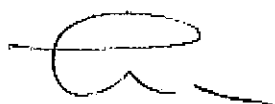
	Notes	Unrestricted Funds		Restricted Funds	Endowment and Building Funds	Year Ended July 2021	Year Ended July 2020
		School £'000	Designated £'000	£'000	£'000	Total £'000	Total £'000
Income and endowments from Charitable activities							
School fees receivable	1	33,697	-	-	-	33,697	30,563
Ancillary trading income	2	1,675	-	-	-	1,675	1,414
Other trading activities							
Non-ancillary trading income	3	1,074	-	-	-	1,074	930
Investments							
Investment income		55	-	-	-	55	57
Bank and other interest		1	-	-	-	1	54
Voluntary sources							
Grants and donations		388	43	96	84	611	1,303
Total Incoming Resources		36,890	43	96	84	37,113	34,321
Expenditure on:							
Raising funds							
Non-ancillary trading	4	911	-	-	-	911	976
Fundraising and Development	4	20	-	-	-	20	26
Total deductible costs		931	-	-	-	931	1,002
Charitable activities							
Education and grant making	4	31,756	1,430	95	69	33,350	32,350
Total expenditure	4	32,687	1,430	95	69	34,281	33,352
Net income/(expenditure) before transfers and investment gains/(losses)		4,203	(1,387)	1	15	2,832	969
Gains/(losses) on investments	8	-	152	-	376	528	(208)
Net income/(expenditure) after gains/(losses) on investments		4,203	(1,235)	1	391	3,360	761
Transfer between funds	14	(4,203)	4,203	-	-	-	-
Net movement in funds		-	2,968	1	391	3,360	761
Fund balances at 1 August 2020		-	32,530	190	7,595	40,315	39,554
Fund balances at 31 July 2021	14	-	35,498	191	7,986	43,675	40,315

Berkhamsted Schools Group
CONSOLIDATED AND SCHOOL BALANCE SHEETS
for the year ended 31 July 2021

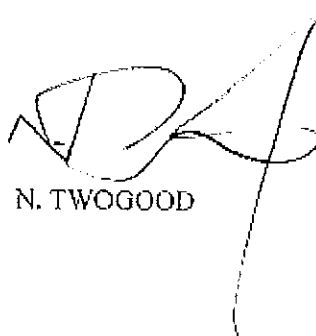
	Notes	Group		School	
		2021 £'000	2020 £'000	2021 £'000	2020 £'000
Fixed assets					
Land and buildings	6	39,256	36,694	39,256	36,694
Other tangible assets	6	656	784	656	784
Intangible fixed assets	7	6	100	6	57
Investments	8	3,141	2,322	3,141	2,322
		<u>43,059</u>	<u>39,900</u>	<u>43,059</u>	<u>39,857</u>
Current assets					
Stock	9	7	54	7	54
Debtors	10	923	981	904	1,006
Cash at bank and in hand		6,067	5,857	6,003	5,792
		<u>6,997</u>	<u>6,892</u>	<u>6,914</u>	<u>6,852</u>
Creditors: Amounts falling due within one year	11	(5,812)	(5,681)	(5,729)	(5,598)
Net current assets / (liabilities)		<u>1,185</u>	<u>1,211</u>	<u>1,185</u>	<u>1,254</u>
Total assets less current liabilities		<u>44,244</u>	<u>41,111</u>	<u>44,244</u>	<u>41,111</u>
Creditors: Amounts falling due after one year	12	(569)	(796)	(569)	(796)
Net assets		<u>43,675</u>	<u>40,315</u>	<u>43,675</u>	<u>40,315</u>
Endowment and building funds	14a	7,986	7,595	7,986	7,595
Restricted funds	14b	191	190	191	190
Unrestricted funds					
Designated funds	14c	35,498	32,530	35,498	32,530
Total funds		<u>43,675</u>	<u>40,315</u>	<u>43,675</u>	<u>40,315</u>

The net incoming resources for the financial year dealt with in the financial statements of the parent Charity were £2.832m (2020 : £969k).

The financial statements were approved and authorised for issue by the Board of Governors on 4 December 2021 and are signed on their behalf by;



G.C. LAWS (Chair)



N. TWOGOOD

Berkhamsted Schools Group
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2021

	Note	2021		2020	
		£'000	£'000	£'000	£'000
Net cash inflow from operations					
Net cash provided by operating activities	(i)		<u>4,717</u>		<u>1,566</u>
Cash flows from investing activities					
Payments for tangible fixed assets		(4,270)		(1,918)	
Payments for intangible fixed assets		-		-	
Decrease in cash held within Investment portfolio		(292)		(750)	
Investment income and bank interest received		55		111	
Net cash used in investing activities			<u>(4,507)</u>		<u>(2,557)</u>
Cash flows from financing activities					
Bank loan repayments			-		-
Change in cash and cash equivalents in the reporting period			<u>210</u>		<u>(991)</u>
Cash and cash equivalents at the beginning of the period			5,857		6,848
Cash and cash equivalents at the end of the period	(ii)		<u>6,067</u>		<u>5,857</u>

(i) Reconciliation of net income to net cash flow from operating activities

	2021		2020	
	£'000	£'000	£'000	£'000
Net incoming resources		2,832		969
Elimination of non-operating cash flows:				
- Investment income	(55)		(111)	
- Finance costs	18		14	
Depreciation charge	1,155		1,336	
Amortisation charge	58		58	
Loss/(Profit) on disposal of a fixed asset	700		-	
Decrease / (Increase) in stock	47		(9)	
Decrease / (Increase) in debtors	58		(117)	
(Decrease) / Increase in creditors (excluding fees in advance scheme and deposits)	359		(546)	
Decrease in fees in advance scheme creditors	(554)		(73)	
Increase in parents' deposits	99		45	
		<u>1,885</u>		<u>597</u>
Net cash inflow from operations		<u>4,717</u>		<u>1,566</u>

(ii) Analysis of cash and cash equivalents

	2021	2020
	£'000	£'000
Cash at bank	<u>6,067</u>	<u>5,857</u>

Berkhamsted Schools Group

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 July 2021

BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

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

The individual entities of Berkhamsted Schools Group have taken advantage of the disclosure exemption under FRS 102 to separately disclose categories of financial instruments and items of income, expenses, gains or losses relating to instruments as these have been presented on a group basis in the notes to the accounts.

The accounts present the Consolidated Statement of Financial Activities (SOFA), the consolidated balance sheet and the consolidated cash flow statement, comprising the results of the School and its wholly owned subsidiaries Berkhamsted Day Nursery Limited, Berkhamsted School Enterprises Limited and Berkhamsted Schools International Limited made up to 31 July 2021 and consolidated on a line by line basis. Intra-group transactions and profits are eliminated fully on consolidation. Uniform accounting policies have been adopted across the Group.

No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 5 March 1959 (company number: 622349) and registered as a charity on 15 November 1962 (charity number: 310630). Its registered office is 6 Chesham Road, Berkhamsted, Hertfordshire, HP4 3AA.

GOING CONCERN

The Governors closely monitor the current and future expected financial performance of the school, taking into consideration budgets, forecasts and the longer-term strategic business plan. In 2020, due to the ongoing COVID-19 pandemic, these budgets, cashflows and forecasts were remodelled to reflect, plausible worst case, downside scenarios. Conservative cash flows were prepared based on the revised forecasts with sensitivity analysis on the key assumptions such as the impact of a drop in pupil numbers. This scenario planning confirmed the cash reserves of the School are adequate to meet the charity's obligations as they fall due and the same modelling continues to be valid to demonstrate the School is financially secure and able to operate effectively for the foreseeable future.

The School reported a strong cash position at the year-end together with healthy pupil numbers for 2021/22, offering the Governors a confident expectation that the charity has adequate resources to continue its activities for the foreseeable future, being at least 12 months from the date of approval of the financial statements, with there being no material uncertainties over the school's financial viability. Accordingly, Governors continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities on page 27.

Berkhamsted Schools Group

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 July 2021

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The items in the accounts where these judgements and estimates have been made include:

- the useful life of tangible and intangible fixed assets;
- the level of provision required for unpaid school fees;
- the amount of expenditure that should be accrued for; and
- the allocation of overheads and governance costs between charitable expenditure categories.

FEES AND SIMILAR EARNED INCOME

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

EXPENDITURE

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

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

DONATIONS, LEGACIES, GRANTS AND OTHER VOLUNTARY INCOME

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

Government grants are recognised on the performance model, when the School has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme has been recognised in the period to which the underlying furloughed staff costs relate to. Included in grants and donations is an amount of £388k in respect of the Coronavirus Job Retention Scheme.

TANGIBLE FIXED ASSETS

Land and Buildings are carried in the balance sheet at their cost as the Governors consider it is not appropriate to apply a current value to such property. The cost of new buildings is added to fixed assets as it is incurred.

Berkhamsted Schools Group
STATEMENT OF ACCOUNTING POLICIES
for the year ended 31 July 2021

The School seeks to maintain its properties in a good condition. The costs incurred in doing so, which can include major building modernisation and improvement, are written off as incurred. The cost of land and buildings represents expenditure since 1866. Foundation land and buildings bequeathed on trust for retention in perpetuity have not been valued.

The School capitalises strategic development projects (which are typically greater than £100,000), motor vehicles and significant equipment purchases; minor items of School equipment and furniture are written off in the year of purchase.

DEPRECIATION

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices in equal annual instalments over their expected useful economic lives as follows:

Land & Buildings	1% - 10%
Furniture & Equipment	20% - 25%
Motor Vehicles	20% - 25%

The Governors have considered the value of buildings and deem the depreciation policy appropriate.

INTANGIBLE FIXED ASSETS

The intangible fixed asset shown in the balance sheet relates to software costs incurred on the School's Finance and Human Resources management systems.

AMORTISATION

Amortisation is provided to write off the cost of all relevant intangible fixed assets less estimated residual value based on current market prices in equal instalments over their expected useful lives as follows:

Business software	20% - 33%
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INVESTMENTS

Investments held as fixed assets are stated in the balance sheet at their open market value as at the balance sheet date. Any resulting gain or loss is taken to the fund to which it relates.

STOCK

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

ENDOWMENT AND BUILDING FUNDS

The Endowment and Building Funds represents the Charity's endowed assets comprising land and buildings and certain investments (as referred to in the Charity's Scheme dated 29th August 1996) together with all subsequent additions to buildings. All strategic building projects from 2004 were funded from general reserves and in recognition of this, these costs have been separately identified within a designated unrestricted fund.

TOTAL RETURN INVESTMENT ACCOUNTING

A Charity Commission Order dated 21 October 2012 authorises the School to adopt a 'total return' basis for the investment of its permanent endowment. Under the Total Return Order, the School can invest its

Berkhamsted Schools Group

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 July 2021

permanent endowments without regard to the capital/income distinctions of trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated, under the Order, as a capital supplement to the preserved ('frozen') value of the permanent endowment.

FUND ACCOUNTING

The charitable trust funds of the School and its subsidiaries are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's Objects or to benefit the School itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the School (freehold land) or for financial benefit (by investment). The Total Return Order stipulates that any investment returns will accrue to a capital element (Unapplied Total Return) to the permanent endowment.

PENSION ARRANGEMENTS

For teachers the School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the School by the scheme administrator. The School is unable to identify its share of the Scheme Funds and therefore the Scheme has been accounted for as a defined contribution scheme. For non-teaching staff the School contributes to defined contribution pension schemes.

For the Teachers' Pension Scheme and for defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. The School also sets aside funds to meet unfunded pension obligations for certain former members of staff.

OPERATING LEASES

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

FINANCIAL INSTRUMENTS

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2021

1	SCHOOL FEES	2021	2020
		£'000	£'000
	Fees receivable consist of;		
	Gross fees	36,972	35,553
	Less; Bursaries, Grants and Allowances	(2,146)	(2,097)
	Less: Trinity term COVID-19 fee concession	(1,224)	(3,038)
	Add back; Scholarships paid for by Restricted funds	95	145
		<u>33,697</u>	<u>30,563</u>
2	ANCILLARY TRADING INCOME	2021	2020
		£'000	£'000
	Registration fees	101	84
	Extra-curricular lessons	635	602
	Hire and lettings income	78	87
	Income arising from school trips	-	301
	Other income	861	340
		<u>1,675</u>	<u>1,414</u>
3	NON-ANCILLARY TRADING INCOME	2021	2020
		£'000	£'000
	Membership fees	39	90
	Hire of facilities	30	125
	Classes and admissions	34	16
	Other income	388	28
	Nursery care	535	514
	Holiday camp	48	157
		<u>1,074</u>	<u>930</u>

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2021

4 ANALYSIS OF EXPENDITURE

(a) Total expenditure

	Staff Costs £'000	Depreciation £'000	Other Costs £'000	Total 2021 £'000	Total 2020 £'000
Raising funds					
Trading costs	684	-	227	911	976
Fundraising for voluntary resources	-	-	20	20	26
Total costs of raising funds	684	-	247	931	1,002
Charitable activities					
Teaching	17,473	245	3,248	20,966	21,952
Welfare	34	-	1,756	1,790	1,419
Premises repair and maintenance	1,808	1,565	4,244	7,617	6,319
Support costs and governance	1,925	51	906	2,882	2,512
Funding of scholarships	-	-	95	95	148
Total charitable expenditure	21,240	1,861	10,249	33,350	32,350
	<u>21,924</u>	<u>1,861</u>	<u>10,496</u>	<u>34,281</u>	<u>33,352</u>
2020	<u>21,956</u>	<u>1,387</u>	<u>10,009</u>	<u>33,352</u>	

(b) Governance included in support costs

	2021 £'000	2020 £'000
Management time	49	48
Auditor's fees		
- Audit	39	39
- Tax compliance	13	17
- Other Services	3	-
Governors Indemnity insurance	12	10
Legal and professional fees	78	56
	<u>194</u>	<u>170</u>

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2021

5 STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2021 £'000	2020 £'000
Total staff costs comprise:		
Wages and salaries	16,791	16,963
Social security costs	1,650	1,628
Pension contributions	3,409	3,280
	<u>21,850</u>	<u>21,871</u>
 Aggregate employee benefits of key management personnel	 <u>1,419</u>	 <u>1,356</u>

Key management personnel comprise the Executive team as described in the Trustee's Report.

The number of employees whose emoluments (excluding employer pension contributions) exceeded £60,000 were:

	2021	2020
£200,001 - £210,000	1	0
£160,001 - £170,000	0	1
£110,000 - £120,000	1	1
£90,001 - £100,000	1	-
£80,001 - £90,000	4	4
£70,001 - £80,000	6	7
£60,001 - £70,000	25	17
	<u>38</u>	<u>30</u>

Total payments to the School's defined contribution pension scheme in the year-end 31 July 2021 were £884k (2020: £851k).

Redundancy or termination payments of £46k (2020: £124k) arose during the year. There was £46k outstanding to be paid at the year end.

Grants and donations in the Consolidated Statement of Financial Activities includes £388k of income received from the Government's Coronavirus Job Retention Scheme between January and April 2021.

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2021

5 STAFF COSTS AND RELATED PARTY TRANSACTIONS (CONTINUED)

The average number of employees during the year was made up as follows:

	2021		2020	
	Full time	Part time	Full time	Part Time
Teaching staff	188	79	194	79
School based support staff	91	92	92	92
Maintenance and domestic staff	33	31	33	33
Administrative and Sport Centre	19	19	18	19
	<u>331</u>	<u>221</u>	<u>337</u>	<u>223</u>

In the year ended 31 July 2021 no Governors or persons connected with them received any remuneration or other benefits from the school (year ended 31 July 2020: £nil) nor any reimbursement of expenses (2020: £175) incurred wholly in respect of their duties as Governors.

Gift aid transactions and year end balances between the Charity and its subsidiaries are shown in Note 15.

There are no further related party transactions requiring disclosure.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2021

6 TANGIBLE FIXED ASSETS – GROUP AND SCHOOL

	Land and Buildings £'000	Furniture and Equipment £'000	Motor Vehicles £'000	Total £'000
Cost				
1 August 2020	44,956	4,279	672	49,907
Additions	4,072	92	76	4,240
Disposals	(777)	-	-	(777)
31 July 2021	48,251	4,371	748	53,370
Depreciation				
1 August 2020	8,262	3,728	439	12,429
Charged in the year	829	203	93	1,125
Disposals	(96)	-	-	(96)
31 July 2021	8,995	3,931	532	13,458
Net book value				
31 July 2021	39,256	440	216	39,912
31 July 2020	36,694	551	233	37,478

Buildings, including contents, are insured for £165 million (2020: £163 million).

The flats known as Dean Fry Court and the Haresfoot site are subject to a charge by the National Westminster Bank. Although the term loan for which these properties were used as security has been repaid the charges have been left in place as security against any future borrowing.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2021

7 INTANGIBLE FIXED ASSETS

GROUP	Software costs £'000
Cost	
1 August 2020	312
Additions	-
Disposals	(36)
31 July 2021	<u>276</u>
Depreciation	
1 August 2020	212
Charged in the year	58
31 July 2021	<u>270</u>
Net book value	
31 July 2021	<u>6</u>
31 July 2020	<u>100</u>

SCHOOL	Software costs £'000
Cost	
1 August 2020	255
Additions	-
31 July 2021	<u>255</u>
Depreciation	
1 August 2020	198
Charged in the year	51
31 July 2021	<u>249</u>
Net book value	
31 July 2021	<u>6</u>
31 July 2020	<u>57</u>

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2021

8 INVESTMENTS – GROUP AND SCHOOL

	Total 2021 £'000	Total 2020 £'000
Market value at 1 August 2020	2,322	1,787
Capital invested	292	750
Management charges	(19)	(15)
Revaluation	528	(208)
Net dividend income retained in Investment Fund	18	8
	<hr/>	<hr/>
Market value at 31 July 2021	3,141	2,322
	<hr/>	<hr/>

	Designated £'000	Restricted £'000	Endowment and Building £'000	Total 2021 £'000	Total 2020 £'000
Managed portfolio	1,165	-	1,976	3,141	2,322
	<hr/>				
Market value at 31 July	1,165	-	1,976	3,141	2,322
	<hr/>				
Historical cost of investments	1,079	-	1,367	2,446	2,047
	<hr/>				

Investments are represented by (at market value):

	2021 £'000	2020 £'000
UK equity shares	815	626
UK bonds	178	253
Overseas bonds	129	48
Overseas equity shares	1,402	880
Other investments	458	282
Cash	159	233
	<hr/>	
Total	3,141	2,322
	<hr/>	

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2021

9 STOCK

	Group		School	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Stock of goods for resale	7	54	7	54

Stock held by the School comprises peripheral items for pupil laptops.

10(a) DEBTORS: Amounts due within one year

	Group		School	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Fees receivable	21	48	21	48
Recoverable disbursements	37	82	37	82
Trade debtors	136	35	111	33
Other debtors and prepayments	531	612	530	608
Due from subsidiary undertaking	-	-	7	31
	<u>725</u>	<u>777</u>	<u>706</u>	<u>802</u>

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2021

10(b) DEBTORS: Amounts due in more than one year

	Group		School	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Other debtors and prepayments	198	204	198	204
	<u>198</u>	<u>204</u>	<u>198</u>	<u>204</u>

Other debtors and prepayments due in more than one year comprises the benefit accruing to the school from an arrangement that allows the School the use of a court at a local squash club until the year 2059 following a contribution made to construction costs at the club in 2009.

11 CREDITORS: Amounts falling due within one year

	Group		School	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Fees received in advance	546	746	546	746
Payments received on account	249	220	249	220
Fee deposits held at year end	2,243	2,144	2,232	2,135
Trade creditors	1,010	816	1,001	796
Other taxes and national insurance contributions	419	452	419	452
Other creditors	529	638	526	638
Accruals	552	554	540	514
Deferred income	264	111	211	81
Due to subsidiary undertakings	-	-	4	16
	<u>5,812</u>	<u>5,681</u>	<u>5,728</u>	<u>5,598</u>

All deferred income shown in the table above relates to fees for the 2021/22 school year. All deferred income held at 31 July 2020 was released in the current year.

Arkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2021

12 CREDITORS: Amounts falling due in more than one year

	Group		School	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Fees received in advance	442	796	442	796
Deferred income	127	-	127	-
	<u>569</u>	<u>796</u>	<u>569</u>	<u>796</u>

Fees received in advance total £988k of which £546k falls due within one year, and £442k falls due between two and five years. The balance represents the accrued liability under the contracts. The movements during the year were:

	2021 £'000	2020 £'000
Balance at 1 August 2020	1,542	1,615
New contracts	304	929
Repayments	-	(60)
Amounts used in payment of fees to the school	(858)	(942)
	<u>988</u>	<u>1,542</u>
Balance at 31 July 2021		

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2021

13 ALLOCATION OF SCHOOL NET ASSETS

	Tangible fixed assets £'000	Investments £'000	Other assets/ (liabilities) £'000	Total £'000
Endowment and building funds	5,723	3,141	(878)	7,986
Restricted funds	-	-	191	191
Unrestricted funds: Designated funds	34,184	-	1,314	35,498
Retained income	5	-	(5)	-
	<u>39,912</u>	<u>3,141</u>	<u>622</u>	<u>43,675</u>

	2021 £'000	2020 £'000
Unrealised gains / (losses) included above in investments:		
Endowment and building funds	376	(163)
Designated funds	152	(45)
	<u>528</u>	<u>(208)</u>

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2021

14a ENDOWMENT AND BUILDING FUNDS

	Balance 1 August 2020 £'000	Incoming resources £'000	Resources Expended £'000	Investment gains/(losses) £'000	Transfers £'000	Balance 31 July 2021 £'000
Represented by:						
Land and buildings	5,792	-	(69)	-	-	5,723
Anniversary Fund	104	84	-	-	-	188
Scholarship and prize fund	1,699	-	-	376	-	2,075
	<u>7,595</u>	<u>84</u>	<u>(69)</u>	<u>376</u>	<u>-</u>	<u>7,986</u>

14b RESTRICTED FUNDS

The Berkhamstedian Foundation	190	1	-	-	-	191
500 th Anniversary Fund	-	95	(95)	-	-	-
	<u>190</u>	<u>96</u>	<u>(95)</u>	<u>-</u>	<u>-</u>	<u>191</u>

14c DESIGNATED FUNDS

The Berkhamstedian Foundation	115	3	-	-	-	118
500 th Anniversary Fund	800	40	-	152	204	1,196
Land and buildings	31,370	-	(1,430)	-	3,999	33,939
Heatherton Development Fund	245	-	-	-	-	245
	<u>32,530</u>	<u>43</u>	<u>(1,430)</u>	<u>152</u>	<u>4,203</u>	<u>35,498</u>

14d UNRESTRICTED FUNDS

School funds	-	36,890	(32,687)	-	(4,203)	-
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14e TOTAL FUNDS HELD

TOTAL FUNDS	<u>40,315</u>	<u>37,113</u>	<u>(34,281)</u>	<u>528</u>	<u>-</u>	<u>43,675</u>
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Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2021

Endowment and Building Funds

Land and Buildings

Tangible fixed assets are all held for use by the School. Land and Buildings represent assets donated on foundation and subsequent major additions at cost. As a consequence these assets are a mixture of those endowed to the School and those subsequently acquired. Tangible fixed assets are shown at cost in the balance sheet.

Buildings are depreciated at 1-10% of cost, with the charge being written off to the Endowment and Buildings Funds. All costs of maintaining the buildings are written off as expenses of the school in the year of expenditure.

Scholarships and Prize Fund

This fund represents bequests and donations received by the Charity, where the donor has specified that the funds should be used to provide opportunities for and acknowledgement of educational achievements for future generations. The investment income recognised on these funds is added to the balance each year.

During the year ended 31 July 2016 the Governors exercised the power granted under section 104A of the Charities Act 2011 to adopt a total return approach to the school's Scholarships and Prize fund. This allows the School to recognise an Unapplied Total Return ("UTR") element in the fund which is accessible for spending on current beneficiaries.

Under the Total Return approach, the school must ensure that the value of the fund does not fall below the core endowment value. The core endowment value is fixed at £1,144k representing the value of the endowment in 2003.

The overall movement in unapplied total return in the year ended 31 July 2021 was as follows:

	£'000
Unapplied total return at 1 August 2020	554
Add: Investment gains	376
Less: Resources expended	-
Unapplied total return before transfer to income	930
Less: transfer to income	-
Unapplied total return at 31 July 2021	930
Add: core value	1,145
Scholarship and prize fund assets at 31 July 2021	2,075

500th Anniversary Fund

This fund holds donations given to the school specifically to be invested under the name 500th Anniversary Fund to generate income from which school places will be made available to children who could not otherwise afford to attend the school. The name of the fund is in recognition of the forthcoming important anniversary of the school's foundation.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2021

Restricted Funds

The Berkhamstedian Foundation

This represents a restricted fund established for the purpose of providing resources for specific projects and to widen the opportunity for scholarships and bursaries.

500th Anniversary Fund

This part of the Anniversary Fund has been set up to receive donations to the Anniversary Fund that will be used to directly fund school places. The balance on this fund represents monies which have not yet been applied.

Designated Funds

Land and Buildings Fund

This represents fixed asset additions for major strategic projects mostly since 2004 funded from annual net incoming resources.

The Berkhamstedian Foundation

This represents a designated fund established by Governors. The fund represents unrestricted fundraising donations received which are set aside for the purpose of providing resources for specific projects and to widen the opportunity for scholarships and bursaries.

Heatherton Development Fund

The designated Development Fund represents unrestricted funds set aside by the Governors of Heatherton House School for the future functioning of the School.

500th Anniversary Fund

This fund is for unrestricted donations that the Governors have designated to be added to the 500th Anniversary Fund, a fund that provides access to the school for aspiring pupils who could not otherwise afford to attend.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2021

15 SUBSIDIARY UNDERTAKINGS

Berkhamsted Schools Group has three wholly owned subsidiaries all of which are registered in the United Kingdom and share the same registered office as the School (see note 1).

- Berkhamsted Day Nursery Limited (trading) - company number 07610890
- Berkhamsted School Enterprises Limited (trading) - company number 02048201
- Berkhamsted Schools International Limited (dormant) - company number 10054110

The trading subsidiaries pay all their distributable profits to the school through gift aid declarations and their results for the year and retained capital and reserves are shown below:

Berkhamsted Day Nursery Limited	2021	2020
	£'000	£'000
<i>Profit and loss account</i>		
Turnover	657	557
Total expenditure	(571)	(536)
Profit before tax and gift aid	86	21
Taxation	-	-
Gift Aid	(86)	(21)
Profit/(loss) after tax and gift aid	-	-
<i>Balance sheet</i>		
Total assets	53	58
Total liabilities	(53)	(58)
Net assets	-	-
Costs recharged from Berkhamsted Schools Group	38	36
Amount owed from / (to) Berkhamsted Schools Group	4	(31)
Berkhamsted School Enterprises Limited	2021	2020
	£'000	£'000
<i>Profit and loss account</i>		
Turnover	466	465
Total expenditure	(355)	(455)
Profit before tax and gift aid	111	10
Taxation	-	-
Gift Aid	(111)	(10)
Profit/(loss) after tax and gift aid	-	-
<i>Balance sheet</i>		
Total assets	41	73
Total liabilities	(41)	(73)
Net assets	-	-
Costs recharged from Berkhamsted Schools Group	14	13
Amount owed from Berkhamsted Schools Group	(7)	16

Berkhamsted Schools Group

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2021

16 PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2.534m (2020: £2.448m) and at the year-end £213k (2020 - £210k) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2021

17 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2021 the School had minimum lease payments under non-cancellable operating leases as follows:

	2021 £'000	2020 £'000
Plant and machinery:		
Due within one year	816	842
Due between one and five years	541	760
	<hr/>	<hr/>
	1,357	1,602
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18 CAPITAL COMMITMENTS

There are £63k (2020: £1.299m) of capital commitments as at 31 July 2021.

19 FINANCIAL INSTRUMENTS

Group financial assets measured at fair value are the School's investments which totalled £3.141m (2020: £2.322m). Income from assets measured at fair value in the year totalled £54,000 (2020: £57,000) and unrealised gains totalled £528,000 (2020: Unrealised loss £208,000).

Berkhamsted Schools Group
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2021

20 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES - COMPARATIVE
FIGURES BY FUND TYPE

Year Ended 31 July 2020

	Unrestricted Funds		Restricted Funds	Endowment and Building Funds	Total
	School £'000	Designated £'000	£'000	£'000	£'000
Income and endowments from					
Charitable activities					
School fees receivable	30,563	-	-	-	30,563
Ancillary trading income	1,414	-	-	-	1,414
Other trading activities					
Non-ancillary trading income	930	-	-	-	930
Other activities					
Investments					
Investment income	57	-	-	-	57
Bank and other interest	54	-	-	-	54
Voluntary sources					
Grants and donations	1,143	51	66	43	1,303
Total Incoming Resources	34,161	51	66	43	34,321
Expenditure on:					
Raising funds					
Non-ancillary trading	976	-	-	-	976
Fundraising and Development	26	-	-	-	26
Total deductible costs	1,002	-	-	-	1,002
Charitable activities					
Education and grant making	31,421	712	148	69	32,350
Total expenditure	32,423	712	148	69	33,352
Net incoming funds from operations before transfers and investment gains	1,738	(661)	(82)	(26)	969
Gains/(losses) on investments	-	(45)	-	(163)	(208)
Transfer between funds	(1,738)	1,738	-	-	-
Net movement in funds	-	1,032	(82)	(189)	761
Fund balances at 1 August 2019	-	31,498	272	7,784	39,554
Fund balances at 31 July 2020	-	32,530	190	7,595	40,315

Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2021

21 SUMMARY OF MOVEMENTS ON SCHOOL FUNDS AND ANALYSIS OF NET ASSETS BETWEEN FUNDS

Year Ended 31 July 2020

21a ENDOWMENT AND BUILDING FUNDS

	Balance 1 August 2019 £'000	Incoming resources £'000	Resources Expended £'000	Investment gains/(losses) £'000	Transfers £'000	Balance 31 July 2020 £'000
Represented by:						
Land and buildings	5,861	-	(69)	-	-	5,792
500 th Anniversary Fund	61	43	-	-	-	104
Scholarship and prize fund	1,862	-	-	(163)	-	1,699
	<u>7,784</u>	<u>43</u>	<u>(69)</u>	<u>(163)</u>	<u>-</u>	<u>7,595</u>

21b RESTRICTED FUNDS

The Berkhamstedian Foundation	190	3	(3)	-	-	190
500 th Anniversary Fund	82	63	(145)	-	-	-
	<u>272</u>	<u>66</u>	<u>(148)</u>	<u>-</u>	<u>-</u>	<u>190</u>

21c DESIGNATED FUNDS

The Berkhamstedian Foundation	112	3	-	-	-	115
500 th Anniversary Fund	598	48	-	(45)	199	800
Land and buildings	30,543	-	(712)	-	1,539	31,370
Heatherton Development Fund	245	-	-	-	-	245
	<u>31,498</u>	<u>51</u>	<u>(712)</u>	<u>(45)</u>	<u>1,738</u>	<u>32,530</u>

21d UNRESTRICTED FUNDS

School funds	-	34,161	(32,423)	-	(1,738)	-
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21e TOTAL FUNDS HELD

TOTAL FUNDS	<u>39,554</u>	<u>34,321</u>	<u>(33,352)</u>	<u>(208)</u>	<u>-</u>	<u>40,315</u>
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Berkhamsted Schools Group
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2021

21f ALLOCATION OF SCHOOL NET ASSETS

Year Ended 31 July 2020

	Tangible fixed assets £'000	Investments £'000	Other assets/ (liabilities) £'000	Total £'000
Endowment and building funds	5,792	2,322	(519)	7,595
Restricted funds	-	-	190	190
Unrestricted funds: Designated funds	31,615	-	915	32,530
Retained income	71	-	(71)	-
	<u>37,478</u>	<u>2,322</u>	<u>515</u>	<u>40,315</u>

