STOWE SCHOOL LIMITED

England & Wales · Charity number 310639

Details

Status	Registered
Legal form	Charitable company
Company number	00187251
Registered	1963-03-26
Register	View on the Charity Commission register

Contact

Address	Stowe School Buckingham MK18 5EH
Phone	01280818222
Email	schooladministrator@stowe.co.uk
Website	www.stowe.co.uk

Activities

Objects: 3. The objects for which the Company is established are to advance education by:3.1 The provision of a school for boys and girls at Stowe in Buckinghamshire and/or if thought desirable of other schools in England or Wales which shall provide education in accordance with the Protestant Principles of the Church of England and ancillary or incidental educational activities and associated activities for the benefit of the public; and/or3.2 The support of the provision of education in accordance with the aforesaid Principles at Colleges or Universities in England and Wales

Activities: The principal activity of the company continues to be the provision of education in a boarding and day school for pupils aged 13 to 18.

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

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Geography

- Buckinghamshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£53,623,388	£49,416,262	£67,584,538	786
2024-08-31	£51,352,198	£43,993,611	£63,344,446	707
2023-08-31	£41,972,151	£42,042,499	£55,901,189	728
2022-08-31	£40,509,607	£38,351,603	£55,973,563	734
2021-08-31	£35,167,701	£30,566,838	£53,787,131	735
2020-08-31	£25,332,339	£24,997,310	£49,089,839	517

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Trustees

Name	Role	Appointed
SIMON CHARLES CREEDY SMITH BA ACA	Chair	
Alexander Douglas Muirhead		2021-01-05
Andrea Karen Johnson		2013-06-21
Catriona Helen Lloyd		2015-04-27
Chaminda Sunjeewa Jayawardena		2021-01-05
Christopher Wheeler		2023-06-23
Emma Louise Cowling Taylor		2023-10-06
HHJ Rebecca Jane Brown		2021-01-05
Haydn Cole		2024-01-25
Hugh William Medley Taylor		2025-02-28
JOHN PHILIP CARDAIN FROST		2017-01-04
Jena Ntumba		2023-06-21
Joanna Blackstone		2026-03-04
Luke Eric Chauveau		2026-02-06
Mairi Margaret Johnstone		2021-02-23
Patrick Julian Bradshaw		2021-01-05
Rowena Bolton		2024-01-25
Rupert Fordham		2021-01-05
Simon Cuerden		2022-09-01
The Revd Canon Peter Michael Ackroyd		2013-11-01
Victor Kelechi Maxwell		2025-04-22

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Linked charities

- FRIENDS OF STOWE TRUST (310639-1)
- BRIDGELAND TRUST (310639-2)
- HARRY MORGAN EVANS TRUST (310639-21)
- STOWE WAR MEMORIAL TRUST (310639-3)
- ROBERT MCDOUGALL MUSIC SCHOLARSHIP (310639-4)
- STOWE FORTIETH ANNIVERSARY APPEAL FUND OR THE STOWE DEVELOPMENT FUND (310639-5)
- FRITZ CLIFFORD TRUST (310639-6)
- STOWE SCHOOL APPEAL FUND (310639-7)
- TRUST PROPERTY RELATING TO THE GRAND AVENUE, STOWE (310639-8)

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STOWE SCHOOL LIMITED

England & Wales - Charity number 310639

Accounts

Stowe School Limited

(Limited by Guarantee)

Financial statements 31 August 2025

together with Trustees' and Auditor's reports

Registered number: 187251

Charity number: 310639

Directors and Officers

Directors

Simon Charles Creedy Smith BA, FCA
The Reverend Canon Peter Michael Ackroyd MA, MBA, MA, PhD
Joanna Grace Blackmore BSc, PGCE (appointed 4 March 2026)
Rowena Bolton BSc, BArch, RIBA, ARB
Patrick Bradshaw BA
Her Honour Judge Rebecca Brown BA
Luke Chauveau (appointed 6 February 2026)
Haydn Cole BA, MRICS, MCR
Simon Cuerden BA, ACA
Rupert Fordham BA (Cantab)
John Philip Cardain Frost BSc, MRICS
Sunjeewa Jayawardena BSc, MBA
Andrea Karen Johnson BSc, PGCE
Mairi Johnstone LLB, DipLP, BSc, MBA, GradCG
Catriona Helen Lloyd MA (Cantab)
Victor Maxwell BEng, MSc, PGCE, NPQLTD
Alexander Muirhead
Jena Ntumba BSc, MCom, MSc
Emma LC Taylor MA (Oxon) PGCE
Hugh Taylor BA (appointed 28 February 2025)
Christopher James Wheeler BA, MBA, PGCE, FRSA

Company Secretary

Andrew Butterworth MA, DChA

Registered and Principal Office

Stowe School
Stowe
Buckingham
MK18 5EH

Independent Auditors

Saffery LLP
71 Queen Victoria Street
London
EC4V 4BE

Bankers	**Investment Managers**
Barclays Bank Plc	CCLA
Wytham Court	One Angel Lane
11 West Way	London
Oxford OX2 0JB	EC4R 3AB

Financial Statements

The Directors, who are also referred to as Governors and who are also Charity Trustees as defined in the Charities Act 2011, present their annual report and audited financial statements for the year ended 31 August 2025.

The financial statements comply with the Companies Act 2006, Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102).

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Trustees' Report, including the Strategic Report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing these financial statements, the Directors are required to:

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

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Directors are aware, there is no relevant audit information of which the charitable company's auditors are unaware and the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Company is limited by guarantee and governed by the provisions in the Articles of Association adopted by Special Resolution on 6 October 2020; these replaced the Memorandum and Articles of Association, dated 20 January 1923 (as altered by Special Resolution on 25 September 1951). Each of the seven Members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the Company in the event of the same being wound up and the assets being insufficient to cover the Company's debts and liabilities.

Stowe School Limited is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On 26 September 2013, the Allied Schools signed a new Management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency Limited to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT.

Charitable Status
The Company is a registered charity with registered charity number 310639.

Governing Body
The Directors constitute the Governing Body and are elected by the Governing Body, except that two Directors are nominated by the MMT if the total does not exceed twelve, three if the number exceeds twelve but does not exceed eighteen and four if the number exceeds eighteen. The Directors nominated by the MMT are The Reverend Peter Ackroyd, Mrs Johnstone, Mrs Taylor and Mr Wheeler.

The Directors of the Company serving since 1 September 2024 were as follows:
Simon Charles Creedy Smith BA, FCA
The Reverend Canon Peter Michael Ackroyd MA, MBA, MA, PhD
Joanna Grace Blackmore BSc, PGCE (appointed 4 March 2026)
Rowena Bolton BSc, BArch, RIBA
Patrick Bradshaw BA
Her Honour Judge Rebecca Brown BA
Luke Chauveau (appointed 6 February 2026)
Haydn Cole BA, MRICS, MCR
Simon Cuerden BA, ACA
Rupert Fordham BA (Cantab)
John Philip Cardain Frost BSc MRICS
Margaret Hope ARICS (appointed 13 May 2025 and resigned 1 September 2025)
Will Jakeman BSc, PGCE (resigned 6 January 2025)
Sunjeewa Jayawardena BSc, MBA
Andrea Karen Johnson BSc, PGCE
Mairi Johnstone LLB, DipLP, BSc, MBA, GradCG
Catriona Helen Lloyd MA (Cantab)
Victor Maxwell BEng, MSc, PGCE, NPQLTD (appointed 22 April 2025)
Alexander Muirhead
Jena Ntumba BSc, MCom, MSc
Christopher John Tate BA, MIMC (resigned 29 November 2025)
Emma LC Taylor MA (Oxon) PGCE
Hugh Taylor BA (appointed 28 February 2025)
Christopher James Wheeler BA, MBA, PGCE, FRSA

In accordance with the Articles of Association Mr Creedy Smith, Rev Ackroyd, Mr Cuerden and Mr Maxwell will retire by rotation and being eligible offer themselves for re-election. Mr Creedy Smith has indicated his intention to step down from his position as Chair of Governors at the end of the 2025/26 academic year, following ten years of distinguished service. Ms Catriona (Kitty) Lloyd has been elected as the new Chair. Mr Creedy Smith will remain on the Governing Body, subject to his successful re-election. Mr Tate retired from both the Governing Body and his position as Vice Chair on 29 November 2025 after more than 23 years of dedicated service. Mr Patrick Bradshaw and Mrs Andrea Johnson have been appointed as co-Vice Chairs.

Induction and Training of Directors
When new Directors are appointed, care is taken to ensure that the appropriate skills and experience relevant to the Governing Body are represented. Each new Director is provided with an information pack and a list of relevant training courses, some of which they are expected to attend. They are inducted into the workings of Stowe School Limited through a visit programme, discussion and an introductory pack. All Directors receive information on governor training update courses.

Governance

The Directors are responsible for the overall management and control of Stowe School Limited and meet four times a year. The work of overseeing the implementation of the Group's policies is carried out by committees appointed by the Directors for that purpose (Executive; Education; Estates; Finance; Marketing & Admissions; Nomination & Remuneration and Prep School), which usually meet in the weeks preceding meetings of the full Governing Body. These committees perform detailed reviews within their areas of responsibility. The day to day running of Stowe School Limited is delegated to the Head of Stowe School and the Executive Leadership Team (ELT), who are considered the key management personnel of the charity.

Head of Stowe School	Dr Anthony Wallersteiner
Senior Deputy Head	Liam Copley
Deputy Head Pastoral	Liz Huxley-Capurro
Deputy Head Academic	Dr Julie Potter
Finance	Simon Cope
Strategic Development & Fundraising	Colin Dudgeon
Marketing and Admissions	Tori Roddy
Estates	Judith Lane
ICT	Aditya Gupta
Head of Swanbourne House	Nick Holloway
Head of Winchester House	Antonia Lee
Head of Ashfold	Mike Rickner

The Head and members of the ELT attend meetings of the above committees, as appropriate. Mrs Huxley-Capurro also acts as Stowe School's Designated Safeguarding Lead (DSL).

Key Management Personnel Remuneration

The pay of the Head of Stowe School is reviewed annually by the Nomination & Remuneration Committee. The pay of the remaining members of the ELT is reviewed annually by the Head and by the Nomination & Remuneration Committee. Pay is subject to performance and market forces.

All Directors give freely of their time and no Director remuneration was paid in the year. Details of Directors' expenses and related party transactions are disclosed in the financial statements.

Directors are required to disclose all relevant interests in accordance with Company policy and withdraw from decisions where a conflict of interest arises.

The Stowe Group of Schools

On 28 February 2025, the merger of Ashfold School (Ashfold) with Stowe School Limited was completed. Stowe School Limited has taken on all the assets and liabilities of the Ashfold School Trust Limited.

Ashfold has long standing connections with Stowe, including a tradition of sending pupils to Stowe School, and adds a further local prep school with an excellent academic and pastoral record to the Stowe Group's existing Prep Schools Swanbourne House School (SHS) and Winchester House School (WHS) (together with Ashfold, the 'Prep Schools.')

The Stowe Group of schools now offers an educational pathway for over 1,800 children from 3-18 years old. It allows member schools to benefit from a wealth of shared expertise and enables all Prep Schools to benefit from the many facilities and opportunities that the Stowe Group provides. It also provides opportunities for sharing strategic leadership, resources for professional development and ideas as well as delivering cost efficiencies across the Group.

Group Structure and Relationships

Stowe School Limited now comprises the assets and liabilities of all four schools in one charitable body with one set of Governors.

Stowe School Limited has a wholly owned non-charitable trading subsidiary, Stowe Enterprises Limited (SEL), which operates the School shop and makes available the facilities of the Schools to the public and various organisations for events, educational and leisure purposes. SEL owns the trading subsidiary Winchester House Trading Limited (WHT) and operates across the Stowe Group of schools. Stowe School Limited owns the whole of the issued ordinary share capital of Stowe School Developments Limited, which provides consultancy services for international development projects.

Stowe School Limited, in conjunction with its partners on the Stowe site, being The National Trust and The Stowe House Preservation Trust Limited (SHPT), assists in the restoration of Stowe (Stowe House and Stowe Landscape Garden) and the improvement of the visitor experience. Stowe House is open to the public on over 200 days in a normal year and in 2024/25 welcomed more than 11,000 visitors.

Stowe School Limited works closely with The Stowe School Foundation (SSF), a separate charity. The Trustees of SSF can apply the capital and income of the trust, both for the provision of educational resource and facilities at the School and for scholarships and bursaries, as well as the provision of any other financial support to Stowe School Limited as the Trustees may from time to time decide. SSF has three ex officio Trustees, between two and six nominated Trustees, nominated by Stowe School Limited, and up to four co-opted Trustees appointed by the Trustees.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charity's objects and aims

The primary objects of the charity as set out in its Articles of Association are to provide education in accordance with the Protestant principles of the Church of England. The main aim of the charity is to provide public benefit through the use of the Stowe Group of schools for the provision of education (which includes an understanding of culture and heritage) to its pupils.

To achieve this aim the charity seeks to maintain the Stowe Group of schools' reputation as a centre of excellence in education, culture and heritage at a local, regional and national level by:

- maintaining and promoting the Stowe Group of schools as one of Britain's best, national co-educational group of boarding and day schools for fee-paying and supported pupils, offering a combination of high academic standards and outstanding pastoral care, with first class facilities and infrastructure that provide an efficient and cost effective education;

- delivering a rich provision in sport, music, art, drama and other activities in an inspiring, sustainable environment; and

- working in partnership with The National Trust and SHPT to make the internationally significant Stowe landscaped Gardens and Mansion accessible to members of the public, as a means of widening access and sharing the heritage and history of Stowe with a diverse audience, which in turn contributes to achieving the charity's primary object of education.

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education, when reviewing the future aims and objectives.

Strategies and objectives for the year

The main strategies and objectives for the charity to achieve the aims have included:

Strategies for Education

- Promote a supportive, secure and nurturing environment that places a high premium on the emotional, physical and mental well-being of every pupil by providing the highest standards of pastoral care and a culture of responsibility, tolerance, attachment and inclusiveness with equality of opportunity for all.

- Promote the highest standards of teaching in the curriculum as well as fostering curiosity, love of subject, wider reading, creativity, intellectual risk-taking and the pursuit of individual or specialised talents in the belief that all pupils have the capacity to respond to and benefit from greater stretching and higher expectations.

- Steady recruitment to maintain a full school with a pupil roll of up to 900 pupils at Stowe School with applications exceeding capacity and an appropriate balance between UK and overseas students, whilst safeguarding Stowe as a co-educational, predominantly boarding school.

- Steady recruitment for the Prep Schools with a pupil roll of over 900 pupils following the Ashfold merger.

Main objectives for the year

- 2025 targets: 72% A*B grades for A-Level or D/D* at BTEC; 43% 7-9 or A*A grades for GCSE. 75% of Upper Sixth leavers to be awarded places at QS Top 200 universities. To be recognised by ALPS as in the top 10% of schools nationally for value-added at GCSE and the top 25% of schools at A-level.

- For the Prep Schools to achieve entry to pupils' first choice of a wide range of secondary schools and a wide range of scholarships and exhibitions to Senior Schools.

- Developing the theme of the distinctive Change Maker ethos to maintain the Group's reputation for innovation by building on previous themes such as Growth Mindset, Marginal Gains, Effective Teaching and Learning and the Learning Power Approach. The Group emphasises character virtues through its updated 'STOICS' values of Stoicism, Teamwork, Open-mindedness, Inquisitiveness, Creativity and Staying positive.

Strategies for Sport, Music, Art and Drama

- Provide a rich diet of cultural activities that mixes classroom and academic achievement with personal cultural development through sport, music, art and drama supported by a wide range of activities such as concerts, plays, exhibitions, lectures, trips and weekend activities.

- Promote the belief that ability comes in many forms and that pupils need to be supported to discover and enjoy success no matter where their talents lie.

Main objectives for the year

- Maintaining a wide variety of sport, music, art and drama available to all.

- Developing a cultural programme to attract pupils to drama and musical productions, in support of the curriculum.

Strategies for Heritage and Restoration

- Participate, through an effective partnership with The National Trust and SHPT, in the heritage restoration of the landscape gardens and mansion at Stowe while protecting the interests of the School.

Main objectives for the year

- Working with SHPT to complete the restoration of Stowe House, including the Eastern Grand Stairs and Landing wall paintings, restoring the Leoni Arches and general maintenance.

Strategies for Public Benefit

The following strategies are designed to ensure that Public Benefit remains intrinsic to all of the Charity's activities:

- Promote scholarships and bursaries to allow access for pupils from all backgrounds.
- Promote participation with State Schools.
- Provide access to Stowe's heritage, in partnership with The National Trust and SHPT.
- Promote good citizenship through participation in external activities and initiatives.
- Provide access to schools' facilities to the local community.
- Provide access for the public to music, art, sport, drama and science activities at Stowe.

Main objectives for the year

- Progressing educational initiatives with Silverstone UTC, local State Schools and the University of Buckingham.
- Promoting participation in Service@Stowe, CCF, Duke of Edinburgh Award scheme and 'green team'.
- Providing high level bursaries to deserving applicants who would otherwise not be able to attend Stowe School.

Strategies for Fundraising

- Build and sustain the Campaign for Stowe to generate funds each year to augment operating surpluses and to enable the steady implementation of the Development Plan and of Change 100.

Main objectives for the year

- Generating, through the Campaign for Stowe, funds of a minimum of £2 million per annum towards bursaries and scholarships;
- Launching fundraising initiatives in support of the Stowe Sport Masterplan, an ambitious, phased redevelopment of Stowe School's Bourbon and indoor sports facilities that will complete the development of infrastructure needed by the School to promote physical fitness, build a sense of sporting community and inspire the next generation of sporting champions;
- Continued pursuit of Change 100 – Stowe's ambitious mission to generate an endowment of £100 million that will provide means-tested bursarial support to change the lives of talented and deserving children from much less-advantaged backgrounds, whose world can be transformed through an education in the Stowe Group. The aim of Change 100 is to provide full funding for 100 pupils in the Stowe Group, every year in perpetuity.
- Fundraising for specific projects for the Prep Schools.

The remainder of the Trustees' Report also constitutes the Strategic Report for the purposes of the Companies Act 2006.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The principal activity of the Company continued to be the provision of education in a boarding and day school environment for pupils aged 3 to 18. This academic year Stowe School averaged 899 (2024: 903) pupils. The Prep Schools averaged 653 (2024: 618), with a further 267 Ashfold pupils joining the Stowe Group following the Ashfold merger.

Public Benefit

Scholarships and bursaries are promoted in recruitment literature, on Stowe School's website and through advertising. Scholarships at Stowe School are typically awarded at entry at 13+ and 16+ for academic, musical, artistic, sporting or all-round merit.

Scholarships at Stowe School are awarded with a fixed remission of fees of between 5% and 25%. Scholarships may be supplemented by means-tested bursaries.

Bursaries are awarded on the basis of financial need and principally to those pupils who for financial reasons might not be able to come to the Stowe Group of schools or who might not be able to remain to complete their education. Bursary awards are made on the basis of full financial disclosure and are reviewable annually. At least two fully funded places are available each year, subject to financial need - during 2025 there were 29 (2024: 25) fully funded places at Stowe School and five fully funded places at the Prep Schools.

Community programmes operated by staff and pupils are encouraged, with emphasis on the elderly and disabled and on widening support to local schools and the local community.

The School's partnership with Silverstone UTC, announced in July 2017, continues to flourish and to provide enhanced educational and co-curricular opportunities for pupils at both educational establishments. The partnership is intended to demonstrate the best that can be achieved by independent and state schools working together. The partnership involves reciprocal governor arrangements, teaching and sharing best practice and facilities.

The StoweEd conference, normally attended by both state and independent schools, was held again this year and focused on Maximising Potential.

The Head continues to chair Street Child, which works in conflict and post-conflict countries and has helped over 200,000 children to attend schools.

The School invited local clubs to use its sports facilities and equipment at subsidised rates and encouraged staff to coach sport in the community.

Stowe House attracts the wider and local community to enjoy its heritage, through being open to the public for weddings, corporate, commercial, and charitable events. A full summer of events took place in the summer of 2025.

Fee Support

Stowe School, together with SSF and other outside Trusts, supported 422 (2024: 406) pupils, through the provision of scholarships and bursaries during the year.

Stowe School and SSF allocated £3,910,765 (2024: £3,560,762), being 10.7% (2024: 10.1%) of fee income to scholarships, bursaries, sibling discounts and Stowe Group remission. Included in this total are means-tested bursaries, awarded in addition to scholarships, which allow access for pupils from all backgrounds, with 81 (2024: 84) pupils receiving such awards. External trusts also provided funds of £4,000 (2024: £3,961) towards individual pupils' fees.

The Prep Schools continue to offer bursaries and allowances totalling £1,124,242 (2024: £949,479), with an additional £138,749 offered by Ashfold Prep School from March 2025.

Education

Academic Standards
This summer's A Level results saw Stoics achieving 67% A*B (2024 66%). The GCSE results saw Stoics achieving 46% at grade 7 or above (2024: 47%).

The Prep Schools had all their top year leavers accepted into their first choice of a wide range of senior schools and SHS exceeded their PSB objectives with 100% achieving Level 5 in eight or more subjects, 92% (2024: 60%) at Level 6 and 50% (2024:20%) at Level 7. SHS achieved 16 (2024:13) scholarship and exhibition awards to senior schools, while WHS achieved 33 (2024:16) and Ashfold achieved 6 awards (30% of the cohort) to senior schools.

Pastoral Care
The Group is committed to safeguarding and promoting the welfare of pupils and expects all staff and volunteers to share in this commitment. The Designated Safeguarding Lead (DSL) for Stowe School is Liz Huxley-Capurro, who is supported by four Deputy DSLs, and there are DSLs at all Prep Schools.

The Group's policies for Safeguarding and Child Protection accord with the requirements of the relevant Safeguarding Children Board. It applies to all school employees, governors and to any volunteers working in the Stowe Group.

There are processes of safeguarding induction and training in place, involving staff, governors, volunteers and contractors, which aim to ensure that this policy and safeguarding procedures are known and understood by those within the Stowe Group community.

A programme of continuous improvements to the boarding houses in all three schools is expected to continue next year.

Culture - Sport, Music and Drama and other activities
The Group maintained its reputation in a wide range of sports and other extra-curricular activities, with pupils encouraged to take part in school, county and national competitions. Full details of Stowe School's sporting and extra-curricular achievements can be found on the Stowe website: *www.stowe.co.uk*. There are links from there to the Prep School websites.

Heritage/Restoration
On 7 March 2018 Stowe School Limited agreed the Asset Exchange with The National Trust. This exchange of various leasehold interests in land and buildings is enabling The National Trust to restore the Western Garden to its 18th Century condition and Stowe School has built a replacement golf course and intends to use the Home Farm development in the future. Stowe House was open to the public as normal this year. The School provides support on the historical archives and supports SHPT.

Stowe School has worked with SHPT as it continues to develop future plans. SHPT has completed the restoration of the State Dining Room and continues to seek funding to complete the future phases of the restoration project.

Fundraising
The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their fundraising activities. SSF changed its objects to be able to support the Prep Schools as well as Stowe School. This took effect from 1 August 2022. The charity does not carry out any fundraising activity in order to raise funds from the general public. The charity does not work directly with commercial sponsors or engage professional fundraisers. The Trustees are not aware of any complaints made in respect of fundraising during the year.
The focus of SSF, supported by Stowe School, has continued to be on the generation of voluntary funding from alumni, patrons of the School and supporters of independent education. During the SSF year to 31 July 2025, funds of some £2.5 million (2024: £3 million) were raised. These included £1.2 million for Change 100, £82k for scholarships and bursaries and £1.2 million towards specific facilities improvements. The costs of the Campaign Office of £580,758 (2024: £639,702) were borne by Stowe School.

SECTION 172 (1) STATEMENT

The Stowe Group of schools ("the Group") depends on the trust and confidence of its stakeholders to operate sustainably in the long term. The welfare of the Group's pupils is of primary concern and the Group seeks to put their interests at the forefront of everything it does. The Group invests in its employees and supports the communities in which it operates.

The Group seeks to generate appropriate operating surpluses to maintain its investment in both scholarships and bursaries and in its facilities.

The Trustees of Stowe School Limited have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its stakeholders as a whole, having regard to the matters set out in section 172 (1) of the Companies Act 2006. Section 172 considerations are embedded in decision making at Governing Body level and throughout the organisation. The stakeholders, which the Trustees have considered, are set out below.

Having regard to the likely consequences of any decision in the long term

The Governing Body is mindful that its strategic decisions have long-term implications for the business and its stakeholders and these are carefully assessed by the Group's various committees and by the Governing Body (see the section on Structure, Governance and Management on pages 3 to 6 of this annual report). This is particularly the case in setting the Group's budget for the year when the Board balances the need for affordable education with the capital needs of the business.

Having regard to the interests of the Group's employees

The Governing Body has regard to the interests of the Group's employees and it recognises the importance of effective employee engagement in the successful functioning of the Group. Governors engage with employees both formally through the various Governor committees and informally, for example, through dinners held prior to Governing Body meetings.

The Group has a number of effective workforce engagement mechanisms in place:

- Employees are kept informed of performance and strategy through regular briefings from the Head and ELT, including termly training days.
- The Head provides termly updates to the Governing Body on staffing matters and staff matters are discussed at the weekly ELT meeting in term time.
- Employees can channel views through an employee representative body and through periodic employee surveys.
- The Pay and Conditions Committee allows pay and reward matters to be discussed and reviewed.

The Governing Body considers that, taken together, these arrangements deliver an effective means of ensuring the Board stays alert to the views of the workforce.

Disabled Employees

The Group is committed to equal opportunities for all. It is the policy of the Group that no job applicant or employee receives less favourable treatment on the grounds of disability. If an employee becomes disabled during the course of their employment, every effort is made to find suitable alternative employment within the Group and re-training is given if this is necessary. Stowe School Limited continues to train and encourage the career development of disabled persons in its employment.

Having regard to the need to foster the Group's business relationships with customers, suppliers, and others.

Customers

As a large fee-paying Group, the Governing Body regularly reviews the academic and financial performance of the Group and its pupils and the affordability of its fee structure. The Heads of each school in the Group communicate regularly with both parents and pupils. In addition, pupil and parental surveys are regularly commissioned.

Suppliers

The Group deals with hundreds of different suppliers and major contracts are reviewed and put out to tender where appropriate and are signed off by appropriate members of ELT and Governors. The Group reports its payment practices every six months.

The wider community

The Group is very mindful of its responsibilities to the wider community and of its relationships with its partners, including SHPT, the National Trust, the UTC at Silverstone and the Stowe Golf Club members as well as the local community.

Regulators

The Group is regulated both by the Government, through Ofsted and ISI, and the Charity Commission. The Governing Body considers its reporting and dealings with the Regulators as of the utmost importance.

Having regard to the impact of the Company's operations on the community and the environment

A summary of the Company's Streamlined Energy and Carbon report is set out below under Environmental Reporting.

Having regard to the desirability of the Company to maintain a reputation for high standards of business conduct

Corporate governance

Details of the Company's corporate governance are set out on pages 3 to 6 of the annual report.

Political donations

No donations were made for political purposes (2024: £nil).

ENVIRONMENTAL REPORTING

Under the Energy and Carbon Report Regulations 2018, the Company is required to report on its environmental impacts. The key environmental impacts for the Company are gas, kerosene, LPG and electricity use across the site and the use of business and personal vehicles. Energy usage has been calculated using consumption in the year. Transport mileage has been estimated from recorded mileage for Group vehicles from fuel cards and invoices and from mileage claims for personal vehicles.

The Group considers energy efficiency as part of its evaluation of projects and continues to take opportunities to reduce energy usage where possible.

UK Greenhouse gas emissions and energy use data for the period 1 September 2024 to 31 August 2025

Streamline Energy and Carbon Reporting Disclosure

Global energy Scope 1 and 2 GHG emission data for period:

	Tonnes CO_2e					
Emissions from	**2025 location-based**	2024 location-based	Variance location-based	**2025 market-based**	2024 market-based	Variance market-based
Scope 1 (Fuel combustion in buildings)	**361**	407	(11)%	**361**	407	(11)%
Scope 1 (Fuel combustion in vehicles)	**118**	127	(7)%	**118**	127	(7)%
Scope 1 (Fuel combustion in mobile and static plant)	**1,770**	1,705	0%	**1,770**	1,705	0%
Scope 2 (Electricity)	**635**	794	(20)%	**635**	794	(20)%
Total	**2,884**	2,533	(14)%	**2,884**	2,533	(14)%

Company's chosen intensity metric: tCO_2e/pupil

	2025 location-based	2024 location-based	Variance	**2025 market-based**	2024 market-based	Variance
Emissions reported per pupil	**1.71**	1.99	(14)%	**1.71**	1.99	(14)%

Scope 3 Global GHG emission data for period:

Emission from	**2025**	2024	Variance
Business travel (air, rail and vehicles)	**8**	9	(11)%

Underlying global energy data for period:

Energy use (kWh)	**2025**	2024	Variance
Electricity	**3,587,216**	3,833,842	(6)%
Natural Gas	**2,323,417**	2,223,962	(4)%
Mobile and Static Plant Fuel	**7,048,373**	7,113,984	0%
Transport Fuel	**612,395**	570,854	7%
Total	**13,571,401**	13,742,642	(1)%

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Results

The Stowe Group of schools' financial result for the year has been negatively impacted by the Government's decision to (a) implement VAT on School Fees charged to parents by Independent Schools, impacting on pupil numbers and the Group's ability to pass on increases in its cost base to parents; (b) remove Charitable Relief on business rates previously available to Independent Schools; and (c) increase the National Minimum Wage above inflation and lower National Insurance thresholds and increase rates. The Group took measures to reduce the impact of these external structural impacts but nonetheless has seen pressure on pupil numbers and an increase in its cost base as a consequence.

The underlying performance net of grants and donations is set out below, with the Group experiencing a marked decline year on year, recording a small net loss in the year ended 31 August 2025:

	2025 £	2024 £
Net income	4,240,093	7,443,264
Less:		
Grants and donations – (see breakdown below)	(2,046,981)	(6,178,543)
Charitable acquisition donations (see note 5b)	(2,231,982)	-
Net (loss) / income before grants and donations	(38,870)	1,264,721

	2025 £	2024 £
Grants and donations (note 5a):		
Funds from SSF for Scholarships, Bursaries and pupil extras	1,471,976	-
Funds from SSF to develop new facilities and enhance existing ones	383,664	6,078,829
Funds from SSF for other purposes	81,555	46,838
Funds from Stowe Harvard	25,000	46,666
Funds from other sources	84,786	6,210
	2,046,981	6,178,543

The grants and donations received are required to be recognised in the Statement of Financial Activities (SoFA), which incorporates an income and expenditure account, even though for grants and donations for the purchase of new facilities, the corresponding expenditure is included in the Statement of Financial Position, within fixed asset additions.

Similarly, it is an accounting requirement that the charitable donation by Ashfold School Trust Limited of the net assets of Ashfold School is shown in the SoFA as a credit to net income; the associated net assets are included in the Statement of Financial Position. Whilst shown as income, the accounting gain is a non-cash item.

Excluding the impact of grants and donations, the School made a net loss for the year of £38,870 (2024: net gain £1,264,721).

Net investment gains of £32,967 (2024: £84,677) have been transferred to the Restricted funds, which reflects the net movement in the composition fee fund.

Overall a gain of £4,161,906 (2024: gain £7,361,568) has been allocated to the Unrestricted general fund and a gain of £78,187 (2024: loss £81,689) to the Restricted Fund.

From 1 January 2025, the Group was required to levy VAT at 20% on school fee bills. As a VAT registered company, the VAT element of school fee receipts is paid to HMRC as part of the School's quarterly VAT return and is not retained by the School. School fee income figures presented below are shown net of VAT.

School fees receivable increased from £42.0 million in 2024 to £45.1 million, including £2.3 million relating to Ashfold in the period following the merger. In 2025, Stowe School, SHS and WHS initially maintained the same level of net fees as 2024. Following the imposition of VAT from 1 January 2025, the Group mitigated the impact of the VAT increase for parents by discounting the net fee by 5%.

Total income (excluding school fees receivable) decreased from £9.3 million to £8.5 million, with a £4.1 million reduction in grant and donation income offset by the impact of voluntary income of £2.2m representing the fair value of the net assets of Ashfold, additional billing for pupil extras and higher bank interest income.

Resources expended during the year totalled £49.4 million (2024: £44.0 million), including expenditure by Ashfold in the period following the merger of £2.6 million. During 2025, the School's cost base was adversely impacted by the removal of charitable business rates relief from 1 January 2025, together with the increase in Employer's National Insurance contributions from April 2025 and the increase in the National Minimum Wage.

During the year, the Group invested £5.4 million (2024: £7.7 million) in capital projects. In addition, £2.8 million of fixed assets were transferred as part of the Ashfold merger.

Cash and bank balances at 31 August 2025 stood at £14.3 million (2024: £23.2 million). The 2024 cash balance included a higher than normal level of fees paid in advance, which has regularised in 2025. The Company renewed a Revolving Credit Facility (RCF) for 5 years, from June 2022. There had been no drawdown on the RCF as at 31 August 2025.

Total funds at 31 August 2024 were £67.6 million (2024: £63.3 million), of which £67.1 million (2024: £62.9 million) were unrestricted.

The financial results for the year are reported in the SoFA.

Through its subsidiary, SEL, Stowe School Limited makes available its sporting and other facilities for use by the public. SEL generated a turnover for its own financial year ended 31 December 2024 of £2.4 million (2023: £2.3 million) and a profit before donation of £0.8 million (2024: £0.6 million).

Consolidated group financial statements have not been prepared as it is considered that the inclusion of the financial result and financial position of SEL do not materially impact the overall presentation of the Stowe School Limited financial information.

Reserves Policy

The financial statements show that at 31 August 2025, the unrestricted funds totalled £67.1 million (2024: £62.9 million) and restricted funds £0.5 million (2024: £0.4 million).

Total unrestricted reserves no longer include a funding deficit (2024: £4,796) in respect of the notional funding deficit on the defined benefit pension plan for non-teaching staff.

The Company's unrestricted reserves are substantially represented by tangible fixed assets and are not readily available for spending.

The surplus on free reserves at 31 August 2025 of £2.4 million (2024: £3.2 million) has fallen following a one off increase in 2024 as a result of the higher level of fee prepayments which have now normalised in 2025. The 2025 surplus is consistent with the longer-term Development Plan cash flows, which are updated and reviewed by the Directors on a regular basis. Whilst the Directors consider that higher positive free reserves would be desirable, they recognise the demands of capital expenditure to equip the Group with up-to-date facilities and to maintain
the high standard of educational services provided. Therefore, achieving the desired positive free reserves level remains a longer-term objective. The policy is managed prudently by ensuring that sufficient liquid assets are available.

Investment policy and objectives

The Company's Articles of Association empower it to invest and deal with the monies of the Company not immediately required as it thinks fit.

Composition fee funds for the Stowe Group of schools are held under trust and administered by Stowe School Limited.

Future Plans

The key objectives for the Group for the following year are consistent with those stated above, with particular emphasis on:

- 2025 targets: 72% A*B grades for A-Level or D/D* at BTEC; 43% 7-9 grades for GCSE
- All Prep School children being accepted into their first choice of senior schools
- Developing and consolidating the themes of the Learning Power Approach and Change Makers
- Working with SHPT to continue to restore and maintain Stowe House
- Progressing the Stowe Sports Masterplan, with a particular focus on plans for upgraded outdoor sports facilities
- Generating, through the Campaign for Stowe, money towards bursaries (including Change 100) and scholarships and for specific projects, including the Stowe Sports Masterplan
- Continued integration of the Prep Schools into the Stowe Group of schools

Principal Risks and Uncertainties

The Governing Body is responsible for the management of the risks faced by the Group and reviews the major risks and measures for mitigation as part of an annual process. The major risks are considered to be those that would prevent the Group from carrying out its charitable objects permanently. Individual committees are responsible for reviewing and monitoring the management of risk in their particular area. The Governors are satisfied that the mitigation of the currently identified major risks, detailed below, has been or is being addressed as follows:

Failure to govern effectively	Governing Body, Nomination & Remuneration Committee
Failure to deliver educational objectives	Education and Prep School Committee
Failure to safeguard pupil welfare	Governing Body, Education, Prep School and Estates Committees
Regulatory non-compliance	All Committees
Fire in Stowe House / Prep Schools	Estates Committee
Impact of economic and political climate	Governing Body and Finance Committee
Major fraud or financial mismanagement	Finance Committee
Major operational failure	Governing Body and All Committees
Reputational risk	Governing Body and All Committees
Temporary closure of the Schools	Governing Body and Finance Committee

In assessing the risks, the impact on Group activity, disruption, injury or property damage, loss of income, reputation, management focus, missed opportunity and strategic direction change are all considered. Risks are recorded in a register and assessed as to their impact and likelihood of materialising, with the register including controls and mitigation plans. Risks are classed as key, medium concern or manageable. The risk register is updated termly by the ELT and reviewed by Committees at least annually.

The Governing Body is aware of the wider impact on the independent schools' sector as a consequence of the imposition of VAT on School Fees and the removal of Charitable relief on business rates, along with the increase in employment

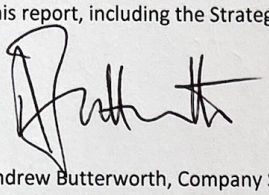
Risks are classed as key, medium concern or manageable. The risk register is updated termly by the ELT and reviewed by Committees at least annually.

The Governing Body is aware of the wider impact on the independent schools' sector as a consequence of the imposition of VAT on School Fees and the removal of Charitable relief on business rates, along with the increase in employment costs described above. The imposition of VAT on School Fees, which the Group, like other independent schools, has been unable to absorb given its operating structure and the need to fund investment in buildings and infrastructure, is having a direct impact on the number of pupils that are being educated in the independent sector.

Auditors

Saffery LLP has expressed their willingness to remain in office as auditors of the Company.

This report, including the Strategic Report, was approved by the Board on 13 March 2026.



Andrew Butterworth, Company Secretary

Stowe School Limited
Independent auditor's report to the members
For the year ended 31 August 2025

Opinion

We have audited the financial statements of Stowe School Limited for the year ended 31 August 2025, which comprise the statement of financial activities, balance sheet, cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 August 2025 and of its incoming resources and application of resources, including its 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 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 charitable company 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 trustees' 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 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. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees (who are also 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 to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Further the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas, which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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



Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery LLP

71 Queen Victoria Street
London
Statutory Auditors EC4V 4BE

Date: 18 March 2026

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 31 August 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 £	2024 £
Income from:					
Charitable activities					
School fees receivable	1	45,131,762	-	45,131,762	42,059,599
Ancillary trading income	2	2,123,499	-	2,123,499	1,693,406
Other trading activities					
Non-ancillary trading income (covenants)	12	801,273	-	801,273	661,341
Other activities	3	174,246	-	174,246	90,338
Investments					
Bank and other interest	4	775,772	337,873	1,113,645	668,971
Voluntary sources					
Grants and donations	5a	2,046,981	-	2,046,981	6,178,543
Charitable acquisition donations	5b	2,231,982	-	2,231,982	-
Total incoming resources		53,285,515	337,873	53,623,388	51,352,198
Expenditure on:					
Raising funds					
Financing costs	7	50,619	267,653	318,272	46,191
Fundraising and development		580,758	-	580,758	639,702
Total deductible costs		631,377	267,653	899,030	685,893
Charitable activities					
Education		48,492,232	25,000	48,517,232	43,307,718
Total expenditure	6	49,123,609	292,653	49,416,262	43,993,611
		4,161,906	45,220	4,207,126	7,358,587
Net Investment gains	16	-	32,967	32,967	84,677
Net income		4,161,906	78,187	4,240,093	7,443,264
Other recognised gains and losses:					
Actuarial losses on defined benefit pension schemes	23	-	-	-	(7)
Net movement in funds		4,161,906	78,187	4,240,093	7,443,257
Reconciliation of funds:					
Total funds brought forward	19	62,896,974	447,472	63,344,446	55,901,189
Total funds carried forward	19	67,058,880	525,659	67,584,539	63,344,446

All operations of the Company continued throughout both years and no operations were discontinued in either year. All recognised gains and losses during the year are included within the SoFA. The accompanying notes are an integral part of this SoFA.

Balance Sheet

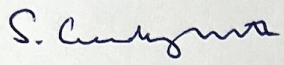
As at 31 August 2025

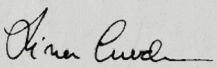
	Notes	2025	2024
		£	£
Fixed assets			
Tangible assets	9	64,670,433	59,654,123
Investment in subsidiary undertakings	11	164,200	164,200
Composition fee fund investments	16	9,015,055	8,145,380
		73,849,688	67,963,703
Current assets			
Stocks	13	244,770	234,108
Debtors	14	14,316,621	32,741,381
Cash and deposits		14,260,420	23,185,293
		28,821,811	56,160,782
Creditors: amounts falling due within one year	15	(30,162,225)	(52,895,480)
Net current (liabilities) / assets		(1,340,414)	3,265,302
Total assets less current liabilities		72,509,274	71,229,005
Creditors payable after one year			
Composition fees	16	(4,707,321)	(7,879,790)
Other Creditors	17	(217,414)	-
		(4,924,735)	(7,879,790)
Net assets excluding pension liability		67,584,539	63,349,215
Defined benefit pension scheme liability	23	-	(4,769)
Net assets		67,584,539	63,344,446
The funds of the charity			
Unrestricted funds:			
General reserve		67,058,880	62,901,743
Pension reserve	23	-	(4,769)
		67,058,880	62,896,974
Restricted funds:			
General reserve	19	157,680	181,882
Revaluation reserve	19	367,979	265,590
		525,659	447,472
Total funds	19	67,584,539	63,344,446

Balance Sheet

As at 31 August 2025

The financial statements on pages 21 to 44 were approved by the board of Trustees on 13 March 2026 and signed on their behalf by:





Simon Creedy Smith
Trustee

Simon Cuerden
Trustee

Company number 187251

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

Cash Flow Statement

For the year ended 31 August 2025

	Notes	2025	2024
		£	£
Net cash (outflow) / inflow from operating activities	21	(3,848,336)	24,888,932
Cashflows from investing activities			
Interest received		1,008,849	716,750
Additions to composition fee investments		(1,424,663)	(10,021,396)
Realisation of composition fee investments		96,481	3,568,610
Payments for tangible fixed assets		(6,632,510)	(6,598,954)
Cash acquired on charitable acquisitions		1,585,315	-
Merger costs		(208,542)	-
Transfer or refunds of composition fee investments		491,474	-
Proceeds from sale of tangible fixed assets		7,059	617
Net cash outflow from investing activities		(5,076,537)	(12,334,373)
Change in cash and cash equivalents in the reporting year		(8,924,873)	12,554,559
Cash and cash equivalents at the beginning of the reporting year		23,185,293	10,630,734
Cash and cash equivalents at the end of the reporting year		14,260,420	23,185,293
Net cash movement	22	(8,924,873)	12,554,559

Accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), Charities SORP (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Stowe School Limited meets the definition of a public benefit entity under FRS102. The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

The accounts include a Statement of Financial Activities (SoFA) rather than a profit and loss account. The financial information is presented for Stowe School Limited as an individual undertaking and not for the Group. The Directors have taken advantage of the SORP and of the Companies Act 2006 (S405(2)) exemption not to prepare Group financial statements as they consider the effects of any changes would not be material to the financial statements of Stowe School Limited.

Having reviewed the funding facilities available to the Company, together with the expected ongoing demand for places and the Company's future projected cash flows, notwithstanding the net current liability position, the Directors have a reasonable expectation that the Company has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. The functional currency is pounds sterling.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

a) Income and expenditure

School fees and operating expenses are included in the financial statements on an accruals basis. Registration fees are credited to income in the year in which they are received. All income and expenditure included in the financial statements is from continuing operations and is shown net of the impact of VAT.

b) Investment income

Investment income is principally from bank balances and is accounted for on an accruals basis.

c) Income from voluntary sources

Income from voluntary sources (donations) is accounted for as and when entitlement arises, the amount can be reliably measured and it is probable that the economic benefit will flow to the Company. Donations are accounted for as unrestricted income and credited to General Funds, as they relate to specific in year projects, and Trustees do not consider it necessary to set up separate restricted funds for each project.

Donations of tangible assets are capitalised at the estimated value as at the date of donation. Other donations are accounted for within the SoFA.

Donations as a result of charitable mergers are accounted for within the SoFA as the fair value of net assets donated less any relevant merger costs incurred.

d) Grants

Grants are credited to income when receivable, irrespective of when the related expenditure is incurred.

Accounting policies (continued)

e) 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 on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates. Repairs and maintenance expenditure is charged as an operating expense in the year in which it is incurred.

f) Governance costs

Governance costs are those incurred in complying with statutory requirements and governance matters.

g) Tangible assets and depreciation

Expenditure relating to the acquisition of and extensions to freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less depreciation. The Directors are aware that the realisable value is considerably greater than the original cost less depreciation.

Tangible assets are stated at cost less accumulated depreciation and any provision for impairment. Depreciation is provided on tangible assets other than land and historic buildings (the cost of which is not significant) in the first full month of use, so as to write off their cost by equal instalments over the expected useful lives of the assets concerned. The estimated useful lives are considered to be as follows:

Astroturf facility	10 years	Central heating	20 years
Technology equipment	4 to 10 years	Freehold buildings	15 to 50 years
Furniture, fixtures and fittings	5 to 25 years	Motor vehicles	4 to 7 years
Plant and equipment	5 to 25 years	Property improvements	5 to 50 years

Assets costing less than £5,000 are not capitalised.

Land and buildings are reviewed annually for impairment. Assets in the course of construction are not depreciated until they are brought into use.

h) Heritage assets

Stowe School acquired Stowe House in 1923; the House is leased to SHPT with a coterminous leaseback to Stowe School for 99 years effective from 1 January 2000. The House is occupied by the School as an operational asset. Stowe House is included in the balance sheet at cost. The School considers that its owned paintings, statues and busts on display and in archive are operational assets.

i) Investments and Investment properties

Investments are shown at market value, less any provision for diminution in value. Gains and losses are included in the SoFA. Investments in subsidiary undertakings are shown at cost, less any provision for permanent diminution in value.

j) Stocks

Stocks are stated at the lower of cost and net realisable value.

Accounting policies *(continued)*

k) Debtors

Debtors in respect of school fees are recognised at the point of issuing invoices and after reserving for bad and doubtful debts. If the pupil withdraws before the start of term, without providing the requisite notice, the next term's fees are remain due for settlement. In the year to 31 August 2024, fee invoices were raised for the whole of the academic year 2024/25. In the year to 31 August 2025, fee invoices were raised only relating to the first term of the 2025/26 academic year.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

l) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term, highly liquid investments with a short maturity of one year or less from the date of acquisition or opening of the deposit account or similar account.

m) Deferred income

Deferred income represents income after scholarships, bursaries and discounts awarded, for the first term of the following academic year and therefore relates to the following financial year. In the year to 31 August 2024, deferred income related to the entire academic year.

n) Creditors and provisions

Creditors and provisions are recognised where the Company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Leases

Assets held under operating leases are not capitalised. The costs associated with hire rental are charged directly to income as they arise.

p) Pensions

The majority of Stowe School staff are members of a defined contribution scheme, the assets of which are held separately from those of the Company's in independently administered funds. A small number of the School's professional teaching staff remain members of a Superannuation Scheme operated by the Department for Education. This is a multi-employer defined benefit scheme and individual schools are not able to identify their share of the underlying assets and liabilities of the scheme. The company ceased to offer membership of this Superannuation scheme for new employees from 1 September 2024.

The amount charged to the SoFA in respect of pension costs is the contribution 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.

q) Composition fees

Composition fees represent payments in advance in respect of school fees for pupils, present and future, and are deposited with Stowe School Limited, as Trustee, for investment. A transfer to the SoFA is made each term in respect of school fees which are then due.

Accounting policies *(continued)*

r) Support costs

Support costs are administration and other costs incurred in supporting the charitable activities.

s) Critical accounting judgement and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised where the revision affects only that year, or in the year of the revision and future years where the revision affects both current and future years.

1 School fees receivable

	2025 £	2024 £
Gross school fees	51,400,321	46,694,363
Less: Scholarships, bursaries and allowances	(6,268,559)	(4,634,764)
	45,131,762	42,059,599

2 Ancillary trading income

	2025 £	2024 £
Pupil extras	1,502,655	1,148,977
Registration fees	141,895	181,190
Rental income	141,481	111,126
Other income	337,468	252,113
	2,123,499	1,693,406

3 Other activities

	2025 £	2024 £
Interest on overdue accounts	174,246	90,338

4 Bank and other interest

	2025 £	2024 £
Interest and dividends on composition fee investments (note 16)	337,051	25,906
Bank interest receivable	767,474	616,168
Net present value movement on composition fee investment	-	16,653
Interest from SEL loan	9,120	10,244
	1,113,645	668,971

5a) Grants and donations

	2025	2024
	£	£
Donations	2,046,981	6,178,543

5b) Charitable acquisition donations

Charitable acquisition donations represent the fair value of the net assets of Ashfold School, donated by Ashfold School Trust Limited as a result of the merger of Stowe School with Ashfold. Accounting convention requires that the equal and opposite credit entry to the net assets that are brought into the balance sheet is included within the SoFA. The assets were transferred on 28th February 2025 at fair value, less relevant costs. The breakdown is as follows:

	£
Fixed Assets	2,882,217
Cash	1,585,315
Creditors: amounts falling due within one year	(2,007,234)
Creditors: amounts falling due after one year	(19,774)
Less:	
Merger costs	(208,542)
	2,231,982

6 Analysis of total expenditure

	Staff costs	Other costs	Depreciation	2025
	£	£	£	£
Expenditure on raising funds				
Financing costs (note 7)	-	318,272	-	318,272
Fundraising and development	485,693	95,065	-	580,758
Total costs of generating funds	485,693	413,337	-	899,030
Charitable activities				
Teaching	18,563,065	2,060,342	399,974	21,023,381
Welfare	3,218,098	4,846,997	124,021	8,189,116
Premises repairs and maintenance	2,579,631	7,964,009	2,675,781	13,219,421
Support costs and governance	3,079,277	2,960,824	45,213	6,085,314
Total charitable expenditure	27,440,071	17,832,172	3,244,989	48,517,232
Total expenditure	27,925,764	18,245,509	3,244,989	49,416,262

	Staff costs £	Other costs £	Depreciation £	2024 £
Expenditure on raising funds				
Financing costs (note 7)	-	46,191	-	46,191
Fundraising and development	498,663	141,039	-	639,702
Total costs of generating funds	498,663	187,230	-	685,893
Charitable activities				
Teaching	16,863,892	1,828,784	401,470	19,094,146
Welfare	2,864,834	4,647,053	125,154	7,637,041
Premises repairs and maintenance	2,479,239	5,945,219	2,310,211	10,734,669
Support costs and governance	2,871,279	2,897,736	72,847	5,841,862
Total charitable expenditure	25,079,244	15,318,792	2,909,682	43,307,718
Total expenditure	25,577,907	15,506,022	2,909,682	43,993,611

Governance included in support costs:

	2025 £	2024 £
Remuneration to auditors for statutory audit services	35,230	47,031
Directors – travel and subsistence costs	9,453	10,198
Other governance costs	4,518	5,232
	49,201	62,461

The Directors and Company Secretary did not receive any emoluments during the year (2024: £nil) and none received retirement or other benefits from the school. Travel and subsistence expenses were claimed by 22 (2024: 25) individuals, who were reimbursed directly or indirectly.

In addition to the above statutory audit remuneration, the auditors performed other services with fees totalling £45,344 (2024: £1,584), this included assurance services of £1,404, employment tax services of £2,860 and consultancy services relating to the merger with Ashfold School of £41,080.

7 Financing costs

	2025	2024
	£	£
Commitment fee on rolling credit facility	30,000	29,851
Net present value movement on composition fee investment	267,541	-
Bank charges	17,229	15,527
Finance lease interest	3,415	-
Investment charges on composition fees investments (note 16)	87	813
	318,272	46,191

8 Staff costs

Total staff costs were:	2025 £	2024 £
Salaries and wages	22,633,502	20,914,420
Social security costs	2,376,903	1,987,388
Other pension costs	2,915,359	2,676,099
	27,925,764	25,577,907

The aggregate employee remuneration and benefits of the key management personnel were:	1,728,699	1,584,857

The total staff costs above include payments relating to departing staff of £94,521 (2024: £208,842).

	2025 Number	2024 Number
The average number of employees of the Company during the financial year was as follows:		
Teaching and teaching support staff	386	326
Visiting music teachers	40	40
Establishment and administrative staff	360	341
	786	707
The average FTE of employees of the Company during the financial year was as follows:		
Teaching and teaching support staff	288	268
Visiting music teachers	11	10
Establishment and administrative staff	254	251
	553	529
The number of staff in pension schemes was as follows:		
Money purchase schemes	643	492
Teachers' pensions scheme	15	110
	658	602

The staging date for pension auto enrolment was October 2013 and the most recent re-enrolment date was 1 November 2025. On this date, staff who opted out were automatically re-enrolled and had the option to re-elect to opt out.

The number of employees whose emoluments exceeded £60,000 were:	**2025**	**2024**
	Number	**Number**
£60,001 - £70,000	24	23
£70,001 - £80,000	9	12
£80,001 - £90,000	6	2
£90,001 - £100,000	-	3
£100,001 - £110,000	3	2
£110,001 - £120,000	3	1
£150,001 - £160,000	-	1
£190,001 - £200,000	1	-
£210,001 - £220,000	-	1
£300,001 - £310,000	1	1

Stowe School Limited's pension contributions for the above 46 (2024: 46) employees totalled £635,439 (2024: £581,623), divided between Teachers' Pensions £8,918 (2024: £392,259) and other schemes £626,521 (2024: £189,364).

The emoluments of the highest paid employee reflect the fact that employer pension contributions of 16.48% of salary to the Teachers' Pensions Scheme ceased with effect from 31 May 2016, at which time the salary was increased by an amount equivalent to the contributions foregone.

9 Tangible fixed assets

	Freehold Property £	Property Improvements £	Plant & Equipment £	Computer Equipment £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost							
1 September 2024	39,388,247	42,044,099	3,062,366	1,857,220	4,768,465	1,128,381	92,248,778
Fair value on acquisition	2,882,217						2,882,217
Additions	847,762	4,034,028	90,404	42,608	228,507	143,384	5,386,693
Disposals	-	-	-	-	-	(51,400)	(51,400)
31 August 2025	43,118,226	46,078,127	3,152,770	1,899,828	4,996,972	1,220,365	100,466,288
Depreciation							
1 September 2024	7,540,058	16,453,029	2,439,087	1,699,894	3,571,956	890,631	32,594,655
Charge for Year	796,087	1,812,462	143,800	72,852	277,341	142,447	3,244,989
Disposals	-	-	-	-	-	(43,789)	(43,789)
31 August 2025	8,336,145	18,265,491	2,582,887	1,772,746	3,849,297	989,289	35,795,855
Net Book Value							
31 August 2025	34,782,081	27,812,636	569,883	127,082	1,147,675	231,076	64,670,433
1 September 2024	31,848,189	25,591,070	623,279	157,326	1,196,509	237,750	59,654,123

The assets acquired from Ashfold School are included at their fair value as at 28 February 2025, being the date of the charitable merger.

Within additions, £nil (2024: £6,901,397) of assets are under construction. £383,664 (2024: £6,078,829) of donations and grants received in the year were used to fund capital additions, notably DTE at Stowe and School Hall at WHS.

10 Capital commitments

There was £nil of capital expenditure authorised and contracted for at the balance sheet date (2024: £1,482,189).

11 Investment in subsidiary undertakings

	2025 £	2024 £
Stowe Enterprises Limited - shares at cost	100	100
Stowe Enterprises Limited - interest bearing loan	164,000	164,000
Stowe School Developments Limited – shares at cost	100	100
	164,200	164,200

For additional information refer to note 12 – Subsidiary information (including related party transactions).

12 Subsidiary information (including related party transactions)

Stowe School Limited owns the whole of the issued ordinary share capital of Stowe Enterprises Limited (SEL), a company registered in England. Stowe School Limited allows SEL to make available the facilities of the Schools for use by the public and to operate the School shop.

SEL prepares its annual accounts to 31 December, an accounting date which the Directors of SEL consider to be appropriate for administrative reasons. The taxable profits of SEL are donated to the School each year.

The last audited accounts of SEL were for the year ended 31 December 2024. The following information is disclosed in respect of SEL:

	31 December 2024	31 December 2023
	£	£
Turnover	2,427,032	2,258,345
Expenditure	(1,657,974)	(1,632,692)
Profit for the financial year	769,058	625,653
Donated to the school	(769,058)	(625,653)
Result for the year	-	-
Balance of capital and reserves	787,507	644,102

Stowe School Limited recharged costs to SEL during the year of £465,069 (2024: £478,379). SEL received income from the School for purchases made in the School shop during the year of £87,768 (2024: £99,516). At the year end the amount owed to SEL by the School was £79,976 (Owed by SEL to the School in 2024: £112,822).

The total taxable profits donated to the Company were:

	2025	2024
	£	£
SEL	769,058	625,653
WHS Trading Limited (WHT)	32,215	35,688
	801,273	661,341

As part of the acquisition in January 2021 of WHS, WHS's trading company, WHT, was transferred to become a subsidiary of SEL.

The last audited accounts of WHT were for the year ended 31 December 2024. The following information is disclosed in respect of WHT:

	31 December 2024	31 December 2023
	£	£
Turnover	53,698	53,888
Expenditure	(21,483)	(18,200)
Profit for the financial year	32,215	35,688
Donated to the school	(32,215)	(35,688)
Result for the year	-	-
Balance of capital and reserves	50,246	53,719

Winchester House recharged costs to WHTL during the year of £6,327. WHTL received income of £266 from the School for purchases made from stock during the year. No amounts were owed by WHT to the Company at either the current or previous year ends.

Stowe School Limited owns the whole of the issued ordinary share capital of Stowe School Developments Limited (SSDL), a company registered in England. SSDL prepares its annual accounts to 31 December, an accounting date which the Directors of SSDL consider to be appropriate for administrative reasons.

The last accounts of SSDL were for the year ended 31 December 2024. The company had turnover of £nil (2023: £nil) and made a loss of £29,540 (2023: loss of £9,638). At the year end the amount owed by SSDL to the Company was £79,781 (2024: £58,772).

SSDL owns the whole of the issued share capital of Stowe UAE Limited and Stowe China Limited. Stowe UAE received no income in the year to 31 December 2024 (2023: £nil). At the year end the amount owed by Stowe UAE to the Company was £3,472 (2024: £3,438). Stowe China received no income in the year to 31 December 2024 (2023: £nil). At the year end the amount owed to the Company by Stowe China was £629 (2024: £595).

13 Stocks

	2025	2024
	£	£
Raw materials and consumables	244,770	234,108

The replacement cost of stocks is not considered to be materially different from their historical cost.

14 Debtors

	2025	2024
	£	£
Debtors in respect of school fees	12,550,081	29,200,352
Other debtors	42,561	235,095
Prepayments and accrued income	1,640,097	3,130,306
Amounts owed by subsidiary undertakings (note 12)	83,882	175,628
	14,316,621	32,741,381

In the year to 31 August 2024, fee invoices were raised for the whole of the academic year 2024/25. In the year to 31 August 2025, fee invoices were raised only relating to the first term of the 2025/26 academic year.

15 Creditors: amounts falling due within one year

	2025	2024
	£	£
Deferred income	14,022,940	43,291,262
School fees paid on account	694,939	363,266
Deposits paid on account	3,553,213	3,467,611
Trade creditors	1,961,064	2,439,214
Other creditors	2,862,650	540,607
Taxation and social security	597,794	472,981
Accruals	1,987,786	2,320,539
Amounts owed to subsidiary undertakings (note 12)	79,976	-
Finance leases (note 18)	13,700	-
Fees prepayment scheme – Ashfold School	448,408	-
Current portion of Composition fees (note 16)	3,939,755	-
	30,162,225	52,895,480

Deferred income represents income relating to the next financial year.

16 Composition fee fund investments

Composition fees represent fees paid by parents to the Stowe Group of schools up to the equivalent of five years' fees in advance and are held separately from the general funds of the company, with Stowe School Limited acting as Trustee. The Directors have delegated the day-to-day management of the investment of composition fees to CCLA, to whom the investments were transferred during the year from Evelyn Partners Investment Management LLP.

	2025	2024
	£	£
Market value at 1 September	8,145,380	1,607,917
Composition fees received and invested	1,087,699	9,996,367
Composition fees refunded	(491,474)	-
Net income arising reinvested	336,964	25,029
Applied to school fees	(96,481)	(3,568,610)
Investment gain during the year	32,967	84,677
Market value at 31 August	9,015,055	8,145,380
Historical cost at 31 August	8,843,680	7,924,443

Listed investments:	£	£
UK Fixed Interest	667,068	629,007
UK Equities	625,804	630,898
	1,292,872	1,259,905
Deposit Account	7,594,735	6,838,315
Total Investments	8,887,607	8,098,220
Cash at Bank	128,052	226,198
Cash in Transit from the Group	(604)	(179,038)
Total Composition fee fund investments	9,015,055	8,145,380

Assuming pupils remain at the relevant school, advance fees will be applied as follows:

	£	£
Greater than five years	595,058	688,491
Between two and five years	1,944,191	3,380,724
Between one and two years	2,168,072	3,810,575
	4,707,321	7,879,790
In one year or less	3,939,755	-
Net present value	8,647,076	7,879,790

17 Other Creditors: amounts falling due over one year

	2025	2024
	£	£
School fees paid on account	198,843	-
Finance leases (see note 18)	18,571	-
	217,414	-

18 Finance Leasing Commitments

The aggregate amounts of finance leases are as follows:	2025	2024
	£	£
Due within one year or less, or on demand	13,700	-
Due between one and two years	18,571	-
Total due	32,271	-
Included in Creditors: amounts falling due within one year	13,700	-
Included in Creditors: amounts falling due over one year	18,571	-

19 The funds of the Charity

	Unrestricted general funds	Composition fee restricted funds	Stowe Harvard restricted funds	Other restricted funds	Total restricted funds	Total funds
	£	£	£	£	£	£
At 1 September 2024	62,896,974	265,590	79,041	102,841	447,472	63,344,446
Net movement in funds	4,161,906	102,389	(24,202)	-	78,187	4,240,093
At 31 August 2025	67,058,880	367,979	54,839	102,841	525,659	67,584,539

Analysis of net assets

	£	£	£	£	£	£
Tangible fixed assets	64,670,433	-	-	-	-	64,670,433
Investments	164,200	9,015,055	-	-	9,015,055	9,179,255
Current assets	28,664,131	-	54,839	102,841	157,680	28,821,811
Creditors amounts falling due within one year	(26,222,470)	(3,939,755)	-	-	(3,939,755)	(30,162,225)
Creditors payable after one year	(217,414)	(4,707,321)	-	-	(4,707,321)	(4,924,735)
At 31 August 2025	67,058,880	367,979	54,839	102,841	525,659	67,584,539

Unrestricted funds

Within the Unrestricted funds is a pension reserve of £nil (2024: £4,769) relating to a defined benefit scheme provision (see note 23).

Restricted funds (Composition and Stowe Harvard)

Within the Restricted funds is £54,839 (2024: £79,041) relating to the Stowe Harvard Fund, whose funds are to be used towards the costs of the Stowe Harvard Fellowship and a reserve of £367,979 (2024: £265,590) which reflects the difference between the market value of the composition fee investments and the net present value of future fee commitments at 31 August 2025 (see note 16).

An analysis of the Funds of the Company for last year can be found at note 27.

Other Restricted Funds
These represent the following restricted funds at WHS:

	2025	2024
	£	£
Prize fund	64	64
Bursary fund	38,232	38,232
Gifts fund	1,751	1,751
Development fund	62,794	62,794
	102,841	102,841

20 Operating leases

Other Assets - Total commitments relating to operating leases:	2025	2024
	£	£
Less than one year	363,809	219,022
Between two and five years	396,009	306,537
Over five years	-	16,982

During the year £450,630 (2024: £273,204) was spent on operating leases.

Property Assets – Total commitments relating to operating leases:

Stowe House: The House has been leased to SHPT, with a coterminous leaseback to Stowe School Ltd for 99 years, effective from 1 January 2000 (no break clauses). The arrangements were confirmed under Charity Order 0149530D dated 10 November 1999.

The lease charge represents the rent payable to SHPT for the School's occupation of Stowe House. The lease charge is reviewed every five years (next review 2028); the charge for the year is £202,486 (2024: £202,486).

The total minimum lease payments remaining on this lease are £7.3 million, over the remaining 73 years.

National Trust: An agreement was made on 29 March 1990 between the Company and the National Trust to lease, surrender and develop various premises and land at Stowe, Buckinghamshire for 190 years.

The lease charge represents the rent payable to the National Trust for the School's occupation of certain properties. The lease charge is reviewed every five years (next review March 2030). The charge for the year is £18,020 (2024: £15,602).

The total minimum lease payments remaining on this lease at the current rate of charge are £3.2 million, over the remaining 155 years. The exact amount payable depends on the properties used by the School.

SHS: An agreement was made on 5 January 2021 between SHS and its landlord to lease various parts of the Prep School for 27 years, with payments starting from 1 September 2021. The lease charge is reviewed every five years (next review September 2026). The charge for the year was £116,860 (2024: £111,145).

The total minimum lease payments remaining on these leases are £1.2 million, over the remaining periods of the leases. The exact amount payable depends in part on pupil numbers.

21 Reconciliation of net movement in funds to net cash (outflow)/ inflow from operating activities

	2025 £	2024 £
Net income	4,240,093	7,443,264
Interest received	(950,840)	(716,750)
Fair value of assets on acquisition	(2,231,982)	-
Operating surplus for the year	1,057,271	6,726,514
Depreciation charges	3,244,989	2,909,682
Loss/(gain) on disposal of fixed assets	551	(617)
Unrealised gain arising on revaluation of investments	(32,967)	(84,677)
(Increase)/decrease in stocks	(10,662)	6,675
Decrease/(increase) in debtors	18,366,751	(20,249,760)
(Decrease)/increase in creditors	(26,469,500)	35,593,107
(Decrease) in provision	(4,769)	(11,992)
Net cash (outflow) / inflow from operating activities	(3,848,336)	24,888,932

22 Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash and cash equivalents			
Cash	23,185,293	(8,924,873)	14,260,420
	23,185,293	(8,924,873)	14,260,420

23 Pensions Schemes

Teachers' Pensions

With effect from September 2024, Stowe School partially withdrew from the Teachers' Pensions Scheme (the TPS). New joiners to Stowe School after this date are offered the opportunity to enrol in the Royal London Group Pension Scheme (RLGPS), while existing teaching staff elected either to transfer to the RLGPS or to remain within the TPS, with employer contributions set at the April 2024 rate of 23.68%. Any difference between this rate and employer contribution rate periodically set by TPS is met by the employee. 15 employees chose to remain in the TPS, with all other academic staff choosing to transfer to the RLGPS.

The TPS is an unfunded, multi-employer defined benefits pension scheme governed by the Teachers' Pensions Scheme Regulations 2014. 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 following scheme valuations undertaken by the Government Actuary's Department, with the latest valuation being completed in 2018.

The employers' contribution rate for the TPS increased to 28.60% (previously 23.60%) from 1 April 2024 and the employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68% (previously 23.68%).

The Prep Schools' teaching staff are members of the RLGPS.

The amount expensed in the year for Teachers who elected to remain in the TPS represents the employer contributions payable in the year of £195,973 (2024: £1,297,986). The difference between the contributions payable and contributions actually paid of £18,188 (2024: £147,051) is shown within Creditors: amounts falling due within one year.

Defined Contribution Pension Schemes

Teachers (except those who chose to remain in the TPS) and all Support staff are eligible to join the RLGPS, a defined contribution pension scheme whose assets are held separately from Stowe School in independently administered funds.

The amount expensed for both Teachers and Support staff in respect of the RLGPS represents the contributions payable in the year of £2,719,386 (2024: £1,378,113). The difference between the contributions payable and contributions actually paid of £361,482 (2024: £189,827) is shown within Creditors: amounts falling due within one year.

Pensions Trust Growth Plan

Stowe School's support staff previously had the opportunity to join either the Pensions Trust Growth Plan Series 4, the Pensions Trust Flexible Retirement Plan or the RLGPS. On 1 September 2024, all remaining active members moved to the RLGPS. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. This triggered a debt on withdrawal from the Growth Plan of £88,068 (including an administration fee of £4,170), which was paid in the year, having been recognised as a liability in the prior year.

24 Legal charges

The Company renewed a Revolving Credit Facility (RCF) for five years, from June 2022. The RCF is secured by legal charges on Stowe School's domestic properties.

25 Related party transactions

Two directors (Sunjeewa Jayawardena and Alexander Muirhead) are parents of current Stowe pupils. School fees are charged on standard commercial terms and no amounts were due at the year end.

One director (Jena Ntumba) is the parent of a former Stowe pupil. School fees were charged on standard commercial terms with no discounts. Debtors at year end includes £35,775 (2024: £14,603) from this director.

The daughter of Alexander Muirhead was a teacher at Swanbourne House School, although left the school at the end of the 2024/25 academic year. Mr Muirhead was not involved in setting remuneration for the teacher which is within the normal bandings for the Stowe Group of Schools.

Information relating to the subsidiaries is shown in note 12.

26 Statement of Financial Activities (incorporating an income and expenditure account) for prior year

	Notes	Unrestricted funds £	Restricted funds £	2024 £	2023 £
Income from:					
Charitable activities					
School fees receivable	1	42,059,599	-	42,059,599	39,090,684
Ancillary trading income	2	1,693,406	-	1,693,406	1,493,407
Other trading activities					
Non-ancillary trading income (covenants)	12	661,341	-	661,341	595,477
Other activities	3	90,338	-	90,338	74,734
Investments					
Bank and other interest	4	624,446	44,525	668,971	351,902
Voluntary sources					
Grants and donations	5	6,178,543	-	6,178,543	365,947
Total incoming resources		51,307,673	44,525	51,352,198	41,972,151
Expenditure on:					
Raising funds					
Financing costs	7	45,344	847	46,191	143,419
Fundraising and development		639,702	-	639,702	610,771
Total deductible costs		685,046	847	685,893	754,190
Charitable activities					
Education		43,261,052	46,666	43,307,718	41,288,309
Total expenditure	6	43,946,098	47,513	43,993,611	42,042,499
		7,361,575	(2,988)	7,358,587	(70,348)
Net Investment gains/(losses)	16	-	84,677	84,677	(2,256)
Net income		7,361,575	81,689	7,443,264	(72,604)
Other recognised gains and losses:					
Actuarial (losses)/gains on defined benefit pension schemes	23	(7)	-	(7)	230
Net movement in funds		7,361,568	81,689	7,443,257	(72,374)
Reconciliation of funds:					
Total funds brought forward	19	55,535,406	365,783	55,901,189	55,973,563
Total funds carried forward	19	62,896,974	447,472	63,344,446	55,901,189

27 The funds of the Company for prior year

	Unrestricted general funds	Composition fee restricted funds	Stowe Harvard restricted funds	Other restricted funds	Total restricted funds	Total funds
	£	£	£	£	£	£
At 1 September 2023	55,535,406	139,168	123,774	102,841	365,783	55,901,189
Net movement in funds	7,361,568	126,422	(44,733)	-	81,689	7,443,257
At 31 August 2024	62,896,974	265,590	79,041	102,841	447,472	63,344,446

Analysis of net assets

	£	£	£	£	£	£
Tangible fixed assets	59,654,123	-	-	-	-	59,654,123
Investments	164,200	8,145,380	-	-	8,145,380	8,309,580
Current assets	55,978,900	-	79,041	102,841	181,882	56,160,782
Creditors amount falling due within one year	(52,895,480)	-	-	-	-	(52,895,480)
Creditors payable after one year	-	(7,879,790)	-	-	(7,879,790)	(7,879,790)
Provisions	(4,769)	-	-	-	-	(4,769)
At 31 August 2024	62,896,974	265,590	79,041	102,841	447,472	63,344,446

STOWE SCHOOL LIMITED

England & Wales - Charity number 310639

Accounts

Stowe School Limited

(Limited by Guarantee)

Financial statements 31 August 2024

together with Trustees' and Auditor's reports

Registered number: 187251

Charity number: 310639

Directors and Officers

Directors

Simon Charles Creedy Smith BA, FCA
The Reverend Canon Peter Michael Ackroyd MA, MBA, MA, PhD
Rowena Bolton BSc, BArch, RIBA, ARB
Patrick Bradshaw BA
Her Honour Judge Rebecca Brown BA
Haydn Cole BA, MRICS, MCR
Simon Cuerden BA, ACA
Rupert Fordham BA (Cantab)
John Philip Cardain Frost BSc, MRICS
Sunjeewa Jayawardena BSc, MBA
Andrea Karen Johnson BSc, PGCE
Mairi Johnstone LLB, DipLP, BSc, MBA, GradCG
Catriona Helen Lloyd MA (Cantab)
Alexander Muirhead
Jena Ntumba BSc, MCom, MSc
Christopher John Tate BA, MIMC
Emma Taylor MA (Oxon) PGCE
Hugh Taylor BA (appointed 28 February 2025)
Christopher James Wheeler BA, MBA, PGCE, FRSA

Company Secretary

Michael Porter BA, MSc (resigned 31 July 2024)
Andrew Butterworth MA, DChA (appointed 31 July 2024)

Registered and Principal Office

Stowe School
Stowe
Buckingham
MK18 5EH

Independent Auditors

Saffery LLP
71 Queen Victoria Street
London
EC4V 4BE

Bankers

Barclays Bank Plc
Wytham Court
11 West Way
Oxford OX2 0JB

Investment Managers

CCLA
One Angel Lane
London
EC4R 3AB

Financial Statements

The Directors, who are also referred to as Governors and who are also Charity Trustees as defined in the Charities Act 2011, present their annual report and audited financial statements for the year ended 31 August 2024.

The financial statements comply with the Companies Act 2006, Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102).

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Trustees' Report, including the Strategic Report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing these financial statements, the Directors are required to:

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

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Directors are aware, there is no relevant audit information of which the charitable company's auditors are unaware and the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Company is limited by guarantee and governed by the provisions in the Articles of Association adopted by Special Resolution on 6 October 2020; these replaced the Memorandum and Articles of Association, dated 20 January 1923 (as altered by Special Resolution on 25 September 1951). Each of the seven Members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the Company in the event of the same being wound up and the assets being insufficient to cover the Company's debts and liabilities.

Stowe School Limited is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On 26 September 2013, the Allied Schools signed a new Management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency Limited to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT.

Charitable Status
The Company is a registered charity with registered charity number 310639.

Governing Body
The Directors constitute the Governing Body and are elected by the Governing Body, except that two Directors are nominated by the MMT if the total does not exceed twelve, three if the number exceeds twelve but does not exceed eighteen and four if the number exceeds eighteen. The Directors nominated by the MMT are The Reverend Peter Ackroyd, Mrs Johnstone, Mrs Taylor and Mr Wheeler.

The Directors of the Company serving since 1 September 2023 were as follows:
Simon Charles Creedy Smith BA, FCA
The Reverend Canon Peter Michael Ackroyd MA, MBA, MA, PhD
Jonathan Michael Arundell Bewes BA, FCA (resigned 2 December 2023)
Rowena Bolton BSc, BArch, RIBA (appointed 25 January 2024)
Patrick Bradshaw BA
Her Honour Judge Rebecca Brown BA
Julie Christine Brunskill BSc, MRICS (resigned 31 October 2024)
Haydn Cole BA, MRICS, MCR (appointed 25 January 2024)
Simon Cuerden BA, ACA
Elizabeth de Burgh Sidley BA, FRICS (resigned 27 February 2024)
Rupert Fordham BA (Cantab)
John Philip Cardain Frost BSc MRICS
Richard Greaves BA (resigned 15 March 2024)
Will Jakeman BSc, PGCE (resigned 6 January 2025)
Sunjeewa Jayawardena BSc, MBA
Mairi Johnstone LLB, DipLP, BSc, MBA, GradCG
Andrea Karen Johnson BSc, PGCE
Catriona Helen Lloyd MA (Cantab)
Alexander Muirhead
Jena Ntumba BSc, MCom, MSc
Christopher John Tate BA, MIMC
Emma Taylor MA (Oxon) PGCE (appointed 6 October 2023)
Hugh Taylor (appointed 28 February 2025)
Christopher James Wheeler BA, MBA, PGCE, FRSA

In accordance with the Articles of Association Mrs Bolton, Mr Cole, Mrs Lloyd, Mrs Ntumba, Mr Tate, Mrs Taylor and Mr Taylor retire by rotation and being eligible offer themselves for re-election.

Induction and Training of Directors
When new Directors are appointed, care is taken to ensure that the appropriate skills and experience relevant to the Governing Body are represented. Each new Director is provided with an information pack and a list of relevant training courses, some of which they are expected to attend. They are inducted into the workings of Stowe School Limited through a visit programme, discussion and an introductory pack. All Directors receive information on governor training update courses.

Governance

The Directors are responsible for the overall management and control of Stowe School Limited and meet four times a year. The work of overseeing the implementation of the group's policies is carried out by committees appointed by the Directors for that purpose (Executive; Education; Estates; Finance; Marketing & Admissions; Nomination & Remuneration and Prep School), which usually meet in the weeks preceding meetings of the full Governing Body. These committees perform detailed reviews within their areas of responsibility. The day to day running of Stowe School Limited is delegated to the Head of Stowe School and the Executive Leadership Team (ELT), who are considered the key management personnel of the charity.

Head of Stowe School	Dr Anthony Wallersteiner
Senior Deputy Head	Liam Copley
Deputy Head Pastoral	Michael Rickner
Deputy Head Academic	Dr Julie Potter
Designated Safeguarding Lead (DSL)	Michael Rickner
Finance	Mark Greaves
Strategic Development & Fundraising	Colin Dudgeon
Marketing and Admissions	Tori Roddy
Estates	Judith Lane
ICT	Aditya Gupta
Head of Swanbourne House	Nick Holloway
Head of Winchester House	Antonia Lee
Head of Ashfold	Colin Macintosh

The Head and members of the ELT attend meetings of the above committees, as appropriate.

Key Management Personnel Remuneration

The pay of the Head of Stowe School is reviewed annually by the Nomination & Remuneration Committee. The pay of the remaining members of the ELT is reviewed annually by the Head and by the Nomination & Remuneration Committee. Pay is subject to performance and market forces.

All Directors give freely of their time and no Director remuneration was paid in the year. Details of Directors' expenses and related party transactions are disclosed in the financial statements.

Directors are required to disclose all relevant interests in accordance with our policy and withdraw from decisions where a conflict of interest arises.

The Stowe Group of Schools

On 5 January 2021, the mergers of Swanbourne House School (SHS) and Winchester House School (WHS) (together the Prep Schools) with Stowe School were completed. Stowe School has taken on all the assets and liabilities of both preparatory schools. Both schools have a long tradition of sending pupils to Stowe School.

On 28 February 2025, the merger of Ashfold School with Stowe School was completed. Stowe School has taken on all the assets and liabilities of the Ashfold School Trust Limited.

The Stowe group of schools now offers an educational pathway for over 1,800 children from 3-18 years old. It allows member schools to benefit from a wealth of shared expertise and enables all preparatory schools to benefit from the many facilities and opportunities that the Stowe group provides. It also provides opportunities for sharing strategic leadership, resources for professional development and ideas as well as delivering cost efficiencies across the group.

Group Structure and Relationships

Stowe School Limited now comprises the assets and liabilities of all four schools in one charitable body with one set of Governors.

Stowe School Limited has a wholly owned non-charitable trading subsidiary, Stowe Enterprises Limited (SEL), which operates the School shop and makes available the facilities of the School to the public and various organisations for events, educational and leisure purposes. SEL owns the trading subsidiary Winchester House Trading Limited (WHT) and operates across the Stowe group of schools.

Stowe School Limited, in conjunction with its partners on the Stowe site, being The National Trust and The Stowe House Preservation Trust Limited (SHPT), assists in the restoration of Stowe (Stowe House and Stowe Landscape Garden) and the improvement of the visitor experience. Stowe House is open to the public on over 200 days in a normal year.

Stowe School Limited works closely with The Stowe School Foundation (SSF), a separate charity. The Trustees of SSF can apply the capital and income of the trust, both for the provision of educational resource and facilities at the School and for scholarships and bursaries, as well as the provision of any other financial support to Stowe School Limited as the Trustees may from time to time decide. SSF has three ex officio Trustees, between two and six nominated Trustees, appointed by Stowe School Limited, and up to four co-opted Trustees appointed by the Trustees.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charity's objects and aims

The primary objects of the charity as set out in its Articles of Association are to provide education in accordance with the Protestant principles of the Church of England. The main aim of the charity is to provide public benefit through the use of the Stowe group of schools for the provision of education (which includes an understanding of culture and heritage) to its pupils.

To achieve this aim the charity seeks to maintain the Stowe group of schools' reputation as a centre of excellence in education, culture and heritage at a local, regional and national level by:

- maintaining and promoting the Stowe group of schools as one of Britain's best, national co-educational group of boarding and day schools for fee-paying and supported pupils, offering a combination of high academic standards and outstanding pastoral care, with first class facilities and infrastructure that provide an efficient and cost effective education;

- delivering a rich provision in sport, music, art, drama and other activities in an inspiring, sustainable environment; and

- working in partnership with The National Trust and SHPT to make the internationally significant Stowe landscaped Gardens and Mansion accessible to members of the public, as a means of widening access and sharing the heritage and history of Stowe with a diverse audience, which in turn contributes to achieving the charity's primary object of education.

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education, when reviewing the future aims and objectives.

Strategies and objectives for the year

The main strategies and objectives for the charity to achieve the aims have included:

Strategies for Education

- Promote a supportive, secure and nurturing environment that places a high premium on the emotional, physical and mental well-being of every pupil by providing the highest standards of pastoral care and a culture of responsibility, tolerance, attachment and inclusiveness with equality of opportunity for all.

- Promote the highest standards of teaching in the curriculum as well as fostering curiosity, love of subject, wider reading, creativity, intellectual risk-taking and the pursuit of individual or specialised talents in the belief that all pupils have the capacity to respond to and benefit from greater stretching and higher expectations.

- Steady recruitment to maintain a full school with a pupil roll of up to 950 pupils at Stowe School with applications exceeding capacity and an appropriate balance between UK and overseas students, whilst safeguarding Stowe as a co-educational, predominantly boarding school.

- Steady recruitment for the Prep Schools with a pupil roll of over 600 pupils.

Main objectives for the year

- 2024 targets for A levels: 75% A*B grades; for GCSE: 54% 7-9 or A*A grades.

- For the Prep Schools to achieve entry to pupils' first choice of a wide range of secondary schools and a wide range of scholarships and exhibitions to Senior Schools.

- Developing the theme of Change Makers to maintain the group's reputation for innovation by building on previous themes such as Growth Mindset, Marginal Gains, Effective Teaching and Learning and the Learning Power Approach. The group emphasises character virtues such as grit, resilience, determination and perseverance.

Strategies for Sport, Music, Art and Drama

- Provide a rich diet of cultural activities that mixes classroom and academic achievement with personal cultural development through sport, music, art and drama supported by a wide range of activities such as concerts, plays, exhibitions, lectures, trips and weekend activities.

- Promote the belief that ability comes in many forms and that pupils need to be supported to discover and enjoy success no matter where their talents lie.

Main objectives for the year

- Maintaining a wide variety of sport, music, art and drama available to all.

- Developing a cultural programme to attract pupils to drama and musical productions, in support of the curriculum.

Strategies for Heritage and Restoration

- Participate, through an effective partnership with The National Trust and SHPT, in the heritage restoration of the landscape gardens and mansion at Stowe while protecting the interests of the School.

Main objectives for the year

- Working with SHPT to complete the restoration of Stowe House, including the Eastern Staircase and landing and general maintenance.

Strategies for Public Benefit

The following strategies are designed to ensure that Public Benefit remains intrinsic to all of the Charity's activities:

- Promote scholarships and bursaries to allow access for pupils from all backgrounds.
- Promote participation with State Schools.
- Provide access to Stowe's heritage, in partnership with The National Trust and SHPT.
- Promote good citizenship through participation in external activities and initiatives.
- Provide access to school facilities to the local community.
- Provide access for the public to music, art, sport, drama and science activities at Stowe.

Main objectives for the year

- Progressing educational initiatives with Silverstone UTC, local State Schools and the University of Buckingham.
- Promoting participation in Service@Stowe, CCF, Duke of Edinburgh Award scheme and 'green team'.
- Providing high level bursaries to deserving applicants who would otherwise not be able to attend Stowe School.

Strategies for Fundraising

- Build and sustain the Campaign for Stowe to generate funds each year to augment operating surpluses and to enable the steady implementation of the Development Plan and of Change 100.

Main objectives for the year

- Generating, through the Campaign for Stowe, funds of a minimum of £2 million per annum towards bursaries and scholarships; planning future fundraising initiatives in the areas of Sport and other masterplans.
- Continued pursuit of Change 100 – Stowe's ambitious mission to generate an endowment of £100 million that will provide means-tested bursarial support to change the lives of talented and deserving children from much less-advantaged backgrounds, whose world can be transformed through an education in the Stowe group. The aim of Change 100 is to provide full funding for 100 pupils in the Stowe group, every year in perpetuity.
- Fundraising for specific projects for the Prep Schools.

The remainder of the Trustees' Report also constitutes the Strategic Report for the purposes of the Companies Act 2006.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The principal activity of the Company continued to be the provision of education in a boarding and day school environment for pupils aged 3 to 18. This academic year Stowe School averaged 903 (2023: 898) pupils. The Prep Schools averaged 618 (2023: 596).

Public Benefit

Scholarships and bursaries are promoted in recruitment literature, on Stowe School's website and through advertising. Scholarships at Stowe School are awarded at entry at 13+ and 16+ for academic, musical, artistic, sporting or all-round merit.

Scholarships at Stowe School are awarded with a fixed remission of fees of between 5% and 25%. Scholarships may be supplemented by means-tested bursaries.

Bursaries are awarded on the basis of financial need and principally to those pupils who for financial reasons might not be able to come to the Stowe group of schools or who might not be able to remain to complete their education. Bursary awards are made on the basis of full financial disclosure and are reviewable annually. At least two fully funded places are available each year, subject to financial need - during 2024 there were 25 (2023: 21) fully funded places at Stowe School.

Community programmes operated by staff and pupils are encouraged, with emphasis on the elderly and disabled and on widening support to local schools and the local community.

The School's partnership with Silverstone UTC, announced in July 2017, continues to flourish and to provide enhanced educational and co-curricular opportunities for pupils at both educational establishments. The partnership is intended to demonstrate the best that can be achieved by independent and state schools working together. The partnership involves reciprocal governor arrangements, teaching and sharing best practice and facilities.

The StoweEd conference, normally attended by both state and independent schools, was held this year and focused on The Science of Learning.

The Head continues to chair Street Child, which works in conflict and post-conflict countries and has helped over 200,000 children to attend schools.

The School invited local clubs to use its sports facilities and equipment at subsidised rates and encouraged staff to coach sport in the community.

Stowe House attracts the wider and local community to enjoy its heritage, through being open to the public for weddings, corporate, commercial, and charitable events. A full summer of events took place in the summer of 2024.

Fee Support

Stowe School, together with SSF and other outside Trusts, supported 406 (2023: 398) pupils, through the provision of scholarships and bursaries during the year.

Stowe School and SSF allocated £3,560,762 (2023: £3,084,310), being 10.1% (2023: 9.3%) of fee income, to scholarships and bursaries. Included in this total are means-tested bursaries, awarded in addition to scholarships, which allow access for pupils from all backgrounds, with 84 (2023: 87) pupils receiving such awards. 25 (2023: 21) of these benefited from a full remission of fees. External trusts also provided funds of £3,961 (2023: £8,667) towards individual pupils' fees.

The Prep Schools continue to offer bursaries and allowances totalling £949,479 (2023: £928,147).

Education

Academic Standards

This summer's A Level results saw Stoics achieving 66% A*B grades (2023 64%). The GCSE results saw Stoics achieving 47% at grade 7 or above (2023: 51%).

The Prep Schools had all their top year leavers accepted into their first choice of a wide range of senior schools and SHS exceeded their PSB objectives with 100% achieving Level 5 in eight or more subjects, 60% at Level 6 and 20% at Level 7. SHS achieved13 scholarship and exhibition awards to senior schools, while WHS achieved 16.

Pastoral Care

The group is committed to safeguarding and promoting the welfare of pupils and expects all staff and volunteers to share in this commitment. The Designated Safeguarding Lead (DSL) for Stowe School is Michael Rickner, who is supported by three Deputy DSLs, and there are DSLs at all Prep Schools.

The group's policies for Safeguarding and Child Protection accord with the requirements of the relevant Safeguarding Children Board. It applies to all school employees, governors and to any volunteers working in the Stowe group.

There are processes of safeguarding induction and training in place, involving staff, governors, volunteers and contractors, which aim to ensure that this policy and safeguarding procedures are known and understood by those within the Stowe group community.

A programme of continuous improvements to the boarding houses in all three schools is expected to continue next year.

Culture - Sport, Music and Drama and other activities

The group maintained its reputation in a wide range of sports and other extra-curricular activities, with pupils encouraged to take part in school, county and national competitions. Full details of Stowe School's sporting and extra-curricular achievements can be found on the Stowe website: *www.stowe.co.uk*. There are links from there to the Prep School websites.

Heritage/Restoration

On 7 March 2018 Stowe School Limited agreed the Asset Exchange with The National Trust. This exchange of various leasehold interests in land and buildings is enabling The National Trust to restore the Western Garden to its 18th Century condition and Stowe School has built a replacement golf course and intends to use the Home Farm development in the future.

Stowe House was open to the public as normal this year. The School provides support on the historical archives and supports SHPT.

Stowe School has worked with SHPT as it continues to develop future plans. SHPT has completed the restoration of the State Dining Room and continues to seek funding to complete the future phases of the restoration project.

Fundraising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their fundraising activities. SSF changed its objects to be able to support the Prep Schools as well as the School. This took effect from 1 August 2022. The charity does not carry out any fundraising activity in order to raise funds from the general public. The charity does not work directly with commercial sponsors or engage professional fundraisers. The Trustees are not aware of any complaints made in respect of fundraising during the year.

The focus of SSF, supported by Stowe School, has continued to be on the generation of voluntary funding from alumni, patrons of the School and supporters of independent education. During the SSF year to 31 July 2024, funds of some £3 million (2023: £3.3 million) were raised. These included £1.7m for Change 100, £151k for scholarships and bursaries and £1.2m towards specific facilities improvements.

The costs of the Campaign Office of £639,702 (2023: £610,771) were borne by Stowe School.

SECTION 172 (1) STATEMENT

The Stowe group of schools ("the group") depends on the trust and confidence of its stakeholders to operate sustainably in the long term. The welfare of the group's pupils is of primary concern and the group seeks to put their interests at the forefront of everything it does. The group invests in its employees and supports the communities in which it operates.

The group seeks to generate appropriate operating surpluses to maintain its investment in both scholarships and bursaries and in its facilities.

The Trustees of Stowe School Limited have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the group for the benefit of its stakeholders as a whole, having regard to the matters set out in section 172 (1) of the Companies Act 2006. Section 172 considerations are embedded in decision making at Governing Body level and throughout the organisation. The stakeholders, which the Trustees have considered, are set out below.

Having regard to the likely consequences of any decision in the long term

The Governing Body is mindful that its strategic decisions have long-term implications for the business and its stakeholders and these are carefully assessed by the group's various committees and by the Governing Body (see the section on Structure, Governance and Management on pages 3 to 6 of the annual report). This is particularly the case in setting the group's budget for the year when the Board balances the need for affordable education with the capital needs of the business.

Having regard to the interests of the group's employees

The Governing Body has regard to the interests of the group's employees and it recognises the importance of effective employee engagement in the successful functioning of the group. Governors engage with employees both formally through the various Governor committees and informally, for example, through dinners held prior to Governing Body meetings.

The group has a number of effective workforce engagement mechanisms in place:

- Employees are kept informed of performance and strategy through regular briefings from the Head and ELT, including termly training days.
- The Head provides termly updates to the Governing Body on staffing matters and staff matters are discussed at the weekly ELT meeting in term time.
- Employees can channel views through an employee representative body and through annual employee surveys.
- The Pay and Conditions Committee allows pay and reward matters to be discussed and reviewed.

The Governing Body considers that, taken together, these arrangements deliver an effective means of ensuring the Board stays alert to the views of the workforce.

Disabled Employees

The group is committed to equal opportunities for all. It is the policy of the group that no job applicant or employee receives less favourable treatment on the grounds of disability. If an employee becomes disabled during the course of their employment, every effort is made to find suitable alternative employment within the group and re-training is given if this is necessary. Stowe School Limited continues to train and encourage the career development of disabled persons in its employment.

Having regard to the need to foster the group's business relationships with customers, suppliers, and others.

Customers

As a large fee-paying group, the Governing Body regularly reviews the academic and financial performance of the group and its pupils and the affordability of its fee structure. The Heads of each school in the group communicate regularly with both parents and pupils. In addition, pupil and parental surveys are regularly commissioned.

Suppliers

The group deals with hundreds of different suppliers and major contracts are reviewed and put out to tender where appropriate and are signed off by appropriate members of ELT and Governors. The group reports its payment practices every six months. The report to 31 August 2024 showed that 83 per cent of invoices were paid within 30 days and the average time taken to pay invoices was 25 days.

The wider community

The group is very mindful of its responsibilities to the wider community and of its relationships with its partners, including SHPT, the National Trust, the UTC at Silverstone and the Stowe Golf Club members as well as the local community.

Regulators

The group is regulated both by the Government, through Ofsted and ISI, and the Charity Commission. The Governing Body considers its reporting and dealings with the Regulators as of the utmost importance.

Having regard to the impact of the Company's operations on the community and the environment

A summary of the Company's Streamlined Energy and Carbon report is set out below under Environmental Reporting.

Having regard to the desirability of the Company maintaining a reputation for high standards of business conduct

Corporate governance

Details of the Company's corporate governance are set out on pages 3 to 6 of the annual report.

Political donations

No donations were made for political purposes (2023: £nil).

ENVIRONMENTAL REPORTING

Under the Energy and Carbon Report Regulations 2018, the Company is required to report on its environmental impacts. The key environmental impacts for the Company are gas, kerosene and electricity use across the site and the use of business and personal vehicles. Energy usage has been calculated using consumption in the year. Transport mileage has been estimated from recorded mileage for group vehicles from fuel cards and invoices and from mileage claims for personal vehicles.

The group considers energy efficiency as part of its evaluation of projects. The Company has continued to replace lights with LED fittings.

UK Greenhouse gas emissions and energy use data for the period 1 September 2023 to 31 August 2024

Streamline Energy and Carbon Reporting Disclosure

Global energy Scope 1 and 2 GHG emission data for period:

	Tonnes CO_2e					
Emissions from	**2024 location-based**	2023 location-based	Variance location-based	**2024 market-based**	2023 market-based	Variance market-based
Scope 1 (Fuel combustion in buildings)	**407**	319	28%	**407**	319	28%
Scope 1 (Fuel combustion in vehicles)	**127**	123	4%	**127**	123	4%
Scope 1 (Fuel combustion in mobile and static plant)	**1,705**	1,699	0%	**1,705**	1,699	0%
Scope 2 (Electricity)	**794**	723	10%	**794**	679	17%
Total	**3,033**			**3,033**		0%

Company's chosen intensity metric: tCO_2e/pupil

	2024 location-based	**2024 market-based**	Variance
Emissions reported per pupil	**1.994**	**1.994**	0%

Scope 3 Global GHG emission data for period:

Emission from	**2024**	2023	Variance
Business travel (air, rail and vehicles)	**9**	7	21%

Underlying global energy data for period:

Energy use (kWh)	**2024**	2023	Variance
Electricity	**3,833,842**	3,493,341	10%
Natural Gas	**2,223,962**	1,741,783	28%
Mobile and Static Plant Fuel	**7,113,984**	7,149,395	0%
Transport Fuel	**570,854**	544,242	5%
Total	**13,742,643**	12,928,761	6%

Renewable Energy Percentage	**2024**	2023	Variance
Electricity	0%	7%	-100%

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Results

The Stowe group of schools' financial results for the year were positively impacted by donations, principally towards the new DT&E building, and an easing of the prior year's energy crisis. The underlying performance net of grants and donations is set out below:

	2024 £	2023 £
Net income/(loss)	7,443,264	(72,604)
Less:		
Grants and donations – (see breakdown below)	(6,178,543)	(365,947)
Operating surplus/(deficit) of the group of schools	1,264,721	(438,551)

	2024 £	2023 £
Grants and donations (note 5):		
Funds from SSF to develop new facilities and enhance existing ones	6,078,829	91,790
Funds from SSF for other purposes	46,838	176,239
Funds from American Friends of Stowe	-	77,318
Funds from Stowe Harvard	46,666	20,600
Funds from other sources	6,210	-
	6,178,543	365,947

Some of the grants and donations received, which are required to be recognised in the Statement of Financial Activities (SoFA), which incorporates an income and expenditure account, were in respect of new facilities, the corresponding expenditure for which is included in fixed asset additions. In summary, therefore, the associated grants and donations are included within net income for 2024, whereas the related expenditure is capitalised in the balance sheet.

Investment gains of £84,677 (2023: losses £2,256) have been transferred to the Restricted funds, which reflects the net movement in the composition fee fund.

Actuarial losses on defined benefit pension schemes resulted in a transfer of £7 (2023: gains £230) to the Unrestricted general fund in relation to the pension deficit re-measurement due to changes in assumptions.

Overall a gain of £7,361,568 (2023: loss £38,995) has been allocated to the Unrestricted general fund and a gain of £81,689 (2023: loss £33,379) to the Restricted Fund.

School fees receivable increased from £39,090,684 in 2023 to £42,059,599 in 2024. Total income increased from £42.0 million to £51.0 million.

Resources expended during the year were £43,993,611 (2023: £42,042,499). In addition, the group has invested £7.7 million (2023: £2.7 million) in capital expenditure.

Cash and bank balances at 31 August 2024 stood at £23,185,293 (2023: £10,630,734). The Company renewed a Revolving Credit Facility (RCF) for 5 years, from June 2022. There had been no drawdown on the RCF as at 31 August 2024.

Total funds at 31 August 2024 were £63,344,446 (2023: £55,901,189), of which £62,896,974 (2023: £55,535,406) were unrestricted.

The financial results for the year are reported in the SoFA.

Through its subsidiary, SEL, Stowe School Limited makes available its sporting and other amenities for use by the public. SEL produced a turnover for the year ended 31 December 2023 of £2,258,345 (2022: £1,940,360) and a profit before donation of £625,653 (2022: £542,057).

Consolidated group financial statements have not been prepared as it is considered that they would be of no real value, in view of the insignificant overall effect of including the results of SEL.

Reserves Policy

The financial statements show that at 31 August 2024, the unrestricted funds totalled £62,896,974 (2023: £55,535,406) and restricted funds £447,472 (2023: £365,783).

Total unrestricted reserves include a funding deficit of £4,796 (2023: £16,754) calculated under FRS102 in respect of the notional funding deficit on the defined benefit pension plan for non-teaching staff. The Directors believe that this notional funding calculation, which can vary between surplus and deficit, depending on the assumptions used at each year end, has no material effect on the Company's cash flows in the short term and that in the longer term its effects are manageable out of future income.

The Company's unrestricted reserves are substantially represented by tangible fixed assets and are not readily available for spending. Excluding the FRS102 pension reserve and revaluation reserve above, the general unrestricted reserves were £62,901,743 (2023: £55,552,160), of which £59,654,123 (2023: £54,814,907) is represented by fixed assets.

The surplus on free reserves at 31 August 2024 of £3,247,620 (2023: £737,253) has significantly increased as a result of the annual surplus after taking account of the increase in fixed assets. This is consistent with the longer-term Development Plan cash flows, which are updated and reviewed by the Directors on a regular basis. Whilst the Directors consider that higher positive free reserves would be desirable, they recognise the demands of capital expenditure to equip the group with up-to-date facilities and to maintain the high standard of educational services provided. Therefore, achieving the desired positive free reserves level remains a longer term objective. The policy is managed prudently by ensuring that sufficient liquid assets are available.

Investment policy and objectives

The Company's Articles of Association empower it to invest and deal with the monies of the Company not immediately required as it thinks fit.

Composition fee funds for the Stowe group of schools are held under trust and administered by Stowe School Limited.

FUTURE PLANS

The key objectives for the group for the following year are consistent with those stated above, with particular emphasis on:

- 2025 targets for A-level: 70% A*B grades; for GCSE: 47% 7-9 grades
- All Prep School children being accepted into their first choice of senior schools
- Developing and consolidating the themes of the Learning Power Approach and Change Makers
- Working with SHPT to continue to restore and maintain Stowe House
- Finalising the new Design, Technology and Engineering building
- Generating, through the Campaign for Stowe, money towards bursaries (including Change 100) and scholarships and for specific projects, including sports facilities
- Continued integration of the Prep Schools into the Stowe group of schools

Post Balance Sheet Event

On 21 November 2024, Stowe School Limited agreed a merger with Ashfold School Trust Limited (Ashfold). Completion took place on 28 February 2025 and all assets and liabilities of Ashfold were transferred as of that date. The merger is expected to increase Stowe School Limited's net assets. Ashfold's results are not included in the results for the year to 31 August 2024.

Principal Risks and Uncertainties

The Governing Body is responsible for the management of the risks faced by the group and reviews the major risks and measures for mitigation as part of an annual process. The major risks are considered to be those that would prevent the group from carrying out its charitable objects permanently. Individual committees are responsible for reviewing and monitoring the management of risk in their particular area. The Governors are satisfied that the mitigation of the currently identified major risks, detailed below, has been or is being addressed as follows:

Failure to govern effectively	Governing Body, Nomination & Remuneration Committee
Failure to deliver educational objectives	Education and Prep School Committee
Failure to safeguard pupil welfare	Governing Body, Education, Prep School and Estates Committees
Regulatory non-compliance	All Committees
Fire in Stowe House / Prep Schools	Estates Committee
Impact of economic and political climate	Governing Body and Finance Committee
Major fraud or financial mismanagement	Finance Committee
Major operational failure	Governing Body and All Committees
Reputational risk	Governing Body and All Committees
Temporary closure of the Schools	Governing Body and Finance Committee

In assessing the risks, the impact on group activity, disruption, injury or property damage, loss of income, reputation, management focus, missed opportunity and strategic direction change are all considered. Risks are recorded in a register and assessed as to their impact and likelihood of materialising, with the register including controls and mitigation plans. Risks are classed as key, medium concern or manageable. The risk register is updated termly by the ELT and reviewed by Committees at least annually.

Auditors

Saffery LLP has expressed their willingness to remain in office as auditors of the Company.

This report, including the Strategic Report, was approved by the Board on 14 March 2025.



Andrew Butterworth, Company Secretary

Stowe School Limited
Independent auditor's report to the members
For the year ended 31 August 2024

Opinion

We have audited the financial statements of Stowe School Limited for the year ended 31 August 2024, which comprise the statement of financial activities, balance sheet, cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).
In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 August 2024 and of its incoming resources and application of resources, including its 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 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 charitable company 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 trustees' 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 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. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees (who are also 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 to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Further the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas, which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

.....
Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery LLP

71 Queen Victoria Street
London
Statutory Auditors EC4V 4BE

Date: 31 March 2025

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 31 August 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 £	2023 £
Income from:					
Charitable activities					
School fees receivable	1	42,059,599	-	42,059,599	39,090,684
Ancillary trading income	2	1,693,406	-	1,693,406	1,493,407
Other trading activities					
Non-ancillary trading income (covenants)	12	661,341	-	661,341	595,477
Other activities	3	90,338	-	90,338	74,734
Investments					
Bank and other interest	4	624,446	44,525	668,971	351,902
Voluntary sources					
Grants and donations	5	6,178,543	-	6,178,543	365,947
Total incoming resources		51,307,673	44,525	51,352,198	41,972,151
Expenditure on:					
Raising funds					
Financing costs	7	45,344	847	46,191	143,419
Fundraising and development		639,702	-	639,702	610,771
Total deductible costs		685,046	847	685,893	754,190
Charitable activities					
Education		43,261,052	46,666	43,307,718	41,288,309
Total expenditure	6	43,946,098	47,513	43,993,611	42,042,499
		7,361,575	(2,988)	7,358,587	(70,348)
Net Investment gains/(losses)	16	-	84,677	84,677	(2,256)
Net income		7,361,575	81,689	7,443,264	(72,604)
Other recognised gains and losses:					
Actuarial (losses)/gains on defined benefit pension schemes	21	(7)	-	(7)	230
Net movement in funds		7,361,568	81,689	7,443,257	(72,374)
Reconciliation of funds:					
Total funds brought forward	17	55,535,406	365,783	55,901,189	55,973,563
Total funds carried forward	17	62,896,974	447,472	63,344,446	55,901,189

All operations of the Company continued throughout both years and no operations were discontinued in either year. All recognised gains and losses during the year are included within the SoFA. The accompanying notes are an integral part of this SoFA.

Balance Sheet

As at 31 August 2024

	Notes	2024	2023
		£	£
Fixed assets			
Tangible assets	9	59,654,123	54,814,907
Investment in subsidiary undertakings	11	164,200	164,200
Composition fee fund investments	16	8,145,380	1,607,917
		67,963,703	56,587,024
Current assets			
Stocks	13	234,108	240,783
Debtors	14	32,741,381	12,491,621
Cash and deposits		23,185,293	10,630,734
		56,160,782	23,363,138
Creditors: amounts falling due within one year	15	(52,895,480)	(23,361,428)
Net current assets		3,265,302	1,710
Total assets less current liabilities		71,229,005	56,588,734
Long-term liabilities			
Creditors payable after one year			
Composition fees	16	(7,879,790)	(670,791)
		(7,879,790)	(670,791)
Net assets excluding pension liability		63,349,215	55,917,943
Defined benefit pension scheme liability	21	(4,769)	(16,754)
Net assets		63,344,446	55,901,189
The funds of the charity			
Unrestricted funds:			
General reserve		62,901,743	55,552,160
Pension reserve	21	(4,769)	(16,754)
		62,896,974	55,535,406
Restricted funds:			
General reserve	17	181,882	226,615
Revaluation reserve	17	265,590	139,168
		447,472	365,783
Total funds	17	63,344,446	55,901,189

Balance Sheet
As at 31 August 2024

The financial statements on pages 20 to 41 were approved by the board of Trustees on 14 March 2025 and signed on their behalf by:

Simon Creedy Smith
Trustee

Simon Cuerden
Trustee

Company number 187251

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

Cash Flow Statement

For the year ended 31 August 2024

	Notes	2024	2023
		£	£
Net cash inflow from operating activities	20	20,543,618	1,383,733
Cashflows from investing activities			
Interest received		716,750	394,978
Additions to composition fee investments		(10,021,396)	(324,924)
Realisation of composition fee investments		3,568,610	975,187
Donations and grants received		4,345,314	365,947
Payments for tangible fixed assets		(6,598,954)	(2,722,365)
Proceeds from sale of tangible fixed assets		617	836
Net cash outflow from investing activities		(6,155,830)	(1,310,341)
Change in cash and cash equivalents in the reporting year		12,554,559	73,392
Cash and cash equivalents at the beginning of the reporting year		10,630,734	10,557,342
Cash and cash equivalents at the end of the reporting year		23,185,293	10,630,734
Net cash movement	21	12,554,559	73,392

Accounting policies

The accounts have been prepared in accordance with Accounting and Reporting by Charities: the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), Charities SORP (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Stowe School Limited meets the definition of a public benefit entity under FRS102. The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

The accounts include a Statement of Financial Activities (SoFA) rather than a profit and loss account. The financial information is presented for Stowe School Limited as an individual undertaking and not for the group. The Directors have taken advantage of the SORP and of the Companies Act 2006 (S405(2)) exemption not to prepare group financial statements as they consider the effects of any changes would not be material to the financial statements of Stowe School Limited.

Having reviewed the funding facilities available to the Company, together with the expected ongoing demand for places and the Company's future projected cash flows, the Directors have a reasonable expectation that the Company has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. The functional currency is pounds sterling.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

a) Income and expenditure

School fees and operating expenses are included in the financial statements on an accruals basis. Registration fees are credited to income in the year in which they are received. All income and expenditure included in the financial statements is from continuing operations.

b) Investment income

Investment income is principally from bank balances and is accounted for on an accruals basis.

c) Income from voluntary sources

Income from voluntary sources (donations) is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Company is considered probable. Donations are accounted for as unrestricted income and credited to General Funds, as they relate to specific in year projects, and Trustees do not consider it necessary to set up separate restricted funds for each project.

Donations of tangible assets are capitalised at the estimated value as at the date of donation. Other donations are accounted for within the SoFA.

Donations from charitable mergers are accounted for within the SoFA as the fair value of net assets donated less any relevant merger costs incurred.

d) Grants

Grants are credited to income when receivable, irrespective of when the related expenditure is incurred.

e) 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 of the underlying assets, as

appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates. Repairs and maintenance expenditure is charged as an operating expense in the year in which it is incurred.

f) Governance costs

Governance costs are those incurred in complying with statutory requirements and governance matters.

g) Tangible assets and depreciation

Expenditure relating to the acquisition of and extensions to freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less depreciation. The Directors are aware that the realisable value is considerably greater than the original cost less depreciation.

Tangible assets are stated at cost less accumulated depreciation and any provision for impairment. Depreciation is provided on tangible assets other than land and historic buildings (the cost of which is not significant) on the first full month of use, so as to write off their cost by equal instalments over the expected useful lives of the assets concerned. The estimated useful lives are considered to be as follows:

Astroturf facility	10 years	Central heating	20 years
Technology equipment	4 to 10 years	Freehold buildings	15 to 50 years
Furniture, fixtures and fittings	5 to 25 years	Motor vehicles	4 to 7 years
Plant and equipment	5 to 25 years	Property improvements	5 to 50 years

Assets costing under £1,000 are not capitalised.

Land and buildings are reviewed annually for impairment. Assets in the course of construction are not depreciated until they are brought into use.

h) Heritage assets

Stowe School acquired Stowe House in 1923; the House is leased to SHPT with a coterminous leaseback to Stowe School for 99 years effective from 1 January 2000. The House is occupied by the School as an operational asset. Stowe House is included in the balance sheet at cost. The School considers that its owned paintings, statues and busts on display and in archive are operational assets.

i) Investments and Investment properties

Investments are shown at market value, less any provision for diminution in value. Gains and losses are included in the SoFA. Investments in subsidiary undertakings are shown at cost, less any provision for permanent diminution in value.

j) Stocks

Stocks are stated at the lower of cost and net realisable value.

k) Debtors

Debtors in respect of school fees are recognised at the point of issuing invoices and after the bad debt provision. If the pupil withdraws before the start of term, the next term's fees are still due for settlement. In the year to 31 August 2024, fee invoices were raised for the whole of the academic year 2024/25.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accounting policies *(continued)*

l) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term, highly liquid investments with a short maturity of one year or less from the date of acquisition or opening of the deposit account or similar account.

m) Deferred income

Deferred income represents income after scholarships, bursaries and discounts awarded for the first term of the following academic year and therefore relates to the following financial year. In the year to 31 August 2024, deferred income relates to the entire academic year.

n) Creditors and provisions

Creditors and provisions are recognised where the Company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Operating leases

Assets held under operating leases are not capitalised. The costs associated with hire rental are charged directly to income as they arise.

p) Pensions

Stowe School's professional teaching staff are members of a Superannuation Scheme operated by the Department for Education. This is a multi-employer defined benefit scheme and individual schools are not able to identify their share of the underlying assets and liabilities of the scheme.

Other staff are members of a defined contribution scheme or a multi-employer defined benefit scheme. The amount charged to the SoFA in respect of pension costs is the contribution 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.

q) Composition fees

Composition fees represent payments in advance in respect of school fees for pupils, present and future, and, in respect of Stowe School only, are deposited with Stowe School Limited, as Trustee, for investment. A transfer to the SoFA is made each term in respect of school fees which are then due.

r) Support costs

Support costs are administration and other costs incurred in supporting the charitable activities.

s) Critical accounting judgement and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised where the revision affects only that year, or in the year of the revision and future years where the revision affects both current and future years.

1 School fees receivable

	2024 £	2023 £
Gross school fees	46,694,363	43,361,272
Less: Scholarships, bursaries and allowances	(4,634,764)	(4,270,588)
	42,059,599	39,090,684

2 Ancillary trading income

	2024 £	2023 £
Pupil extras	1,148,977	1,000,829
Registration fees	181,190	186,109
Rental income	111,126	100,068
Other income	252,113	206,401
	1,693,406	1,493,407

3 Other activities

	2024 £	2023 £
Interest on overdue accounts	90,338	74,734

4 Bank and other interest

	2024 £	2023 £
Interest and dividends on composition fee investments (note 16)	25,906	31,658
Bank interest receivable	616,168	312,270
Net present value movement on composition fee investment	16,653	-
Interest from SEL loan	10,244	7,974
	668,971	351,902

5 Grants and donations

	2024 £	2023 £
Donations	6,178,543	365,947

6 Analysis of total expenditure

	Staff costs £	Other costs £	Depreciation £	2024 £
Expenditure on raising funds				
Financing costs (note 7)	-	46,191	-	46,191
Fundraising and development	498,663	141,039	-	639,702
Total costs of generating funds	498,663	187,230	-	685,893
Charitable activities				
Teaching	16,863,892	1,828,784	401,470	19,094,146
Welfare	2,864,834	4,647,053	125,154	7,637,041
Premises repairs and maintenance	2,479,239	5,945,219	2,310,211	10,734,669
Support costs and governance	2,871,279	2,897,736	72,847	5,841,862
Total charitable expenditure	25,079,244	15,318,792	2,909,682	43,307,718
Total expenditure	25,577,907	15,506,022	2,909,682	43,993,611

	Staff costs £	Other costs £	Depreciation £	2023 £
Expenditure on raising funds				
Financing costs (note 7)	-	143,419	-	143,419
Fundraising and development	519,701	91,070	-	610,771
Total costs of generating funds	519,701	234,489	-	754,190
Charitable activities				
Teaching	16,020,736	1,721,624	442,523	18,184,883
Welfare	3,482,878	3,368,251	134,102	6,985,231
Premises repairs and maintenance	2,162,009	6,396,352	2,234,145	10,792,506
Support costs and governance	2,798,325	2,460,349	67,015	5,325,689
Total charitable expenditure	24,463,948	13,946,576	2,877,785	41,288,309
Total expenditure	24,983,649	14,181,065	2,877,785	42,042,499

Governance included in support costs:

	2024	2023
	£	£
Remuneration paid to auditors for audit services	47,031	38,297
Directors – travel and subsistence costs	10,198	9,027
Other governance costs	5,232	4,996
	62,461	52,320

The Directors and Company Secretary did not receive any emoluments during the year (2023: £nil) and none received retirement or other benefits from the School. Travel and subsistence expenses were claimed by 25 (2023: 19) individuals, who were reimbursed directly or indirectly.

In addition to the above audit remuneration, the auditors performed other services with fees totalling £1,584 (2023: £5,638).

7 Financing costs

	2024	2024
	£	£
Commitment fee on rolling credit facility	29,851	29,041
Net present value movement on composition fee investment	-	96,939
Investment charges on composition fees investments (note 16)	813	3,443
Bank charges	15,527	13,996
	46,191	143,419

8 Staff costs

Total staff costs were:	2024	2023
	£	£
Salaries and wages	20,914,420	20,470,541
Social security costs	1,987,388	2,008,272
Other pension costs	2,676,099	2,504,836
	25,577,907	24,983,649

The aggregate employee remuneration and benefits of the key management personnel were:	1,584,857	1,658,867

The total staff costs above include payments relating to departing staff of £208,842 (2023: £175,861).

	2024 Number	2023 Number
The average number of employees of the Company during the financial year was as follows:		
Teaching and teaching support staff	326	324
Visiting music teachers	40	38
Establishment and administrative staff	341	366
	707	728
The average FTE of employees of the Company during the financial year was as follows:		
Teaching and teaching support staff	268	268
Visiting music teachers	10	10
Establishment and administrative staff	251	263
	529	541
The number of staff in pension schemes was as follows:		
Money purchase schemes	492	477
Teachers' pensions scheme	110	123
	602	600

The staging date for pension auto enrolment was October 2013 and the most recent re-enrolment date was 1 November 2022, which required staff who opted out to elect to be enrolled or opt out again.

The number of employees whose emoluments exceeded £60,000 were:	2024 Number	2023 Number
£60,001 - £70,000	23	23
£70,001 - £80,000	12	7
£80,001 - £90,000	2	-
£90,001 - £100,000	3	4
£100,001 - £110,000	2	1
£110,001 - £120,000	1	1
£130,001 - £140,000	-	1
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-
£210,001 - £220,000	1	1
£290,001 - £300,000	-	1
£300,001 - £310,000	1	-

Stowe School Limited's pension contributions for the above 46 (2023: 40) employees totalled £581,623 (2023: £457,387), divided between Teachers' Pensions £392,259 (2023: £334,043) and other schemes £189,364 (2023: £123,344).

The emoluments of the highest paid employee reflect the fact that employer pension contributions of 16.48% of salary to the Teachers' Pensions Scheme ceased with effect from 31 May 2016, at which time the salary was increased by an amount equivalent to the contributions foregone.

9 Tangible fixed assets

	Freehold Property £	Property Improvements £	Plant & Equipment £	Computer Equipment £	Furniture, Fixtures & Fittings £	Motor Vehicles £	Total £
Cost							
1 September 2023	33,663,314	40,799,206	2,850,443	1,783,701	4,314,055	1,089,162	84,499,881
Reclassification	-	-	-	-	-	-	-
Additions	5,724,933	1,244,893	211,923	73,519	454,410	39,219	7,748,897
Disposals	-	-	-	0	-	-	0
31 August 2024	39,388,247	42,044,099	3,062,366	1,857,220	4,768,465	1,128,381	92,248,778
Depreciation							
1 September 2023	6,869,245	14,802,372	2,309,867	1,589,763	3,359,898	753,828	29,684,973
Reclassification	-	-	-	-	-	-	-
Charge for Year	670,813	1,650,657	129,220	110,131	212,058	136,803	2,909,682
Disposals	-	-	-	0	-	-	0
31 August 2024	7,540,058	16,453,029	2,439,087	1,699,894	3,571,956	890,631	32,594,655
Net Book Value							
31 August 2024	31,848,189	25,591,070	623,279	157,326	1,196,509	237,750	59,654,123
1 September 2023	26,794,069	25,996,836	540,575	193,938	954,156	335,334	54,814,908

The assets acquired from the Prep Schools are included at their fair value as at January 2021, when the Prep Schools were acquired by means of charitable mergers.

Within additions, £6,901,397 (2023: £855,245) of assets are under construction, most notably the Design, Technology and Engineering building and the conversion of Bruce House from a boys to a girls house. £6,078,829 (2023: £91,790) of donations and grants were used to fund capital additions in the year.

10 Capital commitments

There was £1,482,189 of capital expenditure authorised and contracted for at the balance sheet date (2023: £796,814).

11 Investment in subsidiary undertakings

	2024 £	2023 £
Stowe Enterprises Limited - shares at cost	100	100
Stowe Enterprises Limited - interest bearing loan	164,000	164,000
Stowe School Developments Limited – shares at cost	100	100
	164,200	164,200

For additional information refer to note 12 – Related party transactions.

12 Related party transactions

Stowe School Limited owns the whole of the issued ordinary share capital of Stowe Enterprises Limited (SEL), a company registered in England. Stowe School Limited allows SEL to make available the facilities of the School for use by the public and to operate the School shop.

SEL prepares its annual accounts to 31 December, an accounting date which the Directors of SEL consider to be appropriate for administrative reasons. The taxable profits of SEL are donated to the School each year.

The last audited accounts of SEL were for the year ended 31 December 2023. The following information is disclosed in respect of SEL:

	31 December 2023	31 December 2022
	£	£
Turnover	2,258,345	1,940,360
Expenditure	(1,632,692)	(1,398,303)
Profit for the financial year	625,653	542,057
Donated to the school	(625,653)	(542,057)
Result for the year	-	-
Balance of capital and reserves	644,102	560,505

Stowe School Limited recharged costs to SEL during the year of £478,379 (2023: £458,944). SEL received income from the School for purchases made in the School shop during the year of £99,516 (2023: £127,915). At the year end the amount owed by SEL to the School was £110,671 (2023: £262,857).

The total taxable profits donated to the Company were:

	2024	2023
	£	£
SEL	625,653	542,057
WHS Trading Limited (WHT)	35,688	53,420
	661,341	595,477

As part of the acquisition in January 2021 of WHS, WHS's trading company, WHT, was transferred to become a subsidiary of SEL.

The last audited accounts of WHT were for the year ended 31 December 2023. The following information is disclosed in respect of WHT:

	31 December 2023	31 December 2022
	£	£
Turnover	53,888	73,073
Expenditure	(18,200)	(19,652)
Profit for the financial year	35,688	53,421
Donated to the school	(35,688)	(53,421)
Result for the year	-	-
Balance of capital and reserves	53,719	71,452

No recharges were made to WHT by the Company. At the year end the amount owed by WHT to the Company was £1,446 and at 31 August 2023 the Company owed WHT £5,360.

During the year to 31 July 2011 the Company acquired the whole of the issued ordinary share capital of Stowe School Developments Limited (SSDL), a company registered in England. The company had turnover of £nil (2022: £50,000) and made a loss of £9,638 (2022: profit of £9,547) in the year to 31 December 2023. At the year end the amount owed by SSDL to the Company was £58,772 (2023: £40,737).

SSDL owns the whole of the issued share capital of Stowe UAE Limited and Stowe China Limited. Stowe UAE received no income in the year to 31 December 2023 (2022: £nil). At the year end the amount owed by Stowe UAE to the Company was £3,438 (2023: £3,425). Stowe China received no income in the year to 31 December 2023 (2022: £nil). At the year end the amount owed to the Company by Stowe China was £595 (2023: £582).

A company controlled by Mr R Greaves, a former Trustee, and his family provided supplies to the Company totalling £1,455 in 2023. Mr R Greaves has resigned from his position of a Trustee now, and the reporting obligation has ceased.

13 Stocks

	2024 £	2023 £
Raw materials and consumables	234,108	240,783

The replacement cost of stocks is not considered to be materially different from their historical cost.

14 Debtors

	2024 £	2023 £
Debtors in respect of school fees	29,200,352	10,700,726
Other debtors	235,095	201,459
Prepayments and accrued income	3,130,306	1,281,835
Amounts owed by subsidiary undertakings (note 12)	175,628	307,601
	32,741,381	12,491,621

Debtors increased in 2024 following a decision to invoice for the whole academic year 2024/25 in July 2024.

15 Creditors: amounts falling due within one year

	2024 £	2023 £
Deferred income	43,291,262	13,884,936
School fees paid on account	363,266	1,286,735
Deposits paid on account	3,467,611	3,361,714
Trade creditors	2,439,214	1,103,452
Other creditors	540,607	468,082
Taxation and social security	472,981	489,809
Accruals	2,320,539	1,968,742
Current portion of Composition fees (note 16)	-	797,958
	52,895,480	23,361,428

Deferred income represents income relating to the next financial year.

16 Composition fee fund investments

Composition fees represent fees paid by parents to the Stowe group of schools up to the equivalent of five years' fees in advance and are held separately from the general funds of the company, with Stowe School Limited as Trustee. The Directors have delegated the day-to-day management of the investments to CCLA, to whom the investments were transferred during the year from Evelyn Partners Investment Management LLP.

	2024	2023
	£	£
Market value at 1 September	1,607,917	2,329,801
Composition fees received and invested	9,996,367	441,219
Composition fees received in error	-	(69,418)
Cash in transit (to)/from group	-	(144,511)
Net income arising reinvested	25,029	28,269
Applied to school fees	(3,568,610)	(975,187)
Investment gain/(loss) during the year	84,677	(2,256)
Market value at 31 August	8,145,380	1,607,917
Historical cost at 31 August	7,911,436	1,457,098

Listed investments:	£	£
UK Fixed Interest	629,007	943,046
UK Equities	630,898	330,202
	1,259,905	1,273,248
Deposit Account	6,838,315	25,409
Total Investments	8,098,220	1,298,657
Cash at Bank	226,198	309,260
Cash in Transit from the group	(179,038)	-
Total Composition fee fund investments	8,145,380	1,607,917

Assuming pupils remain at the relevant school, advance fees will be applied as follows:

	£	£
Greater than five years	688,491	-
Between two and five years	3,380,724	338,596
Between one and two years	3,810,575	332,195
	7,879,790	670,791
In one year or less	-	797,958
Net present value	7,879,790	1,468,749

17 The funds of the Charity

	Unrestricted general funds	Composition fee restricted funds	Stowe Harvard restricted funds	Other restricted funds	Total restricted funds	Total funds
	£	£	£	£	£	£
At 1 September 2023	55,535,406	139,168	123,774	102,841	365,783	55,901,189
Net movement in funds	7,361,568	126,422	(44,733)	-	81,689	7,443,257
At 31 August 2024	62,896,974	265,590	79,041	102,841	447,472	63,344,446

Analysis of net assets

	£	£	£	£	£	£
Tangible fixed assets	59,654,123	-	-	-	-	59,654,123
Investments	164,200	8,145,380	-	-	8,145,380	8,309,580
Current assets	55,978,900	-	79,041	102,841	181,882	56,160,782
Creditors amounts falling due within one year	(52,895,480)	-	-	-	-	(52,895,480)
Creditors payable after one year	-	(7,879,790)	-	-	(7,879,790)	(7,879,790)
Provisions	(4,769)	-	-	-	-	(4,769)
At 31 August 2024	62,896,974	265,590	79,041	102,841	447,472	63,344,446

Unrestricted funds

Within the Unrestricted funds is a pension reserve of £4,769 (2023: £16,754) relating to a defined benefit scheme provision (see note 21).

Restricted funds (Composition and Stowe Harvard)

Within the Restricted funds is £79,041 (2023: £123,774) relating to the Stowe Harvard Fund, whose funds are to be used towards the costs of the Stowe Harvard Fellowship and a revaluation reserve of £265,590 (2023: £139,168) which reflects the difference between the market value of the composition fee investments and the net present value of future fee commitments at 31 August 2024 (see note 16).

An analysis of the Funds of the Company for last year can be found at note 25.

Other Restricted Funds
These represent the following restricted funds at WHS:

	2024	2023
	£	£
Prize fund	64	64
Bursary fund	38,232	38,232
Gifts fund	1,751	1,751
Development fund	62,794	62,794
	102,841	102,841

18 Operating leases

Other Assets - Total commitments relating to operating leases:	2024	2023
	£	£
Less than one year	219,022	217,751
Between two and five years	306,537	286,120
Over five years	16,982	-

During the year £273,204 (2023: £192,304) was spent on operating leases.

Property Assets – Total commitments relating to operating leases:

Stowe House: The house has been leased to SHPT, with a coterminous leaseback to Stowe School Ltd for 99 years, effective from 1 January 2000 (no break clauses). The arrangements were confirmed under Charity Order 0149530D dated 10 November 1999.

The lease charge represents the rent payable to SHPT for the School's occupation of Stowe House. The lease charge is reviewed every five years (next review 2028); the charge for the year is £202,486 (2023: £185,791).

The total minimum lease payments remaining on this lease are £7.5 million, over the remaining 75 years.

National Trust: An agreement was made on 29 March 1990 between the Company and the National Trust to lease, surrender and develop various premises and land at Stowe, Buckinghamshire for 190 years.

The lease charge represents the rent payable to the National Trust for the School's occupation of certain properties. The lease charge is reviewed every five years (next review March 2027). The charge for the year is £15,602 (2023: £15,609).

The total minimum lease payments remaining on this lease at the current rate of charge are £2.4 million, over the remaining 157 years. The exact amount payable depends on the properties used by the School.

SHS: An agreement was made on 5 January 2021 between SHS and its landlord to lease various parts of the Prep School for 27 years, with payments starting from 1 September 2021. The charge for the year was £111,145 (2023: £83,189).

The total minimum lease payments remaining on these leases are £1.2 million, over the remaining periods of the leases. The exact amount payable depends in part on pupil numbers.

SHS also rents one residential property. The lease payment for the year was £2,150 (2023: £25,800). The lease ended October 2023.

19 Reconciliation of net movement in funds to net cash inflow from operating activities

	2024 £	2023 £
Net income	7,443,264	(72,604)
Donations received	(6,178,543)	(365,947)
Interest received	(716,750)	(394,978)
Operating (deficit)/surplus for the year	547,971	(833,529)
Depreciation charges	2,909,682	2,877,785
Gain on disposal of fixed assets	(617)	(836)
Unrealised (gain)/loss arising on revaluation of investments	(84,677)	2,256
Decrease/(increase) in stocks	6,675	28,599
(Increase)/decrease in debtors	(18,416,531)	(798,482)
Increase/(decrease) in creditors	35,593,107	119,741
(Decrease)/increase in provision	(11,992)	(11,801)
Net cash inflow from operating activities	20,543,618	1,383,733

20 Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash and cash equivalents			
Cash	10,630,734	12,554,559	23,185,293
	10,630,734	12,554,559	23,185,293

21 Pensions Schemes

Teachers' Pensions

Stowe School participates in the Teachers' Pensions Scheme (the TPS) for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,297,986 (2023: £1,312,818) and at the year-end £147,051 (2023: £145,538) was accrued in respect of contributions to this scheme.

With effect from September 2024, Stowe School has partially withdrawn from the TPS. This means that new teachers will join the Royal London Group Pension Scheme (RLGPS), while existing teaching staff are given the option to remain or opt out. The Prep Schools' teaching staff are all in the RLGPS. As of 1 September 2024, the vast majority of teachers at Stowe School had opted out of the TPS.

The TPS is an unfunded, multi-employer defined benefits pension scheme governed by the Teachers' Pensions Scheme Regulations 2014. 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 following scheme valuations undertaken by the Government Actuary's Department.

The latest actuarial valuation was completed in 2018, which determined the opening balance of the cost cap fund and also provided an analysis of the cost cap as required by the Public Service Pensions Act 2013. The employers' contribution rate for the TPS increased to 28.60% (previously 23.60%) from 1 April 2024 and the employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68% (previously 23.68%).

Support Staff Pensions

Stowe School's support staff used to have the opportunity to join either the Pensions Trust Growth Plan Series 4, the Pensions Trust Flexible Retirement Plan or the RLGPS. These schemes are defined contribution schemes.

The School also participates in a Pensions Trust multi-employer scheme (i.e. all employers that employed active members before 1 October 2001) which provides benefits to some 638 non-associated participating employers; the Growth Plan Series 1, 2 and 3 are defined benefit schemes in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

From 1 September 2024, all active members moved from this scheme to the RLGPS.

The scheme is subject to the funding legislation outlined in the Pension Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last–man standing arrangement'. Therefore, the Company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m, resulting in a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions: from 1 April 2022 to 31 January 2025 - £3,312,000 per annum (payable monthly).

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions: from 1 April 2019 to 30 September 2025 - £11,243,000 per annum (payable monthly and increasing by 3% on each 1 April).

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

The additional contributions required from Stowe School Limited from 1 April 2013 were agreed at £49,507 per annum (rising by inflation annually) for 10 years. The additional contributions made in the year totalled £12,622 (2023: £12,621). Where the scheme is in deficit and where the Company has agreed to a deficit funding arrangement, the Company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using an appropriate discount rate. The unwinding of the discount rate is recognised as a finance cost.

On 1 September 2024, all active members of the Growth Plan were moved to the RLGPS. This will trigger a debt on withdrawal from the Growth Plan, which is yet to be finalised. At 30 September 2023, Stowe School's liability on withdrawal or the "buy out" basis was estimated at £106,537. This was provided for at the year end, whilst the final calculation is determined.

The pension charge for the year includes contributions payable to these schemes of £1,378,113 (2023: £1,192,018) and at the year-end £189,827 (2023: £111,272) was accrued in respect of contributions to this scheme.

Net present value of provision

	2024	2023
	£	£
Net present value of provision	4,769	16,754

Reconciliation of opening and closing provision

	2024	2023
	£	£
Provision at start of year	16,754	28,555
Unwinding of the discount factor (interest expense)	630	991
Deficit contribution paid	(12,622)	(12,621)
Re-measurements – impact of any change in assumptions	7	(171)
Provision at end of year	4,769	16,754

SoFA impact

	2024	2023
	£	£
Interest expense	630	991
Re-measurements – impact of any change in assumptions	7	(171)
Costs recognised in SoFA	12,622	12,621
Impact at end of the year	13,259	13,441

22 Legal charges

The Company renewed a Revolving Credit Facility (RCF) for five years, from June 2022. The RCF is secured by legal charges on Stowe School's domestic properties.

23 Post balance sheet event

On 21 November 2024, Stowe School Limited agreed a merger with Ashfold School Trust Limited (Ashfold). Completion took place on 28 February 2025 and all assets and liabilities of Ashfold were transferred as of that date. The merger is expected to increase Stowe School Limited's net assets. Ashfold's results are not included in the results for the year to 31 August 2024.

24 Statement of Financial Activities (incorporating an income and expenditure account) for prior year

	Unrestricted funds £	Restricted funds £	2023 £	2022 £
Income from:				
Charitable activities				
School fees receivable	39,090,684	-	39,090,684	36,529,460
Ancillary trading income	1,493,407	-	1,493,407	1,745,407
Other trading activities				
Non-ancillary trading income (covenants)	595,477	-	595,477	385,735
Other activities	74,734	-	74,734	29,364
Investments				
Bank and other interest	318,786	33,116	351,902	90,001
Voluntary sources				
Grants and donations	288,604	77,343	365,947	1,729,640
Total incoming resources	41,861,692	110,459	41,972,151	40,509,607
Expenditure on:				
Raising funds				
Financing costs	43,037	100,382	143,419	82,449
Fundraising and development	610,771	-	610,771	575,742
Total deductible costs	653,808	100,382	754,190	658,191
Charitable activities				
Education	41,247,109	41,200	41,288,309	37,693,412
Total expenditure	41,900,917	141,582	42,042,499	38,351,603
	(39,225)	(31,123)	(70,348)	2,158,004
Net Investment (losses)/gains	-	(2,256)	(2,256)	(81,824)
Net income	(39,225)	(33,379)	(72,604)	2,076,180
Other recognised gains and losses:				
Actuarial gains on defined benefit pension schemes	230	-	230	110,252
Net movement in funds	(38,995)	(33,379)	(72,374)	2,186,432
Reconciliation of funds:				
Total funds brought forward	55,574,401	399,162	55,973,563	53,787,131
Total funds carried forward	55,535,406	365,783	55,901,189	55,973,563

25 The funds of the Company for prior year

	Unrestricted general funds	Composition fee restricted funds	Stowe Harvard restricted funds	Other restricted funds	Total restricted funds	Total funds
	£	£	£	£	£	£
At 1 September 2022	55,574,401	210,148	86,199	102,815	399,162	53,787,131
Net movement in funds	(38,995)	(70,980)	37,575	26	(33,379)	2,186,432
At 31 August 2023	55,535,406	139,168	123,774	102,841	365,783	55,901,189

Analysis of net assets

	£	£	£	£	£	£
Tangible fixed assets	54,814,907	-	-	-	-	54,814,907
Investments	164,200	1,607,917	-	-	1,607,917	1,772,117
Current assets	23,136,523	-	123,774	102,841	226,615	23,363,138
Creditors amounts falling due within one year	(22,563,470)	(797,958)	-	-	(797,958)	(23,361,428)
Creditors payable after one year	-	(670,791)	-	-	(670,791)	(670,791)
Provisions	(16,754)	-	-	-	-	(16,754)
At 31 August 2023	55,535,406	139,168	123,774	102,841	365,783	55,901,189

STOWE SCHOOL LIMITED

England & Wales - Charity number 310639

Accounts

Stowe School Limited

(Limited by Guarantee)

Financial statements 31 August 2023

together with Trustees' and Auditor's reports

Registered number: 187251

Charity number: 310639

Directors and Officers

Directors

Simon Charles Creedy Smith BA, FCA
The Reverend Canon Peter Michael Ackroyd MA, MBA, MA, PhD
Rowena Bolton BSc, BArch, RIBA, ARB
Patrick Bradshaw BA
Her Honour Judge Rebecca Brown BA
Julie Christine Brunskill BSc, MRICS
Haydn Cole BA, MRICS, MCR
Simon Cuerden BA, ACA
Rupert Fordham BA (Cantab)
John Philip Cardain Frost BSc, MRICS
Richard Greaves BA
Will Jakeman BSc, PGCE
Sunjeewa Jayawardena BSc, MBA
Andrea Karen Johnson BSc, PGCE
Mairi Johnstone LLB, DipLP, BSc, MBA, GradCG
Catriona Helen Lloyd MA (Cantab)
Alexander Muirhead
Christopher John Tate BA, MIMC
Jena Ntumba
Emma Taylor MA (Oxon) PGCE
Christopher James Wheeler BA, MBA, PGCE, FRSA

Company Secretary

Michael Porter BA, MSc

Registered and Principal Office

Stowe School
Stowe
Buckingham
MK18 5EH

Independent Auditors

Saffery LLP
71 Queen Victoria Street
London
EC4V 4BE

Bankers

Barclays Bank Plc
Wytham Court
11 West Way
Oxford OX2 0JB

Financial Statements

The Directors, who are also referred to as Governors and who are also Charity Trustees as defined in the Charities Act 2011, present their annual report and audited financial statements for the year ended 31 August 2023.

The financial statements comply with the Companies Act 2006, Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102).

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Trustees' Report, including the Strategic Report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing these financial statements, the Directors are required to:

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

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Directors are aware, there is no relevant audit information of which the charitable company's auditors are unaware and the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Company is limited by guarantee and governed by the provisions in the Articles of Association adopted by Special Resolution on 6 October 2020; these replaced the Memorandum and Articles of Association, dated 20 January 1923 (as altered by Special Resolution on 25 September 1951). Each of the seven Members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the Company in the event of the same being wound up and the assets being insufficient to cover the Company's debts and liabilities.

Stowe School Limited is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On 26 September 2013, the Allied Schools signed a new Management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency Limited to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT.

Charitable Status

The Company is a registered charity with registered charity number 310639.

Governing Body

The Directors constitute the Governing Body and are elected by the Governing Body, except that two Directors are nominated by the MMT if the total does not exceed twelve, three if the number exceeds twelve but does not exceed eighteen and four if the number exceeds eighteen. The Directors nominated by the MMT are The Reverend Peter Ackroyd, Mrs Johnstone, Mrs Taylor and Mr Wheeler.

The Directors of the Company serving since 1 September 2022 were as follows:

Simon Charles Creedy Smith BA, FCA
The Reverend Canon Peter Michael Ackroyd MA, MBA, MA, PhD
Jonathan Michael Arundell Bewes BA, FCA (resigned 2 December 2023)
Rowena Bolton BSc, BArch, RIBA (appointed 25 January 2024)
Patrick Bradshaw BA
Her Honour Judge Rebecca Brown BA
Julie Christine Brunskill BSc, MRICS
Haydn Cole BA, MRICS, MCR (appointed 25 January 2024)
Simon Cuerden BA, ACA (appointed 1 September 2022)
Elizabeth de Burgh Sidley BA, FRICS (resigned 27 February 2024)
Rupert Fordham BA (Cantab)
John Philip Cardain Frost BSc MRICS
Richard Greaves BA (resigned 15 March 2024)
Joanne Elizabeth Hastie-Smith (resigned 23 June 2023)
Will Jakeman BSc, PGCE (appointed 14 November 2022)
Sunjeewa Jayawardena BSc, MBA
Mairi Johnstone LLB, DipLP, BSc, MBA, GradCG
Andrea Karen Johnson BSc, PGCE
Catriona Helen Lloyd MA (Cantab)
Alexander Muirhead
Christopher John Tate BA, MIMC
Jena Ntumba (appointed 21 June 2023)
Emma Taylor MA (Oxon) PGCE (appointed 6 October 2023)
Christopher James Wheeler BA, MBA, PGCE, FRSA (appointed 23 June 2023)

In accordance with the Articles of Association Mr Bradshaw, Her Honour Judge Brown, Mr Fordham, Mr Jayawardena, Mrs Johnstone, Mr Muirhead and Mr Wheeler retire by rotation and being eligible offer themselves for re-election.

Induction and Training of Directors

When new Directors are appointed, care is taken to ensure that the appropriate skills and experience relevant to the Governing Body are represented. Each new Director is provided with an information pack and a list of relevant training courses, some of which they are expected to attend. They are inducted into the workings of Stowe School Limited through a visit programme, discussion and an introductory pack. All Directors receive information on governor training update courses.

Governance

The Directors are responsible for the overall management and control of Stowe School Limited and meet four times a year. The work of overseeing the implementation of the group's policies is carried out by committees appointed by the Directors for that purpose (Executive; Education; Estates; Finance; Marketing & Admissions; Nomination & Remuneration and Prep School), which usually meet in the weeks preceding meetings of the full Governing Body. These committees perform detailed reviews within their areas of responsibility. The day to day running of Stowe School Limited is delegated to the Head of Stowe School and the Executive Leadership Team (ELT), who are considered the key management personnel of the charity.

Head of Stowe School	Dr Anthony Wallersteiner
Senior Deputy Head	Liam Copley
Deputy Head Pastoral	Michael Rickner
Deputy Head Academic	Dr Julie Potter
Designated Safeguarding Lead (DSL)	Michael Rickner
Finance	Mark Greaves
Strategic Development & Fundraising	Colin Dudgeon
Marketing and Admissions	Tori Roddy
People	Jaime Chahal
ICT	Aditya Gupta
Head of Swanbourne House	Nick Holloway
Head of Winchester House	Antonia Lee

The Head and members of the ELT attend meetings of the above committees, as appropriate.

Key Management Personnel Remuneration

The pay of the Head of Stowe School is reviewed annually by the Nomination & Remuneration Committee. The pay of the remaining members of the ELT is reviewed annually by the Head and by the Nomination & Remuneration Committee. Pay is subject to performance and market forces.

All Directors give freely of their time and no Director remuneration was paid in the year. Details of Directors' expenses and related party transactions are disclosed in the financial statements.

Directors are required to disclose all relevant interests in accordance with our policy and withdraw from decisions where a conflict of interest arises.

The Stowe Group of Schools

On 5 January 2021, the mergers of Swanbourne House School (SHS) and Winchester House School (WHS) (together the Prep Schools) with Stowe School were completed. Stowe School has taken on all the assets and liabilities of both preparatory schools. Both schools have a long tradition of sending pupils to Stowe School. The Stowe group of schools now offers an educational pathway for over 1,500 children from 3-18 years old. It allows member schools to benefit from a wealth of shared expertise and enables both preparatory schools to benefit from the many facilities and opportunities that the Stowe group provides. It also provides opportunities for sharing strategic leadership, resources for professional development and ideas as well as delivering cost efficiencies across the group.

Group Structure and Relationships

Stowe School Limited comprises the assets and liabilities of all three schools in one charitable body with one set of Governors.

Stowe School Limited has a wholly owned non-charitable trading subsidiary, Stowe Enterprises Limited (SEL), which operates the School shop and makes available the facilities of the School to the public and various organisations for events, educational and leisure purposes. SEL owns the trading subsidiary Winchester House Trading Limited (WHT) and operates across the Stowe group of schools.

Stowe School Limited, in conjunction with its partners on the Stowe site, being The National Trust and The Stowe House Preservation Trust Limited (SHPT), assists in the restoration of Stowe (Stowe House and Stowe Landscape Garden) and the improvement of the visitor experience. Stowe House is open to the public on over 200 days in a normal year.

Stowe School Limited works closely with The Stowe School Foundation (SSF), a separate charity. The Trustees of SSF can apply the capital and income of the trust, both for the provision of educational resource and facilities at the School and for scholarships and bursaries, as well as the provision of any other financial support to Stowe School Limited as the Trustees may from time to time decide. SSF has three ex officio Trustees, between two and six nominated Trustees, appointed by Stowe School Limited, and up to four co-opted Trustees appointed by the Trustees.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charity's objects and aims

The primary objects of the charity as set out in its Articles of Association are to provide education in accordance with the Protestant principles of the Church of England. The main aim of the charity is to provide public benefit through the use of the Stowe group of schools for the provision of education (which includes an understanding of culture and heritage) to its pupils.

To achieve this aim the charity seeks to maintain the Stowe group of schools' reputation as a centre of excellence in education, culture and heritage at a local, regional and national level by:

- maintaining and promoting the Stowe group of schools as one of Britain's best, national co-educational group of boarding and day schools for fee-paying and supported pupils, offering a combination of high academic standards and outstanding pastoral care, with first class facilities and infrastructure that provide an efficient and cost effective education;

- delivering a rich provision in sport, music, art, drama and other activities in an inspiring, sustainable environment; and

- working in partnership with The National Trust and SHPT to make the internationally significant Stowe landscaped Gardens and Mansion accessible to members of the public, as a means of widening access and sharing the heritage and history of Stowe with a diverse audience, which in turn contributes to achieving the charity's primary object of education.

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education, when reviewing the future aims and objectives.

Strategies and objectives for the year

The main strategies and objectives for the charity to achieve the aims have included:

Strategies for Education

- Promote a supportive, secure and nurturing environment that places a high premium on the emotional, physical and mental well-being of every pupil by providing the highest standards of pastoral care and a culture of responsibility, tolerance, attachment and inclusiveness with equality of opportunity for all.

- Promote the highest standards of teaching in the curriculum as well as fostering curiosity, love of subject, wider reading, creativity, intellectual risk-taking and the pursuit of individual or specialised talents in the belief that all pupils have the capacity to respond to and benefit from greater stretching and higher expectations.

- Steady recruitment to maintain a full school with a pupil roll of up to 950 pupils at Stowe School with applications exceeding capacity and an appropriate balance between UK and overseas students, whilst safeguarding Stowe as a co-educational, predominantly boarding school.

- Steady recruitment for the Prep Schools with a pupil roll of over 600 pupils.

Main objectives for the year

- 2023 targets for A levels: 80% A*B grades; for GCSE: 55% 7-9 or A*A grades.

- For the Prep Schools to achieve entry to pupils' first choice of a wide range of secondary schools and a wide range of scholarships and exhibitions to Senior Schools.

- Developing the theme of Change Makers to maintain the group's reputation for innovation by building on previous themes such as Growth Mindset, Marginal Gains, Effective Teaching and Learning and the Learning Power Approach. The group emphasises character virtues such as grit, resilience, determination and perseverance.

Strategies for Sport, Music, Art and Drama

- Provide a rich diet of cultural activities that mixes classroom and academic achievement with personal cultural development through sport, music, art and drama supported by a wide range of activities such as concerts, plays, exhibitions, lectures, trips and weekend activities.

- Promote the belief that ability comes in many forms and that pupils need to be supported to discover and enjoy success no matter where their talents lie.

Main objectives for the year

- Maintaining a wide variety of sport, music, art and drama available to all.

- Developing a cultural programme to attract pupils to drama and musical productions, in support of the curriculum.

Strategies for Heritage and Restoration

- Participate, through an effective partnership with The National Trust and SHPT, in the heritage restoration of the landscape gardens and mansion at Stowe while protecting the interests of the School.

Main objectives for the year

- Working with SHPT to complete the restoration of the State Dining Room.

Strategies for Public Benefit

The following strategies are designed to ensure that Public Benefit remains intrinsic to all of the Charity's activities:

- Promote scholarships and bursaries to allow access for pupils from all backgrounds.
- Promote participation with State Schools.
- Provide access to Stowe's heritage, in partnership with The National Trust and SHPT.
- Promote good citizenship through participation in external activities and initiatives.
- Provide access to school facilities to the local community.
- Provide access for the public to music, art, sport, drama and science activities at Stowe.

Main objectives for the year

- Progressing educational initiatives with Silverstone UTC, local State Schools and the University of Buckingham.
- Promoting participation in Service@Stowe, CCF, Duke of Edinburgh Award scheme and 'green team'.
- Providing high level bursaries to deserving applicants who would otherwise not be able to attend Stowe School.

Strategies for Fundraising

- Build and sustain the Campaign for Stowe to generate funds each year to augment operating surpluses and to enable the steady implementation of the Development Plan and of Change 100.

Main objectives for the year

- Generating, through the Campaign for Stowe, funds of a minimum of £2 million per annum towards bursaries and scholarships; planning future fundraising initiatives in the areas of Sport and other masterplans.
- Continued pursuit of Change 100 – Stowe's ambitious mission to generate an endowment of £100 million that will provide means-tested bursarial support to change the lives of talented and deserving children from much less-advantaged backgrounds, whose world can be transformed through an education in the Stowe group. The aim of Change 100 is to provide full funding for 100 pupils in the Stowe group, every year in perpetuity.
- Fundraising for specific projects for the Prep Schools.

The remainder of the Trustees' Report also constitutes the Strategic Report for the purposes of the Companies Act 2006.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The principal activity of the Company continued to be the provision of education in a boarding and day school environment for pupils aged 3 to 18. This academic year Stowe School averaged 898 (2022: 879) pupils. The Prep Schools averaged 596 (2022: 555).

Public Benefit

Scholarships and bursaries are promoted in recruitment literature, on Stowe School's website and through advertising. Scholarships at Stowe School are awarded at entry at 13+ and 16+ for academic, musical, artistic, sporting or all-round merit.

Scholarships at Stowe School are awarded with a fixed remission of fees of between 5% and 25%. Scholarships may be supplemented by means-tested bursaries.

Bursaries are awarded on the basis of financial need and principally to those pupils who for financial reasons might not be able to come to the Stowe group of schools or who might not be able to remain to complete their education. Bursary awards are made on the basis of full financial disclosure and are reviewable annually. At least two fully funded places are available each year, subject to financial need - during 2023 there were 21 (2022: 14) fully funded places at Stowe School.

Community programmes operated by staff and pupils are encouraged, with emphasis on the elderly and disabled and on widening support to local schools and the local community.

The School's partnership with Silverstone UTC, announced in July 2017, continues to flourish and to provide enhanced educational and co-curricular opportunities for pupils at both educational establishments. The partnership is intended to demonstrate the best that can be achieved by independent and state schools working together. The partnership involves reciprocal governor arrangements, teaching and sharing best practice and facilities.

The StoweEd conference, normally attended by both state and independent schools, was held this year and focused on Mental Health.

The Head continues to chair Street Child, which works in conflict and post-conflict countries and has helped over 200,000 children to attend schools.

The School invited local clubs to use its sports facilities and equipment at subsidised rates and encouraged staff to coach sport in the community.

Stowe House attracts the wider and local community to enjoy its heritage, through being open to the public for weddings, corporate, commercial, and charitable events. A full summer of events took place in the summer of 2023.

Fee Support

Stowe School, together with SSF and other outside Trusts, supported 398 (2022: 310) pupils, through the provision of scholarships and bursaries during the year.

Stowe School and SSF allocated £3,084,310 (2022: £2,472,850), being 9.3% (2022: 7.9%) of fee income, to scholarships and bursaries. Included in this total are means-tested bursaries, awarded in addition to scholarships, which allow access for pupils from all backgrounds, with 87 (2022: 80) pupils receiving such awards. 21 (2022: 14) of these benefited from a full remission of fees. External trusts also provided funds of £8,667 (2022: £7,492) towards individual pupils' fees.

The Prep Schools continue to offer bursaries and allowances totalling £928,147 (2022: £811,943).

Education

Academic Standards

This summer's A Level results saw Stoics achieving 64% A*B grades (2022: 77%). The GCSE results saw Stoics achieving 51% at grade 7 or above (2022: 61%).

The Prep Schools had all their top year leavers accepted into their first choice of a wide range of senior schools and SHS exceeded their PSB objectives with 100% achieving Level 5 in eight or more subjects, 60% at Level 6 and 20% at Level 7. SHS achieved 16 scholarship and exhibition awards to senior schools, while WHS achieved 8.

Pastoral Care

The group is committed to safeguarding and promoting the welfare of pupils and expects all staff and volunteers to share in this commitment. The Designated Safeguarding Lead (DSL) for Stowe School is Michael Rickner, who is supported by three Deputy DSLs, and there are DSLs at both Prep Schools.

The group's policy for Safeguarding and Child Protection accords with the requirements of the relevant Safeguarding Children Board. It applies to all school employees, governors and to any volunteers working in the Stowe group.

There are processes of safeguarding induction and training in place, involving staff, governors, volunteers and contractors, which aim to ensure that this policy and safeguarding procedures are known and understood by those within the Stowe group community.

A programme of continuous improvements to the boarding houses in all three schools is expected to continue next year.

Culture - Sport, Music and Drama and other activities

The group maintained its reputation in a wide range of sports and other extra-curricular activities, with pupils encouraged to take part in school, county and national competitions. Full details of Stowe School's sporting and extra-curricular achievements can be found on the Stowe website: *www.stowe.co.uk*. There are links from there to the Prep School websites.

The arts and sciences programme is gradually regaining pre-Covid levels, but will take some time.

Heritage/Restoration

On 7 March 2018 Stowe School Limited agreed the Asset Exchange with The National Trust. This exchange of various leasehold interests in land and buildings is enabling The National Trust to restore the Western Garden to its 18th Century condition and Stowe School has built a replacement golf course and intends to use the Home Farm development in the future.

Stowe House was open to the public as normal this year. The School provides support on the historical archives and supports SHPT.

Stowe School has worked with SHPT as it continues to develop future plans. SHPT has completed the restoration of the State Dining Room and continues to seek funding to complete the future phases of the restoration project.

Fundraising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their fundraising activities. SSF changed its objects to be able to support the Prep Schools as well as the School. This took effect from 1 August 2022. The charity does not carry out any fundraising activity in order to raise funds from the general public. The charity does not work directly with commercial sponsors or engage professional fundraisers. The Trustees are not aware of any complaints made in respect of fundraising during the year.

The focus of SSF, supported by Stowe School, has continued to be on the generation of voluntary funding from alumni, patrons of the School and supporters of independent education. During the SSF year to 31 July 2023, funds of some £3.3 million (2022: £2.9 million) were raised. These included £2.1m for Change 100, £233k for scholarships and bursaries and £895k towards specific facilities improvements.

The costs of the Campaign Office of £610,771 (2022: £575,742) were borne by Stowe School.

SECTION 172 (1) STATEMENT

The Stowe group of schools ("the group") depends on the trust and confidence of its stakeholders to operate sustainably in the long term. The welfare of the group's pupils is of primary concern and the group seeks to put their interests at the forefront of everything it does. The group invests in its employees and supports the communities in which it operates.

The group seeks to generate appropriate operating surpluses to maintain its investment in both scholarships and bursaries and in its facilities.

The Trustees of Stowe School Limited have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the group for the benefit of its stakeholders as a whole, having regard to the matters set out in section 172 (1) of the Companies Act 2006. Section 172 considerations are embedded in decision making at Governing Body level and throughout the organisation. The stakeholders, which the Trustees have considered, are set out below.

Having regard to the likely consequences of any decision in the long term

The Governing Body is mindful that its strategic decisions have long-term implications for the business and its stakeholders and these are carefully assessed by the group's various committees and by the Governing Body (see the section on Structure, Governance and Management on pages 3 to 6 of the annual report). This is particularly the case in setting the group's budget for the year when the Board balances the need for affordable education with the capital needs of the business.

Having regard to the interests of the group's employees

The Governing Body has regard to the interests of the group's employees and it recognises the importance of effective employee engagement in the successful functioning of the group. Governors engage with employees both formally through the various Governor committees and informally, for example, through dinners held prior to Governing Body meetings.

The group has a number of effective workforce engagement mechanisms in place:

- Employees are kept informed of performance and strategy through regular briefings from the Head and ELT, including termly training days.
- The Head provides termly updates to the Governing Body on staffing matters and staff matters are discussed at the weekly ELT meeting in term time.
- Employees can channel views through an employee representative body and through annual employee surveys.
- The Pay and Conditions Committee allows pay and reward matters to be discussed and reviewed.

The Governing Body considers that, taken together, these arrangements deliver an effective means of ensuring the Board stays alert to the views of the workforce.

Disabled Employees

The group is committed to equal opportunities for all. It is the policy of the group that no job applicant or employee receives less favourable treatment on the grounds of disability. If an employee becomes disabled during the course of their employment, every effort is made to find suitable alternative employment within the group and re-training is given if this is necessary. Stowe School Limited continues to train and encourage the career development of disabled persons in its employment.

Having regard to the need to foster the group's business relationships with customers, suppliers, and others.

Customers

As a large fee-paying group, the Governing Body regularly reviews the academic and financial performance of the group and its pupils and the affordability of its fee structure. The Heads of each school in the group communicate regularly with both parents and pupils. In addition, pupil and parental surveys are regularly commissioned.

Suppliers

The group deals with hundreds of different suppliers and major contracts are reviewed and put out to tender where appropriate and are signed off by appropriate members of ELT and Governors. The group reports its payment practices every six months. The report to 31 August 2023 showed that 77 per cent of invoices were paid within 30 days and the average time taken to pay invoices was 26 days.

The wider community

The group is very mindful of its responsibilities to the wider community and of its relationships with its partners, including SHPT, the National Trust, the UTC at Silverstone and the Stowe Golf Club members as well as the local community.

Regulators

The group is regulated both by the Government, through Ofsted and ISI, and the Charity Commission. The Governing Body considers its reporting and dealings with the Regulators as of the utmost importance.

Having regard to the impact of the Company's operations on the community and the environment

A summary of the Company's Streamlined Energy and Carbon report is set out below under Environmental Reporting.

Having regard to the desirability of the Company maintaining a reputation for high standards of business conduct

Corporate governance

Details of the Company's corporate governance are set out on pages 3 to 6 of the annual report.

Political donations

No donations were made for political purposes (2022: £nil).

ENVIRONMENTAL REPORTING

Under the Energy and Carbon Report Regulations 2018, the Company is required to report on its environmental impacts. The key environmental impacts for the Company are gas, kerosene and electricity use across the site and the use of business and personal vehicles. Energy usage has been calculated using consumption in the year. Transport mileage has been estimated from recorded mileage for group vehicles from fuel cards and invoices and from mileage claims for personal vehicles.

The group considers energy efficiency as part of its evaluation of projects. The Company has continued to replace lights with LED fittings.

UK Greenhouse gas emissions and energy use data for the period 1 September 2022 to 31 August 2023

Streamline Energy and Carbon Reporting Disclosure
Global energy Scope 1 and 2 GHG emission data for period:

	Tonnes CO_2e					
Emissions from	**2023 location-based**	2022 location-based	Variance location-based	**2023 market-based**	2022 market-based	Variance market-based
Scope 1 (Fuel combustion in buildings)	**319**	439	-27%	**319**	439	-27%
Scope 1 (Fuel combustion in vehicles)	**123**	87	41%	**123**	87	41%
Scope 1 (Fuel combustion in mobile and static plant)	**1,699**	1,763	-4%	**1,699**	1,763	-4%
Scope 2 (Electricity)	**726**	673	8%	**681**	136	401%
Total	**2,867**			**2,822**		2%

Company's chosen intensity metric: tCO_2e/pupil

	2023 location-based	**2023 market-based**	Variance
Emissions reported per pupil	**1.899**	**1.869**	2%

Scope 3 Global GHG emission data for period:

Emission from	**2023**	2022	Variance
Business travel (air, rail and vehicles)	**7**	10	-26%

Underlying global energy data for period:

Energy use (kWh)	**2023**	2022	Variance
Electricity	**3,503,869**	3,478,897	1%
Natural Gas	**1,741,783**	2,403,441	-28%
Mobile and Static Plant Fuel	**7,136,848**	7,345,341	-3%
Transport Fuel	**551,038**	404,886	36%
Total	**12,933,538**	13,632,565	-5%

The 2022 figures have been restated to reflect both actual invoices and, particularly, two unbilled gas supplies. These have resulted in higher consumption and comparatives.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Results

The Stowe group of schools financial results for the year were adversely impacted by the energy crisis and the impacts of the cost-of-living crisis on inflation. The underlying performance net of grants and donations is set out below:

	2023 £	2022 £
Net (loss)/income	(72,604)	2,076,180
Less:		
Grants and donations – (see breakdown below)	(365,947)	(1,729,640)
Operating (deficit)/surplus of the group of schools	(438,551)	346,540

	2023 £	2022 £
Grants and donations (note 5):		
Funds from SSF to develop new facilities and enhance existing ones	91,790	1,542,462
Funds from SSF for other purposes	176,239	164,141
Funds from American Friends of Stowe	77,318	-
Funds from Stowe Harvard	20,600	20,600
Government furlough scheme	-	2,437
	365,947	1,729,640

Some of the grants and donations received, which are required to be recognised in the Statement of Financial Activities (SoFA), which incorporates an income and expenditure account, were actually in respect of new facilities, the corresponding expenditure for which is included in fixed asset additions.

Investment losses of £2,256 (2022: losses £81,824) have been transferred to the Restricted funds, which reflects the net movement in the composition fee fund.

Actuarial gains on defined benefit pension schemes resulted in a transfer of £230 (2022: gains £110,252) to the Unrestricted general fund in relation to the pension deficit re-measurement due to changes in assumptions.

This resulted in a loss of £38,995 (2022: income £2,213,999) being allocated to the Unrestricted general fund and a loss of £33,379 (2022: loss £27,567) to the Restricted Fund.

School fees receivable increased from £36,529,460 in 2022 to £39,090,684 in 2023. Total income increased from £40.5 million to £42.0 million.

Resources expended during the year were £42,042,499 (2022: £38,351,603). In addition, the group has invested £2.7million (2022: £3.1 million) in capital expenditure.

Cash and bank balances at 31 August 2023 stood at £10,630,734 (2022: £10,557,342). The Company renewed a Revolving Credit Facility (RCF) for 5 years, from June 2022. There had been no drawdown on the RCF as at 31 August 2023.

Total funds at 31 August 2023 were £55,901,189 (2022: £55,973,563), of which £55,535,406 (2022: £55,574,401) were unrestricted.

The financial results for the year are reported in the SoFA.

Through its subsidiary, SEL, Stowe School Limited makes available its sporting and other amenities for use by the public. SEL produced a turnover for the year ended 31 December 2022 of £1,940,360 (2021: £1,311,266) and a profit before donation of £542,057 (2021: £385,735).

Consolidated group financial statements have not been prepared as it is considered that they would be of no real value, in view of the insignificant overall effect of including the results of SEL.

Reserves Policy

The financial statements show that at 31 August 2023, the unrestricted funds totalled £55,535,406 (2022: £55,574,401) and restricted funds £365,783 (2022: £399,162).

Total unrestricted reserves include a funding deficit of £16,754 (2022: £28,555) calculated under FRS102 in respect of the notional funding deficit on the defined benefit pension plan for non-teaching staff. The Directors believe that this notional funding calculation, which can vary between surplus and deficit, depending on the assumptions used at each year end, has no material effect on the Company's cash flows in the short term and that in the longer term its effects are manageable out of future income.

The Company's unrestricted reserves are substantially represented by tangible fixed assets and are not readily available for spending. Excluding the FRS102 pension reserve and revaluation reserve above, the general unrestricted reserves were £55,552,160 (2022: £55,602,656), of which £54,814,907 (2022: £54,970,327) is represented by fixed assets.

The surplus on free reserves at 31 August 2023 of £774,854 (2022: £632,629) is consistent with the longer term Development Plan cash flows, which are updated and reviewed by the Directors on a regular basis. Whilst the Directors consider that higher positive free reserves would be desirable, they recognise the demands of capital expenditure to equip the group with up to date facilities and to maintain the high standard of educational services provided. Therefore achieving the desired positive free reserves level remains a longer term objective. The policy is managed prudently by ensuring that sufficient liquid assets are available.

Investment policy and objectives

The Company's Articles of Association empower it to invest and deal with the monies of the Company not immediately required as it thinks fit.

Composition fee funds for the Stowe group of schools are held under trust and administered by Stowe School Limited.

FUTURE PLANS

The key objectives for the group for the following year are consistent with those stated above, with particular emphasis on:

- 2024 targets for A: 75% A*B grades; for GCSE: 54% 7-9 grades
- All Prep School children being accepted into their first choice of senior schools
- Developing and consolidating the themes of the Learning Power Approach and Change Makers
- Working with SHPT to continue to restore and maintain Stowe House
- Finalising the new Design, Technology and Engineering building
- Generating, through the Campaign for Stowe, money towards bursaries (including Change 100) and scholarships and for specific projects, including sports facilities
- Continued integration of SHS and WHS into the Stowe group of schools

Principal Risks and Uncertainties

The Governing Body is responsible for the management of the risks faced by the group and reviews the major risks and measures for mitigation as part of an annual process. The major risks are considered to be those that would prevent the group from carrying out its charitable objects permanently. Individual committees are responsible for reviewing and monitoring the management of risk in their particular area. The Governors are satisfied that the mitigation of the currently identified major risks, detailed below, has been or is being addressed as follows:

Failure to govern effectively	Governing Body, Nomination & Remuneration Committee
Failure to deliver educational objectives	Education and Prep School Committee
Failure to safeguard pupil welfare	Governing Body, Education, Prep School and Estates Committees
Regulatory non-compliance	All Committees
Fire in Stowe House / Prep Schools	Estates Committee
Impact of economic and political climate	Governing Body and Finance Committee
Major fraud or financial mismanagement	Finance Committee
Major operational failure	Governing Body and All Committees
Reputational risk	Governing Body and All Committees
Temporary closure of the Schools	Governing Body and Finance Committee

In assessing the risks, the impact on group activity, disruption, injury or property damage, loss of income, reputation, management focus, missed opportunity and strategic direction change are all considered. Risks are recorded in a register and assessed as to their impact and likelihood of materialising, with the register including controls and mitigation plans. Risks are classed as key, medium concern or manageable. The risk register is updated termly by the ELT and reviewed by Committees at least annually.

Auditors

Saffery LLP has expressed their willingness to remain in office as auditors of the Company.

This report, including the Strategic Report, was approved by the Board on 15 March 2024.

Michael Porter, Company Secretary

Opinion

We have audited the financial statements of Stowe School Limited for the year ended 31 August 2023, which comprise the statement of financial activities, balance sheet, cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).
In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 August 2023 and of its incoming resources and application of resources, including its 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 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 charitable company 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 trustees' 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 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. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees (who are also 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 to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Further the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas, which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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



Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date: 28 March 2024

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 31 August 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 £	2022 £
Income from:					
Charitable activities					
School fees receivable	1	39,090,684	-	39,090,684	36,529,460
Ancillary trading income	2	1,493,407	-	1,493,407	1,745,407
Other trading activities					
Non-ancillary trading income (covenants)	12	595,477	-	595,477	385,735
Other activities	3	74,734	-	74,734	29,364
Investments					
Bank and other interest	4	318,786	33,116	351,902	90,001
Voluntary sources					
Grants and donations	5	288,604	77,343	365,947	1,729,640
Total incoming resources		41,861,692	110,459	41,972,151	40,509,607
Expenditure on:					
Raising funds					
Financing costs	7	43,037	100,382	143,419	82,449
Fundraising and development		610,771	-	610,771	575,742
Total deductible costs		653,808	100,382	754,190	658,191
Charitable activities					
Education		41,247,109	41,200	41,288,309	37,693,412
Total expenditure	6	41,900,917	141,582	42,042,499	38,351,603
		(39,225)	(31,123)	(70,348)	2,158,004
Net Investment (losses)/gains	16	-	(2,256)	(2,256)	(81,824)
Net income		(39,225)	(33,379)	(72,604)	2,076,180
Other recognised gains and losses:					
Actuarial gains on defined benefit pension schemes	22	230	-	230	110,252
Net movement in funds		(38,995)	(33,379)	(72,374)	2,186,432
Reconciliation of funds:					
Total funds brought forward	18	55,574,401	399,162	55,973,563	53,787,131
Total funds carried forward	18	55,535,406	365,783	55,901,189	55,973,563

All operations of the Company continued throughout both years and no operations were discontinued in either year. All recognised gains and losses during the year are included within the SoFA. The accompanying notes are an integral part of this SoFA.

Balance Sheet

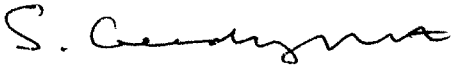
As at 31 August 2023

	Notes	2023	2022
		£	£
Fixed assets			
Tangible assets	9	54,814,907	54,970,327
Investment in subsidiary undertakings	11	164,200	164,200
Composition fee fund investments	16	1,607,917	2,329,801
		56,587,024	57,464,328
Current assets			
Stocks	13	240,783	269,382
Debtors	14	12,491,621	11,623,721
Cash and deposits		10,630,734	10,557,342
		23,363,138	22,450,445
Creditors: amounts falling due within one year	15	(23,361,428)	(22,711,534)
Net current assets/(liabilities)		1,710	(261,089)
Total assets less current liabilities		56,588,734	57,203,239
Long-term liabilities			
Creditors payable after one year			
Composition fees	16	(670,791)	(1,124,602)
Other creditors	17	-	(76,519)
		(670,791)	(1,201,121)
Net assets excluding pension liability		55,917,943	56,002,118
Defined benefit pension scheme liability	22	(16,754)	(28,555)
Net assets		55,901,189	55,973,563
The funds of the charity			
Unrestricted funds:			
General reserve		55,552,160	55,602,956
Pension reserve	22	(16,754)	(28,555)
		55,535,406	55,574,401
Restricted funds:			
General reserve	18	226,615	189,014
Revaluation reserve	18	139,168	210,148
		365,783	399,162
Total funds	18	55,901,189	55,973,563

Balance Sheet

As at 31 August 2023

The financial statements on pages 20 to 41 were approved by the board of Trustees on 15 March 2024 and signed on their behalf by:



Simon Creedy Smith
Trustee



Simon Cuerden
Trustee

Company number 187251

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

Cash Flow Statement

For the year ended 31 August 2023

	Notes	2023	2022
		£	£
Net cash inflow from operating activities	20	1,383,733	770,306
Cashflows from investing activities			
Interest received		394,978	60,939
Additions to composition fee investments		(324,924)	(867,797)
Realisation of composition fee investments		975,187	930,290
Donations and grants received		365,947	1,727,203
Payments for tangible fixed assets		(2,722,365)	(3,143,130)
Proceeds from sale of tangible fixed assets		836	9,290
Net cash outflow from investing activities		(1,310,341)	(1,283,205)
Change in cash and cash equivalents in the reporting year		73,392	(512,899)
Cash and cash equivalents at the beginning of the reporting year		10,557,342	11,070,241
Cash and cash equivalents at the end of the reporting year		10,630,734	10,557,342
Net cash movement	21	73,392	(512,899)

Accounting policies

The accounts have been prepared in accordance with Accounting and Reporting by Charities: the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), Charities SORP (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Stowe School Limited meets the definition of a public benefit entity under FRS102. The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

The accounts include a Statement of Financial Activities (SoFA) rather than a profit and loss account. The financial information is presented for Stowe School Limited as an individual undertaking and not for the group. The Directors have taken advantage of the SORP and of the Companies Act 2006 (S405(2)) exemption not to prepare group financial statements as they consider the effects of any changes would not be material to the financial statements of Stowe School Limited.

Having reviewed the funding facilities available to the Company, together with the expected ongoing demand for places and the Company's future projected cash flows, the Directors have a reasonable expectation that the Company has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. The functional currency is pounds sterling.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

a) Income and expenditure

School fees and operating expenses are included in the financial statements on an accruals basis. Registration fees are credited to income in the year in which they are received. All income and expenditure included in the financial statements is from continuing operations.

b) Investment income

Investment income is principally from bank balances and is accounted for on an accruals basis.

c) Income from voluntary sources

Income from voluntary sources (donations) is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Company is considered probable. Donations are accounted for as unrestricted income and credited to General Funds, as they relate to specific in year projects, and Trustees do not consider it necessary to set up separate restricted funds for each project.

Donations of tangible assets are capitalised at the estimated value as at the date of donation. Other donations are accounted for within the SoFA.

Donations from charitable mergers are accounted for within the SoFA as the fair value of net assets donated less any relevant merger costs incurred.

d) Grants

Grants are credited to income when receivable, irrespective of when the related expenditure is incurred.

e) 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 of the underlying assets, as

appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates. Repairs and maintenance expenditure is charged as an operating expense in the year in which it is incurred.

f) Governance costs

Governance costs are those incurred in complying with statutory requirements and governance matters.

g) Tangible assets and depreciation

Expenditure relating to the acquisition of and extensions to freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less depreciation. The Directors are aware that the realisable value is considerably greater than the original cost less depreciation.

Tangible assets are stated at cost less accumulated depreciation and any provision for impairment. Depreciation is provided on tangible assets other than land and historic buildings (the cost of which is not significant) on the first full month of use, so as to write off their cost by equal instalments over the expected useful lives of the assets concerned. The estimated useful lives are considered to be as follows:

Astroturf facility	10 years	Central heating	20 years
Technology equipment	4 to 10 years	Freehold buildings	15 to 50 years
Furniture, fixtures and fittings	5 to 25 years	Motor vehicles	4 to 7 years
Plant and equipment	5 to 25 years	Property improvements	5 to 50 years

Assets costing under £1,000 are not capitalised.

Land and buildings are reviewed annually for impairment. Assets in the course of construction are not depreciated until they are brought into use.

h) Heritage assets

Stowe School acquired Stowe House in 1923; the House is leased to SHPT with a coterminous leaseback to Stowe School for 99 years effective from 1 January 2000. The House is occupied by the School as an operational asset. Stowe House is included in the balance sheet at cost. The School considers that its owned paintings, statues and busts on display and in archive are operational assets.

i) Investments and Investment properties

Investments are shown at market value, less any provision for diminution in value. Gains and losses are included in the SoFA. Investments in subsidiary undertakings are shown at cost, less any provision for permanent diminution in value.

j) Stocks

Stocks are stated at the lower of cost and net realisable value.

k) Debtors

Debtors in respect of school fees are recognised at the point of issuing invoices for the following term. If the pupil withdraws before the start of term, the fees are still due for settlement.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accounting policies *(continued)*

l) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term, highly liquid investments with a short maturity of one year or less from the date of acquisition or opening of the deposit account or similar account.

m) Deferred income

Deferred income represents income after scholarships, bursaries and discounts awarded for the first term of the following academic year and therefore relates to the following financial year.

n) Creditors and provisions

Creditors and provisions are recognised where the Company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Operating leases

Assets held under operating leases are not capitalised. The costs associated with hire rental are charged directly to income as they arise.

p) Pensions

Stowe School's professional teaching staff are members of a Superannuation Scheme operated by the Department for Education. This is a multi-employer defined benefit scheme and individual schools are not able to identify their share of the underlying assets and liabilities of the scheme.

Other staff are members of a defined contribution scheme or a multi-employer defined benefit scheme. The amount charged to the SoFA in respect of pension costs is the contribution 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.

q) Composition fees

Composition fees represent payments in advance in respect of school fees for pupils, present and future, and, in respect of Stowe School only, are deposited with Stowe School Limited, as Trustee, for investment. A transfer to the SoFA is made each term in respect of school fees which are then due.

r) Support costs

Support costs are administration and other costs incurred in supporting the charitable activities.

s) Critical accounting judgement and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised where the revision affects only that year, or in the year of the revision and future years where the revision affects both current and future years.

1 School fees receivable

	2023 £	2022 £
Gross school fees	43,361,272	40,286,115
Less: Scholarships, bursaries and allowances	(4,270,588)	(3,756,655)
	39,090,684	36,529,460

2 Ancillary trading income

	2023 £	2022 £
Pupil extras	1,000,829	809,941
Registration fees	186,109	159,629
Rental income	100,068	138,632
Other income	206,401	637,205
	1,493,407	1,745,407

3 Other activities

	2023 £	2022 £
Interest on overdue accounts	74,734	29,364

4 Bank and other interest

	2023 £	2022 £
Interest and dividends on composition fee investments (note 16)	31,658	27,706
Bank interest receivable	312,270	29,253
Net present value movement on composition fee investment	-	30,720
Interest from SEL loan	7,974	2,322
	351,902	90,001

5 Grants and donation

	2023 £	2022 £
Donations	365,947	1,727,203
Government furlough scheme	-	2,437
	365,947	1,729,640

6 Analysis of total expenditure

	Staff costs £	Other costs £	Depreciation £	2023 £
Expenditure on raising funds				
Financing costs (note 7)	-	143,419	-	143,419
Fundraising and development	519,701	91,070	-	610,771
Total costs of generating funds	519,701	234,489	-	754,190
Charitable activities				
Teaching	16,020,736	1,721,624	442,523	18,184,883
Welfare	3,482,878	3,368,251	134,102	6,985,231
Premises repairs and maintenance	2,162,009	6,396,352	2,234,145	10,792,506
Support costs and governance	2,798,325	2,460,349	67,015	5,325,689
Total charitable expenditure	24,463,948	13,946,576	2,877,785	41,288,309
Total expenditure	24,983,649	14,181,065	2,877,785	42,042,499

	Staff costs £	Other costs £	Depreciation £	2022 £
Expenditure on raising funds				
Financing costs (note 7)	-	82,449	-	82,449
Fundraising and development	459,947	115,795	-	575,742
Total costs of generating funds	459,947	198,244	-	658,191
Charitable activities				
Teaching	15,117,121	1,769,200	457,830	17,344,151
Welfare	3,424,414	2,613,035	135,506	6,172,955
Premises repairs and maintenance	2,051,247	5,323,542	2,167,149	9,541,938
Support costs and governance	2,416,573	2,131,450	86,345	4,634,368
Total charitable expenditure	23,009,355	11,837,227	2,846,830	37,693,412
Total expenditure	23,469,302	12,035,471	2,846,830	38,351,603

Governance included in support costs:

	2023	2022
	£	£
Remuneration paid to auditors for audit services	38,297	37,366
Directors – travel and subsistence costs	9,027	7,018
Other governance costs	4,996	5,729
	52,320	50,113

The Directors and Company Secretary did not receive any emoluments during the year (2022: £nil) and none received retirement or other benefits from the School. Travel and subsistence expenses were claimed by 19 (2022: 22) individuals, who were reimbursed directly or indirectly.

In addition to the above audit remuneration, the auditors performed other services with fees totalling £5,638 (2022: £4,640).

7 Financing costs

	2023	2022
	£	£
Commitment fee on rolling credit facility	29,041	35,000
Net present value movement on composition fee investment	96,939	-
Investment charges on composition fees investments (note 16)	3,443	4,389
Bank charges	13,996	43,060
	143,419	82,449

8 Staff costs

Total staff costs were:	2023	2022
	£	£
Salaries and wages	20,470,541	19,204,740
Social security costs	2,008,272	1,904,325
Other pension costs	2,504,836	2,360,237
	24,983,649	23,469,302

The aggregate employee remuneration and benefits of the key management personnel were:	1,658,867	1,601,827

The total staff costs above include payments relating to departing staff of £175,861 (2022: £60,958).

	2023 Number	2022 Number
The average number of employees of the Company during the financial year was as follows:		
Teaching and teaching support staff	324	318
Visiting music teachers	38	35
Establishment and administrative staff	366	381
	728	734
The average FTE of employees of the Company during the financial year was as follows:		
Teaching and teaching support staff	268	258
Visiting music teachers	10	9
Establishment and administrative staff	263	260
	541	527
The number of staff in pension schemes was as follows:		
Money purchase schemes	477	469
Teachers' pensions scheme	123	121
	600	590

The staging date for pension auto enrolment was October 2013 and the most recent re-enrolment date was 1 November 2022, which required staff who opted out to elect to be enrolled or opt out again.

The number of employees whose emoluments exceeded £60,000 were:	2023 Number	2022 Number
£60,001 - £70,000	23	20
£70,001 - £80,000	7	5
£80,001 - £90,000	-	3
£90,001 - £100,000	4	3
£100,001 - £110,000	1	1
£110,001 - £120,000	1	-
£130,001 - £140,000	1	-
£140,001 - £150,000	1	1
£200,001 - £210,000	-	1
£210,001 - £220,000	1	-
£290,001 - £300,000	1	1

Stowe School Limited's pension contributions for the above 40 (2022: 35) employees totalled £457,387 (2022: £422,249), divided between Teachers' Pensions £334,043 (2022: £325,696) and other schemes £123,344 (2022: £96,554).

The emoluments of the highest paid employee reflect the fact that employer pension contributions of 16.48% of salary to the Teachers' Pensions Scheme ceased with effect from 31 May 2016, at which time the salary was increased by an amount equivalent to the contributions foregone.

9 Tangible fixed assets

	Freehold Property £	Property Improvements £	Plant & Equipment £	Computer Equipment £	Furniture, Fixtures & Fittings £	Motor Vehicles £	Total £
Cost							
1 September 2022	32,791,613	39,374,611	2,669,969	1,736,617	4,237,909	974,852	81,785,571
Reclassification	-	-	-	-	-	-	-
Additions	871,701	1,424,596	180,473	55,140	76,145	114,310	2,722,365
Disposals	-	-	-	(8,056)	-	-	(8,056)
31 August 2023	33,663,314	40,799,207	2,850,442	1,783,701	4,314,054	1,089,162	84,499,880
Depreciation							
1 September 2022	6,185,092	13,238,595	2,181,827	1,466,706	3,120,058	622,966	26,815,244
Reclassification	-	-	-	-	-	-	-
Charge for Year	684,153	1,563,777	128,040	131,113	239,840	130,862	2,877,785
Disposals	-	-	-	(8,056)	-	-	(8,056)
31 August 2023	6,869,245	14,802,372	2,309,867	1,589,763	3,359,898	753,828	29,684,973
Net Book Value							
31 August 2023	26,794,069	25,996,835	540,575	193,938	954,156	335,334	54,814,907
1 September 2022	26,606,521	26,136,016	488,142	269,911	1,117,851	351,886	54,970,327

The assets acquired from the Prep Schools are included at their fair value as at January 2021, when the Prep Schools were acquired by means of charitable mergers.

Within additions, £855,245 (2022: £990,971) of assets are under construction, most notably the Design, Technology and Engineering building and the Menagerie. £91,790 (2022: £1,542,462) of donations and grants were used to fund capital additions in the year.

10 Capital commitments

There was £796,814 of capital expenditure authorised and contracted for at the balance sheet date (2022: £342,783).

11 Investment in subsidiary undertakings

	2023 £	2022 £
Stowe Enterprises Limited - shares at cost	100	100
Stowe Enterprises Limited - interest bearing loan	164,000	164,000
Stowe School Developments Limited – shares at cost	100	100
	164,200	164,200

For additional information refer to note 12 – Related party transactions.

12 Related party transactions

Stowe School Limited owns the whole of the issued ordinary share capital of Stowe Enterprises Limited (SEL), a company registered in England. Stowe School Limited allows SEL to make available the facilities of the School for use by the public and to operate the School shop.

SEL prepares its annual accounts to 31 December, an accounting date which the Directors of SEL consider to be appropriate for administrative reasons. The taxable profits of SEL are donated to the School each year.

The last audited accounts of SEL were for the year ended 31 December 2022. The following information is disclosed in respect of SEL:

	31 December 2022	31 December 2021
	£	£
Turnover	1,940,360	1,311,266
Expenditure	(1,398,303)	(925,531)
Profit for the financial year	542,057	385,735
Donated to the school	(542,057)	(385,735)
Result for the year	-	-
Balance of capital and reserves	560,505	404,183

Stowe School Limited recharged costs to SEL during the year of £458,944 (2022: £465,707). SEL received income from the School for purchases made in the School shop during the year of £127,915 (2022: £111,963). At the year end the amount owed by SEL to the School was £262,857 (2022: £163,911).

The total taxable profits donated to the Company were:

	2023	2022
	£	£
SEL	542,057	385,735
WHS Trading Limited (WHT)	53,420	-
	595,477	385,735

As part of the acquisition in January 2021 of WHS, WHS's trading company, WHT, was transferred to become a subsidiary of SEL. The results of WHT are not consolidated in the above SEL figures.

During the year to 31 July 2011 the Company acquired the whole of the issued ordinary share capital of Stowe School Developments Limited (SSDL), a company registered in England. The company had turnover of £50,000 (2021: £50,000) and made a profit before tax of £9,547 (2021: £42,533) in the year to 31 December 2022. At the year end the amount owed by SSDL to the Company was £40,737 (2022: £39,832).

SSDL owns the whole of the issued share capital of Stowe UAE Limited and Stowe China Limited. Stowe UAE received no income in the year to 31 December 2022 (2021: £nil). At the year end the amount owed by Stowe UAE to the Company was £3,425 (2022: £3,412). Stowe China received no income in the year to 31 December 2022 (2021: £nil). At the year end the amount owed to the Company by Stowe China was £582 (2022: £569).

A company controlled by Mr R Greaves, a Trustee, and his family provided supplies to the Company totalling £1,455 (2022: £1,769). This company supplied WHS before the acquisition of the Prep Schools.

13 Stocks

	2023	2022
	£	£
Raw materials and consumables	240,783	269,382

The replacement cost of stocks is not considered to be materially different from their historical cost.

14 Debtors

	2023	2022
	£	£
Debtors in respect of school fees	10,700,726	10,192,287
Other debtors	201,459	183,328
Prepayments and accrued income	1,281,835	1,040,382
Amounts owed by subsidiary undertakings (note 12)	307,601	207,724
	12,491,621	11,623,721

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Deferred income	13,884,936	12,784,430
School fees paid on account	1,286,735	1,549,439
Deposits paid on account	3,361,714	3,409,564
Trade creditors	1,103,452	1,364,094
Other creditors	468,082	739,138
Taxation and social security	489,809	483,128
Accruals	1,968,742	1,386,690
Current portion of Composition fees (note 16)	797,958	995,051
	23,361,428	22,711,534

Deferred income represents income relating to the next financial year (see note 14 – Debtors in respect of school fees).

16 Composition fee fund investments

Composition fees represent fees paid by parents to the Stowe group of schools up to the equivalent of five years' fees in advance and are held separately from the general funds of the company, with Stowe School Limited as Trustee. The Directors have delegated the day to day management of the investments to Evelyn Partners Investment Management LLP (formerly Smith & Williamson Investment Management LLP).

	2023	2022
	£	£
Market value at 1 September	2,329,801	2,404,700
Composition fees received and invested	441,219	699,969
Composition fees received in error	(69,418)	69,418
Cash in transit (to)/from group	(144,511)	144,511
Net income arising reinvested	28,269	23,317
Applied to school fees	(975,187)	(930,290)
Investment (loss)/gain during the year	(2,256)	(81,824)
Market value at 31 August	1,607,917	2,329,801
Historical cost at 31 August	1,457,098	2,157,207

Listed investments:	£	£
UK Fixed Interest:		
I Shares III Plc	622,436	788,097
Sanlam SHT	320,610	395,559
	943,046	1,183,656
UK Equities: J P Morgan Asset Management Ltd	330,202	398,612
	1,273,248	1,582,268
Client Money	25,409	20,363
Total Investments	1,298,657	1,602,631
Cash at Bank	309,260	582,659
Cash in Transit from the group	-	144,511
Total Composition fee fund investments	1,607,917	2,329,801

Assuming pupils remain at the relevant school, advance fees will be applied as follows:

	£	£
Greater than five years	-	43,348
Between two and five years	338,596	412,419
Between one and two years	332,195	668,835
	670,791	1,124,602
In one year or less	797,958	995,051
Net present value	1,468,749	2,119,653

17 Other creditors due in more than one year

	2023	2022
	£	£
Allied Schools Agency pension deficit (see note 22)	-	622
Other (less than 2 years)	-	75,897
	-	76,519

18 The funds of the Charity

	Unrestricted general funds	Composition fee restricted funds	Stowe Harvard restricted funds	Other restricted funds	Total restricted funds	Total funds
	£	£	£	£	£	£
At 1 September 2022	55,574,401	210,148	86,199	102,815	399,162	55,973,563
Net movement in funds	(38,995)	(70,980)	37,575	26	(33,379)	(72,374)
At 31 August 2023	55,535,406	139,168	123,774	102,841	365,783	55,901,189

Analysis of net assets

	£	£	£	£	£	£
Tangible fixed assets	54,814,907	-	-	-	-	54,814,907
Investments	164,200	1,607,917	-	-	1,607,917	1,772,117
Current assets	23,136,523	-	123,774	102,841	226,615	23,363,138
Creditors amounts falling due within one year	(22,563,470)	(797,958)	-	-	(797,958)	(23,361,428)
Creditors payable after one year	-	(670,791)	-	-	(670,791)	(670,791)
Provisions	(16,754)	-	-	-	-	(16,754)
At 31 August 2023	55,535,406	139,168	123,774	102,841	365,783	55,901,189

Unrestricted funds

Within the Unrestricted funds is a pension reserve of £16,754 (2022: £28,555) relating to a defined benefit scheme provision (see note 22).

Restricted funds (Composition and Stowe Harvard)

Within the Restricted funds is £123,774 (2022: £86,199) relating to the Stowe Harvard Fund, whose funds are to be used towards the costs of the Stowe Harvard Fellowship and a revaluation reserve of £139,168 (2022: £210,148) which reflects the difference between the market value of the composition fee investments and the net present value of future fee commitments at 31 August 2023 (see note 16).

An analysis of the Funds of the Company for last year can be found at note 25.

Other Restricted Funds

These represent the following restricted funds at WHS:

	2023	2022
	£	£
Prize fund	64	38
Bursary fund	38,232	38,232
Gifts fund	1,751	1,751
Development fund	62,794	62,794
	102,841	102,815

19 Operating leases

Other Assets - Total commitments relating to operating leases:	2023	2022
	£	£
Less than one year	217,751	161,913
Between two and five years	286,120	240,626

During the year £192,304 (2022: £162,189) was spent on operating leases.

Property Assets – Total commitments relating to operating leases:

Stowe House:

The house has been leased to SHPT, with a coterminous leaseback to Stowe School Ltd for 99 years, effective from 1 January 2000 (no break clauses). The arrangements were confirmed under Charity Order 0149530D dated 10 November 1999.

The lease charge represents the rent payable to SHPT for the School's occupation of Stowe House. The lease charge is reviewed every five years (next review 2028); the charge for the year is £185,791 (2022: £155,162).

The total minimum lease payments remaining on this lease are £7.5 million, over the remaining 75 years.

National Trust:

An agreement was made on 29 March 1990 between the Company and the National Trust to lease, surrender and develop various premises and land at Stowe, Buckinghamshire for 190 years.

The lease charge represents the rent payable to the National Trust for the School's occupation of certain properties. The lease charge is reviewed every five years (next review March 2027). The charge for the year is £15,609 (2022: £14,603).

The total minimum lease payments remaining on this lease at the current rate of charge are £2.4 million, over the remaining 157 years. The exact amount payable depends on the properties used by the School.

SHS:

An agreement was made on 5 January 2021 between SHS and its landlord to lease various parts of the Prep School for 27 years, with payments starting from 1 September 2021. The charge for the year was £83,189 (2022: £69,019).

The total minimum lease payments remaining on these leases are £1.3 million, over the remaining periods of the leases. The exact amount payable depends in part on pupil numbers.

SHS also rents one residential property. The lease payment for the year was £25,800 (2022: £24,900). The lease ended at the year end.

20 Reconciliation of net movement in funds to net cash inflow from operating activities

	2023 £	2022 £
Net income	(72,604)	2,076,180
Donations received	(365,947)	(1,727,203)
Interest received	(394,978)	(60,939)
Operating (deficit)/surplus for the year	(833,529)	288,038
Depreciation charges	2,877,785	2,846,830
(Loss)/gain on disposal of fixed assets	(836)	(8,903)
Unrealised loss/(gain) arising on revaluation of investments	2,256	81,824
Decrease/(increase) in stocks	28,599	(91,102)
(Increase)/decrease in debtors	(798,482)	(2,069,789)
Increase/(decrease) in creditors	119,741	(261,305)
(Decrease)/increase in provision	(11,801)	(15,287)
Net cash inflow from operating activities	1,383,733	770,306

21 Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash and cash equivalents			
Cash	10,557,342	73,392	10,630,734
	10,557,342	73,392	10,630,734

22 Pensions Schemes

Teachers' Pensions

Stowe School participates in the Teachers' Pensions Scheme (the TPS) for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,312,818 (2022: £1,291,539) and at the year-end £145,538 (2022: £150,238) was accrued in respect of employer contributions to this scheme.

The TPS is an unfunded, multi-employer defined benefits pension scheme governed by the Teachers' Pensions Scheme Regulations 2014. 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 following scheme valuations undertaken by the Government Actuary's Department.

The latest actuarial valuation was completed in 2018, which determined the opening balance of the cost cap fund and also provided an analysis of the cost cap as required by the Public Service Pensions Act 2013. The employers' contribution rate for the TPS increased to 23.60% from 1 September 2019 and the employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

Support Staff Pensions

Stowe School's support staff have the opportunity to join either the Pensions Trust Growth Plan Series 4, the Pensions Trust Flexible Retirement Plan or a Royal London Group Pension Scheme. These schemes are defined contribution schemes.

The School also participates in a Pensions Trust multi-employer scheme (i.e. all employers that employed active members before 1 October 2001) which provides benefits to some 638 non-associated participating employers; the Growth Plan Series 1, 2 and 3 are defined benefit schemes in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pension Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Because Series 3 liabilities do not contribute towards the deficit (as investments are matched to liabilities) the Trustee of the scheme has agreed that employers who have only ever had involvement with Series 3 were not required to pay any additional contributions from 1 April 2013.

The scheme is classified as a 'last–man standing arrangement'. Therefore, the Company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m, resulting in a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions: from 1 April 2022 to 31 January 2025 - £3,312,000 per annum (payable monthly).

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions: from 1 April 2019 to 30 September 2025 - £11,243,000 per annum (payable monthly and increasing by 3% on each 1 April).

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

The additional contributions required from Stowe School Limited from 1 April 2013 were agreed at £49,507 per annum (rising by inflation annually) for 10 years. The additional contributions made in the year totalled £12,621 (2022: £30,675).

Where the scheme is in deficit and where the Company has agreed to a deficit funding arrangement, the Company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using an appropriate discount rate. The unwinding of the discount rate is recognised as a finance cost.

Prep Schools

All academic and support staff at the Prep Schools participate in defined contribution pension schemes. The pension charge for the year includes contributions to these schemes of £680,059 (2022: £619,293).

Net present value of provision

	2023 £	2022 £
Net present value of provision	16,754	28,555

Reconciliation of opening and closing provision

	2023 £	2022 £
Provision at start of year	28,555	154,094
Unwinding of the discount factor (interest expense)	991	877
Deficit contribution paid	(12,621)	(30,675)
Re-measurements – impact of any change in assumptions	(171)	(1,278)
Re-measurements – amendments to the contribution schedule	-	(94,463)
Provision at end of year	16,754	28,555

SoFA impact

	2023 £	2022 £
Interest expense	991	877
Re-measurements – impact of any change in assumptions	(171)	(1,278)
Costs recognised in SoFA	12,621	30,675
Re-measurements – amendments to the contribution schedule	-	(94,463)
Impact at end of the year	13,441	(64,189)

23 Legal charges

The Company renewed a Revolving Credit Facility (RCF) for five years, from June 2022. The RCF is secured by legal charges on Stowe School's domestic properties.

24 Statement of Financial Activities (incorporating an income and expenditure account) for prior year

	Unrestricted funds £	Restricted funds £	2022 £
Income from:			
Charitable activities			
School fees receivable	36,529,460	-	36,529,460
Ancillary trading income	1,745,407	-	1,745,407
Other trading activities			
Non-ancillary trading income (covenants)	385,735	-	385,735
Other activities	29,364	-	29,364
Investments			
Bank and other interest	31,516	58,485	90,001
Voluntary sources			
Grants and donations	1,729,400	240	1,729,640
Charitable acquisition donations	-	-	-
Total incoming resources	40,450,882	58,725	40,509,607
Expenditure on:			
Raising funds			
Financing costs	77,981	4,468	82,449
Fundraising and development	575,742	-	575,742
Total deductible costs	653,723	4,468	658,191
Charitable activities			
Education	37,693,412	-	37,693,412
Total expenditure	38,347,135	4,468	38,351,603
	2,103,747	54,257	2,158,004
Net Investment (losses)/gains	-	(81,824)	(81,824)
Net income	2,103,747	(27,567)	2,076,180
Other recognised gains and losses:			
Actuarial gains on defined benefit pension schemes	110,252	-	110,252
Net movement in funds	2,213,999	(27,567)	2,186,432
Reconciliation of funds:			
Total funds brought forward	53,360,402	426,729	53,787,131
Total funds carried forward	55,574,401	399,162	55,973,563

25 The funds of the Company for prior year

	Unrestricted general funds	Composition fee restricted funds	Stowe Harvard restricted funds	Other restricted funds	Total restricted funds	Total funds
	£	£	£	£	£	£
At 1 September 2021	53,360,402	237,935	86,139	102,655	426,729	53,787,131
Net movement in funds	2,213,999	(27,787)	60	160	(27,567)	2,186,432
At 31 August 2022	55,574,401	210,148	86,199	102,815	399,162	55,973,563

Analysis of net assets

	£	£	£	£	£	£
Tangible fixed assets	54,970,327	-	-	-	-	54,970,327
Investments	164,200	2,239,801	-	-	2,329,801	2,494,001
Current assets	22,261,431	-	86,199	102,815	189,014	22,450,445
Creditors amounts falling due within one year	(21,716,483)	(995,051)	-	-	(995,051)	(22,711,534)
Creditors payable after one year	(76,519)	(1,124,602)	-	-	(1,124,602)	(1,201,121)
Provisions	(28,555)	-	-	-	-	(28,555)
At 31 August 2022	55,574,401	210,148	86,199	102,815	399,162	55,973,563

STOWE SCHOOL LIMITED

England & Wales - Charity number 310639

Accounts

Stowe School Limited

(Limited by Guarantee)

Financial statements 31 August 2022

together with Trustees' and Auditor's reports

Registered number: 187251

Charity number: 310639

Directors and Officers

Directors

Simon Charles Creedy Smith BA, FCA
The Reverend Canon Peter Michael Ackroyd MA, MBA, MA, PhD
Jonathan Michael Arundell Bewes BA, FCA
Patrick Bradshaw BA
Her Honour Judge Rebecca Brown BA
Julie Christine Brunskill BSc, MRICS
Simon Cuerden BA, ACA
Elizabeth de Burgh Sidley BA, FRICS
Rupert Fordham BA (Cantab)
John Philip Cardain Frost BSc, MRICS
Richard Greaves BA
Joanne Elizabeth Hastie-Smith
Will Jakeman BSc, PGCE
Sunjeewa Jayawardena BSc, MBA
Andrea Karen Johnson BSc, PGCE
Mairi Johnstone LLB, DipLP, BSc, MBA, GradCG
Catriona Helen Lloyd MA (Cantab)
Alexander Muirhead
Christopher John Tate BA, MIMC

Company Secretary

Michael Porter BA, MSc

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Financial Statements

The Directors, who are also referred to as Governors and who are also Charity Trustees as defined in the Charities Act 2011, present their annual report and audited financial statements for the year ended 31 August 2022.

The financial statements comply with the Companies Act 2006, Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102).

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Trustees' Report, including the Strategic Report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing these financial statements, the Directors are required to:

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

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Directors are aware, there is no relevant audit information of which the charitable company's auditors are unaware and the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company is limited by guarantee and governed by the provisions in the Articles of Association adopted by Special Resolution on 6 October 2020; these replaced the Memorandum and Articles of Association, dated 20 January 1923 (as altered by Special Resolution on 25 September 1951). Each of the seven Members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities.

Stowe School Limited is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On 26 September 2013, the Allied Schools signed a new Management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency Limited to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT.

Charitable Status

The company is a registered charity with registered charity number 310639.

Governing Body

The Directors constitute the Governing Body and are elected by the Governing Body, except that two Directors are nominated by the MMT if the total does not exceed twelve, three if the number exceeds twelve but does not exceed eighteen and four if the number exceeds eighteen. The Directors nominated by the MMT are The Reverend Peter Ackroyd, Mr Bewes, Mrs Hastie-Smith and Mrs Johnstone.

The Directors of the company serving since 1 September 2021 were as follows:

Simon Charles Creedy Smith BA, FCA
The Reverend Canon Peter Michael Ackroyd MA, MBA, MA, PhD
Jonathan Michael Arundell Bewes BA, FCA
Patrick Bradshaw BA
Her Honour Judge Rebecca Brown BA
Julie Christine Brunskill BSc, MRICS
Simon Cuerden BA, ACA (appointed 1 September 2022)
Elizabeth de Burgh Sidley BA, FRICS
Rupert Fordham BA (Cantab)
John Philip Cardain Frost BSc MRICS
Richard Greaves BA
Joanne Elizabeth Hastie-Smith
Will Jakeman BSc, PGCE (appointed 14 November 2022)
Sunjeewa Jayawardena BSc, MBA
Mairi Johnstone LLB, DipLP, BSc, MBA, GradCG
Andrea Karen Johnson BSc, PGCE
Catriona Helen Lloyd MA (Cantab)
Alexander Muirhead
Andrew Reekes MA, MReS (resigned 19 April 2022)
Vanessa Stanley BSc (Eng) ACGI, M Ed (resigned 17 June 2022)
Lady Stringer BSc, MB, BS, LRCP, MRCS (resigned 17 June 2022)
Christopher John Tate BA, MIMC

In accordance with the Articles of Association, Rev Ackroyd, Ms Brunskill, Mr Creedy Smith, Mr Cuerden, Mr Jakeman and Mrs Johnson retire by rotation and being eligible offer themselves for re-election.

Induction and Training of Directors

When new Directors are appointed, care is taken to ensure that the appropriate skills and experience relevant to the Governing Body are represented. Each new Director is provided with an information pack and a list of relevant training courses, some of which they are expected to attend. They are inducted into the workings of Stowe School Limited through a visit programme, discussion and an introductory pack. All Directors receive information on governor training update courses.

Governance

The Directors are responsible for the overall management and control of Stowe School Limited and meet four times a year. The work of overseeing the implementation of the group's policies is carried out by committees appointed by the Directors for that purpose (Executive; Education; Estates; Finance; Marketing & Admissions; Nomination & Remuneration and Prep School), which usually meet in the weeks preceding meetings of the full Governing Body. These committees perform detailed reviews within their areas of responsibility. The day to day running of Stowe School Limited is delegated to the Head of Stowe School and the Executive Leadership Team (ELT), who are considered the key management personnel of the charity.

Head of Stowe School	Dr Anthony Wallersteiner
Senior Deputy Head	Liam Copley
Deputy Head Pastoral	Michael Rickner
Deputy Head Academic	Dr Julie Potter
Designated Safeguarding Lead (DSL)	Michael Rickner
Finance	Mark Greaves
Strategic Development & Fundraising	Colin Dudgeon
Marketing and Admissions	Tori Roddy
Head of People	Jaime Chahal
Group Head of ICT	Aditya Gupta
Head of Swanbourne House	Simone Mitchell (acting Head)
Head of Winchester House	Antonia Lee

The Head and members of the ELT attend meetings of the above committees, as appropriate.

Key Management Personnel Remuneration

The pay of the Head of Stowe School is reviewed annually by the Nomination & Remuneration Committee. The pay of the remaining members of the ELT is reviewed annually by the Head and agreed by the Nomination & Remuneration Committee. Pay is subject to performance and market forces.

All Directors give freely of their time and no Director remuneration was paid in the year. Details of Directors' expenses and related party transactions are disclosed in the financial statements.

Directors are required to disclose all relevant interests in accordance with our policy and withdraw from decisions where a conflict of interest arises.

The Stowe Group of Schools

On 5 January 2021, the mergers of Swanbourne House School (SHS) and Winchester House School (WHS) (together the Prep Schools) with Stowe School was completed. Stowe School has taken on all the assets and liabilities of both preparatory schools. Both schools have a long tradition of sending pupils to Stowe School. The Stowe group of schools now offers an educational pathway for over 1,400 children from 3-18 years old. It allows member schools to benefit from a wealth of shared expertise and enables both preparatory schools to benefit from the many facilities and opportunities that the Stowe group provides. It also provides opportunities for sharing strategic leadership, resources for professional

development and ideas as well as delivering cost efficiencies across the group. Six new Governors, three from each preparatory school, were appointed to the Governing Body at the time of the mergers.

Group Structure and Relationships

Stowe School Limited now comprises the assets and liabilities of all three schools in one charitable body with one set of Governors. These financial statements are the accounts for the group and comprise a full year for the group in 2022 and for 2021, a full year for Stowe School and eight months from January 2021 for the Prep Schools.

Stowe School Limited has a wholly owned non-charitable trading subsidiary, Stowe Enterprises Limited (SEL), which operates the School shop and makes available the facilities of the School to the public and various organisations for events, educational and leisure purposes. SEL owns the trading subsidiary Winchester House Trading Limited (WHT) and operates across the Stowe group of schools.

Stowe School Limited, in conjunction with its partners on the Stowe site, being The National Trust and The Stowe House Preservation Trust Limited (SHPT), assists in the restoration of Stowe (Stowe House and Stowe Landscape Garden) and the improvement of the visitor experience. Stowe House is open to the public on over 200 days in a normal year.

Stowe School Limited works closely with The Stowe School Foundation (SSF), a separate charity. The Trustees of SSF can apply the capital and income of the trust, both for the provision of educational resource and facilities at the School and for scholarships and bursaries, as well as the provision of any other financial support to Stowe School Limited as the Trustees may from time to time decide. SSF has three ex officio Trustees, between two and six nominated Trustees, appointed by Stowe School Limited, and up to four co-opted Trustees appointed by the Trustees.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charity's objects and aims

The primary objects of the charity as set out in its Articles of Association are to provide education in accordance with the Protestant principles of the Church of England. The main aim of the charity is to provide public benefit through the use of the Stowe group of schools for the provision of education (which includes an understanding of culture and heritage) to its pupils.

To achieve this aim the charity seeks to maintain the Stowe group of schools' reputation as a centre of excellence in education, culture and heritage at a local, regional and national level by:

- maintaining and promoting the Stowe group of schools as one of Britain's best, national co-educational group of boarding and day schools for fee-paying and supported pupils, offering a combination of high academic standards and outstanding pastoral care, with first class facilities and infrastructure that provide an efficient and cost effective education;

- delivering a rich provision in sport, music, art, drama and other activities in an inspiring, sustainable environment; and

- working in partnership with The National Trust and SHPT to make the internationally significant Stowe landscaped Gardens and Mansion accessible to members of the public, as a means of widening access and sharing the heritage and history of Stowe with a diverse audience, which in turn contributes to achieving the charity's primary object of education.

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education, when reviewing the future aims and objectives.

Strategies and objectives for the year

The main strategies and objectives for the charity to achieve the aims have included:

Strategies for Education

- Promote a supportive, secure and nurturing environment that places a high premium on the emotional, physical and mental well-being of every pupil by providing the highest standards of pastoral care and a culture of responsibility, tolerance, attachment and inclusiveness with equality of opportunity for all.

- Promote the highest standards of teaching in the curriculum as well as fostering curiosity, love of subject, wider reading, creativity, intellectual risk-taking and the pursuit of individual or specialised talents in the belief that all pupils have the capacity to respond to and benefit from greater stretching and higher expectations.

- Steady recruitment to maintain a full school with a pupil roll of up to 950 pupils at Stowe School with applications exceeding capacity and an appropriate balance between UK and overseas students, whilst safeguarding Stowe as a co-educational, predominantly boarding school.

- Steady recruitment for the Prep Schools with a pupil roll of over 600 pupils.

Main objectives for the year

- 2022 targets for A levels: 80% A*B grades; for GCSE: 55% 7-9 or A*A grades.

- For the Prep Schools to achieve entry to pupils' first choice of a wide range of secondary schools and a wide range of scholarships and exhibitions to Senior Schools.

- Developing the theme of Change Makers to maintain the group's reputation for innovation by building on previous themes such as Growth Mindset, Marginal Gains, Effective Teaching and Learning and the Learning Power Approach. The group emphasises character virtues such as grit, resilience, determination and perseverance.

Strategies for Sport, Music, Art and Drama

- Provide a rich diet of cultural activities that mixes classroom and academic achievement with personal cultural development through sport, music, art and drama supported by a wide range of activities such as concerts, plays, exhibitions, lectures, trips and weekend activities.

- Promote the belief that ability comes in many forms and that pupils need to be supported to discover and enjoy success no matter where their talents lie.

Main objectives for the year

- Maintaining a wide variety of sport, music, art and drama available to all.

- Developing a cultural programme to attract pupils to drama and musical productions, in support of the curriculum.

Strategies for Heritage and Restoration

- Participate, through an effective partnership with The National Trust and SHPT, in the heritage restoration of the landscape gardens and mansion at Stowe while protecting the interests of the School.

Main objectives for the year

- Working with SHPT to plan the restoration of the State Dining Room.

Strategies for Public Benefit

The following strategies are designed to ensure that Public Benefit remains intrinsic to all of the Charity's activities:

- Promote scholarships and bursaries to allow access for pupils from all backgrounds.
- Promote participation with State Schools.
- Provide access to Stowe's heritage, in partnership with The National Trust and SHPT.
- Promote good citizenship through participation in external activities and initiatives.
- Provide access to school facilities to the local community.
- Provide access for the public to music, art, sport, drama and science activities at Stowe.

Main objectives for the year

- Progressing educational initiatives with Silverstone UTC, local State Schools and the University of Buckingham.
- Promoting participation in Service@Stowe, CCF, Duke of Edinburgh Award scheme and 'green team'.
- Providing high level bursaries to deserving applicants who would otherwise not be able to attend Stowe School.

Strategies for Fundraising

- Build and sustain the Campaign for Stowe to generate funds each year to augment operating surpluses and to enable the steady implementation of the Development Plan and of Change 100.

Main objectives for the year

- Generating, through the Campaign for Stowe, funds of a minimum of £2 million per annum towards bursaries and scholarships; planning future fundraising initiatives in the areas of Sport and other masterplans.
- Continued pursuit of Change 100 – Stowe's ambitious mission to generate an endowment of £100 million that will provide means-tested bursarial support to change the lives of talented and deserving children from much less-advantaged backgrounds, whose world can be transformed through an education in the Stowe group. The aim of Change 100 is to provide full funding for 100 pupils in the Stowe group, every year in perpetuity.
- Fundraising for specific projects for the Prep Schools.

The remainder of the Trustees' Report also constitutes the Strategic Report for the purposes of the Companies Act 2006.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The principal activity of the Company continued to be the provision of education in a boarding and day school environment for pupils aged 3 to 18. This academic year Stowe School averaged 879 (2021: 842) pupils. The Prep Schools averaged 555 (548 pupils in the eight months to 31 August 2021).

Whereas the year ended 31 August 2021 was influenced by COVID-19 resulting in the closure of all three schools during the lent term and the implementation of the successful Stowe Distance Learning programme and other virtual learning platforms, this year saw an uninterrupted year and the first full year incorporating the Prep Schools.

Public Benefit

Scholarships and bursaries are promoted in recruitment literature, on Stowe School's website and through advertising. Scholarships at Stowe School are awarded at entry at 13+ and 16+ for academic, musical, artistic, sporting or all-round merit.

Scholarships at Stowe School are awarded with a fixed remission of fees of between 5% and 25%. Scholarships may be supplemented by means-tested bursaries.

Bursaries are awarded on the basis of financial need and principally to those pupils who for financial reasons might not be able to come to the Stowe group of schools or who might not be able to remain to complete their education. Bursary awards are made on the basis of full financial disclosure and are reviewable annually. At least two fully funded places are available each year, subject to financial need - during 2022 there were 14 (2021: 9) fully funded places at Stowe School.

Community programmes operated by staff and pupils are encouraged, with emphasis on the elderly and disabled and on widening support to local schools and the local community. The level of activity is yet to regain pre-Covid levels.

The School's partnership with Silverstone UTC, announced in July 2017, continues to flourish and to provide enhanced educational and co-curricular opportunities for pupils at both educational establishments. The partnership is intended to demonstrate the best that can be achieved by independent and state schools working together. The partnership involves reciprocal governor arrangements, teaching and sharing best practice and facilities.

The StoweEd conference, normally attended by both state and independent schools and cancelled the previous year, was held this year on-line and focused on Complex Problem Solving.

The Head continues to chair Street Child, which works in conflict and post-conflict countries and has helped over 200,000 children to attend schools.

The School invited local clubs to use its sports facilities and equipment at subsidised rates and encouraged staff to coach sport in the community.

Stowe House attracts the wider and local community to enjoy its heritage, through being open to the public for weddings, corporate, commercial and charitable events. A full summer of events took place in the summer of 2022.

Fee Support

Stowe School, together with SSF and other outside Trusts, supported 310 (2021: 306) pupils, through the provision of scholarships and bursaries during the year.

Stowe School and SSF allocated £2,472,850 (2021: £2,034,773), being 7.9% (2021: 7.7%) of fee income, to scholarships and bursaries. Included in this total are means-tested bursaries, awarded in addition to scholarships, which allow access for pupils from all backgrounds, with 80 (2021: 80) pupils receiving such awards. 14 (2021: 9) of these benefited from a full remission of fees. External trusts also provided funds of £7,492 (2021: £17,453) towards individual pupils' fees.

The Prep Schools continue to offer bursaries and allowances totalling £811,943 (2021: 8 months - £557,045).

Education

Academic Standards

This summer's A Level results saw Stoics achieving 77% A*B grades (2021: 87% with Teacher Assessed Grades). The GCSE results saw Stoics achieving 60% at grade 7 or above (2021: 56% with Teacher Assessed Grades).

The Prep Schools had all their top year leavers accepted into their first choice of a wide range of senior schools and SHS exceeded their PSB objectives with 100% achieving Level 5 in eight or more subjects, 89% at Level 6 and 53% at Level 7. SHS achieved 19 scholarship and exhibition awards to senior schools, while WHS achieved 10.

Pastoral Care

The group is committed to safeguarding and promoting the welfare of pupils and expects all staff and volunteers to share in this commitment. The Designated Safeguarding Lead (DSL) for Stowe School is Michael Rickner, who is supported by Louise Springall, School Counsellor, as the Deputy DSL, and there are DSLs at both Prep Schools.

The group's policy for Safeguarding and Child Protection accords with the requirements of the relevant Safeguarding Children Board. It applies to all school employees, governors and to any volunteers working in the Stowe group.

There are processes of safeguarding induction and training in place, involving staff, governors, volunteers and contractors, which aim to ensure that this policy and safeguarding procedures are known and understood by those within the Stowe group community.

A programme of continuous improvements to the boarding houses in all three schools is expected to continue next year.

Culture - Sport, Music and Drama and other activities

The group maintained its reputation in a wide range of sports and other extra-curricular activities, with pupils encouraged to take part in school, county and national competitions. Full details of Stowe School's sporting and extra-curricular achievements can be found on the Stowe website: *www.stowe.co.uk*. There are links from there to the Prep School websites.

The arts and sciences programme is gradually regaining pre-Covid levels, but will take some time.

Heritage/Restoration

On 7 March 2018 Stowe School Limited agreed the Asset Exchange with The National Trust. This exchange of various leasehold interests in land and buildings is enabling The National Trust to restore the Western Garden to its 18th Century condition and Stowe School has built a replacement golf course and intends to use the Home Farm development in the future.

Stowe House was open to the public as normal this year. The School provides support on the historical archives and supports SHPT.

Stowe School has worked with SHPT as it continues to develop future plans. SHPT continues to restore the State Dining Room and continues to seek funding to complete the future phases of the restoration project.

Fundraising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their fundraising activities. Stowe School is supported by SSF while the Prep Schools carry out their own fundraising. SSF changed its objects to be able to support the Prep Schools as well as the School. This took effect from 1 August 2022. The charity does not carry out any fundraising activity in order to raise funds from the general public. The charity does not work directly with commercial sponsors or engage professional fundraisers. The Trustees are not aware of any complaints made in respect of fundraising during the year.

The focus of SSF, supported by Stowe School, has continued to be on the generation of voluntary funding from alumni, patrons of the School and supporters of independent education. During the SSF year to 31 July 2022, funds of some £2.9 million (2021: £2.9 million) were raised. These included £372k for Design, Technology and Engineering, £125k towards the Sixth Form Centre, £116k for Climate change and projects and £2.1m of endowment and other funds for scholarships and bursaries to support those who might not otherwise be able to attend or remain at Stowe.

Charitable donations of cash and assets and grants totalling £635,324 (2021: £295,760) were received by Stowe School during the year. The costs of the Campaign Office of £575,742 (2021: £516,566) were borne by Stowe School.

SECTION 172 (1) STATEMENT

The Stowe group of schools ("the group") depends on the trust and confidence of its stakeholders to operate sustainably in the long term. The welfare of the group's pupils is of primary concern and the group seeks to put their interests at the forefront of everything it does. The group invests in its employees and supports the communities in which it operates.

The group seeks to generate appropriate operating surpluses to maintain its investment in both scholarships and bursaries and in its facilities.

The Trustees of Stowe School Limited have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the group for the benefit of its stakeholders as a whole, having regard to the matters set out in section 172 (1) of the Companies Act 2006. Section 172 considerations are embedded in decision making at Governing Body level and throughout the organisation. The stakeholders, which the Trustees have considered, are set out below.

Having regard to the likely consequences of any decision in the long term

The Governing Body is mindful that its strategic decisions have long-term implications for the business and its stakeholders and these are carefully assessed by the group's various committees and by the Governing Body (see the section on Structure, Governance and Management on pages 3 to 6 of the annual report). This is particularly the case in setting the group's budget for the year when the Board balances the need for affordable education with the capital needs of the business.

Having regard to the interests of the group's employees

The Governing Body has regard to the interests of the group's employees and it recognises the importance of effective employee engagement in the successful functioning of the group. Governors engage with employees both formally through the various Governor committees and informally, for example, through dinners held prior to Governing Body meetings.

The group has a number of effective workforce engagement mechanisms in place:

- Employees are kept informed of performance and strategy through regular briefings from the Head and ELT, including termly training days.
- The Head provides termly updates to the Governing Body on staffing matters and staff matters are discussed at the weekly ELT meeting in term time.
- Employees can channel views through an employee representative body and through annual employee surveys.
- The Pay and Conditions Committee allows pay and reward matters to be discussed and reviewed.

The Governing Body considers that, taken together, these arrangements deliver an effective means of ensuring the Board stays alert to the views of the workforce.

Disabled Employees

The group is committed to equal opportunities for all. It is the policy of the group that no job applicant or employee receives less favourable treatment on the grounds of disability. If an employee becomes disabled during the course of their employment, every effort is made to find suitable alternative employment within the group and re-training is given if this is necessary. Stowe School Limited continues to train and encourage the career development of disabled persons in its employment.

Having regard to the need to foster the group's business relationships with customers, suppliers and others

Customers

As a large fee-paying group, the Governing Body regularly reviews the academic and financial performance of the group and its pupils and the affordability of its fee structure. The Heads of each school in the group communicate regularly with both parents and pupils. In addition, pupil and parental surveys are regularly commissioned.

Suppliers

The group deals with hundreds of different suppliers and major contracts are reviewed and put out to tender where appropriate and are signed off by appropriate members of ELT and Governors. The group reports its payment practices every six months. The report to 31 August 2022 showed that 67 per cent of invoices were paid within 30 days and the average time taken to pay invoices was 30 days.

The wider community

The group is very mindful of its responsibilities to the wider community and of its relationships with its partners, including SHPT, the National Trust, the UTC at Silverstone and the Stowe Golf Club members as well as the local community.

Regulators

The group is regulated both by the Government, through Ofsted and ISI, and the Charity Commission. The Governing Body considers its reporting and dealings with the Regulators as of the utmost importance.

Having regard to the impact of the Company's operations on the community and the environment

A summary of the Company's Streamlined Energy and Carbon report is set out below under Environmental Reporting.

Having regard to the desirability of the Company maintaining a reputation for high standards of business conduct

Corporate governance

Details of the Company's corporate governance are set out on pages 3 to 6 of the annual report.

Political donations

No donations were made for political purposes (2021: £nil).

ENVIRONMENTAL REPORTING

Under the Energy and Carbon Report Regulations 2018, the Company is required to report on its environmental impacts. The key environmental impacts for the Company are gas, kerosene and electricity use across the site and the use of business and personal vehicles. Energy usage has been calculated using consumption in the year. Transport mileage has been estimated from recorded mileage for group vehicles from fuel cards and invoices and from mileage claims for personal vehicles.

The group considers energy efficiency as part of its evaluation of projects. The Company has continued to replace lights with LED fittings.

Comparison year on year is affected by Covid-19 and the merger with the Prep Schools from 1 January 2021.

UK Greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022

Streamline Energy and Carbon Reporting Disclosure

Global energy Scope 1 and 2 GHG emission data for period:

	Tonnes CO_2e					
Emissions from	**2022 location-based**	2021 location-based	Variance location-based	**2022 market-based**	2021 market-based	Variance market-based
Scope 1 (Fuel combustion in buildings)	**363**	232	57%	**363**	232	57%
Scope 1 (Fuel combustion in vehicles)	**87**	32	175%	**87**	32	175%
Scope 1 (Fuel combustion in mobile and static plant)	**1,763**	1,931	-9%	**1,763**	1,931	-9%
Scope 2 (Electricity)	**673**	678	-1%	**136**	106	28%
Total	**2,885**			**2,349**		23%

Company's chosen intensity metric: tCO_2e/Pupil

	2022 location-based	**2022 market-based**	Variance
Emissions reported per Pupil	**2.018**	**1.637**	23%

Scope 3 Global GHG emission data for period:

Emission from	**2022**	2021	Variance
Business travel (air, rail and vehicles)	**10**	5	115%

Underlying global energy data for period:

Energy use (kWh)	**2022**	2021	Variance
Electricity	**3,478,919**	3,192,240	9%
Natural Gas	**1,987,692**	1,265,781	57%
Mobile and Static Plant Fuel	**7,345,341**	7,978,798	-8%
Transport Fuel	**404,745**	152,585	165%
Total	**13,216,697**	12,589,404	5%

Renewable Energy Percentage	**2022**	2021	Variance
Electricity	80%	84%	-5%

Market-based emissions include procured green energy. As shown above, the Stowe group procured green electricity, which reduced their scope 2 emissions by 536 TCO2e and resulted in an intensity metric of 1.637 TCO2e per pupil.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Results

The financial results for the year saw the first full year of the Stowe group of schools after the charitable merger in January 2021. The performance for the previous year was impacted by the charitable mergers with the Prep Schools and the £3.97m of net assets acquired as a result, net of merger costs.

	2022 £	2021 £
Net income	2,076,180	4,697,084
Less:		
Charitable merger of the Prep Schools – majority non cash (note 5b)	-	(3,973,058)
Grants and donations – (see breakdown below)	(1,729,640)	(912,812)
Operating surplus/(deficit) of the group of schools	346,540	(188,786)

	2022 £	2021 £
Grants and donations (note 5a):		
Funds from SSF to development of new facilities and enhancement of existing ones	1,542,462	233,508
Funds from SSF for other purposes	184,741	148,415
Government furlough scheme	2,437	530,889
	1,729,640	912,812

The majority of grants and donations received, which are required to be recognised in the Statement of Financial Activities (SoFA), which incorporates an income and expenditure account, were actually in respect of new facilities, the corresponding expenditure for which is included in Fixed asset additions.

Investment losses of £81,824 (2021: gain £96,221) have been transferred to the Restricted funds, which reflects the net movement in the composition fee fund.

Actuarial gains on defined benefit pension schemes resulted in a transfer of £110,252 (2021: gains £208) to the Unrestricted general fund in relation to the pension deficit re-measurement due to changes in assumptions.

This resulted in £2,213,999 (2021: £4,512,580) being allocated to the Unrestricted general fund and a loss of £27,567 (2021: profit £184,712, which included £98,505 resulting from the mergers with the Prep Schools) to the Restricted fund.

School fees receivable increased from £28,896,512 in 2021 to £36,529,460 in 2022. School fees receivable for the year in 2021 were severely reduced by the reductions offered as a consequence of the Government-imposed lockdown in the Lent Term and the inclusion of only 8 months' contribution from the Prep Schools. Total income increased from £35.2 million to £40.5 million.

Resources expended during the year were £38,351,603 (2021: £30,566,838). In addition, the group has invested £3.1 million (2021: £3.3 million) in capital expenditure, of which £2.7 million was for Stowe School and £0.4 million was for the Prep Schools.

Cash and bank balances at 31 August 2022 stood at £10,557,342 (2021: £11,070,241). The Company renewed a Revolving Credit Facility (RCF) for 5 years, from June 2022. There had been no drawdown on the RCF as at 31 August 2022.

Total funds at 31 August 2022 were £55,973,563 (2021: £53,787,131), of which £55,574,401 (2021: £53,360,402) were unrestricted.

The financial results for the year are reported in the SoFA.

Through its subsidiary, SEL, Stowe School Limited makes available its sporting and other amenities for use by the public. SEL produced a turnover for the year ended 31 December 2021 of £1,311,266 (2020: £835,129) and a profit before donation of £385,735 (2020: £141,778, the results were adversely affected by Covid-19).

Consolidated group financial statements have not been prepared as it is considered that they would be of no real value, in view of the insignificant overall effect of including the results of SEL.

Reserves Policy

The financial statements show that at 31 August 2022, the unrestricted funds totalled £55,574,401 (2021: £53,360,402) and restricted funds £399,162 (2021: £426,729).

Total unrestricted reserves include a funding deficit of £28,555 (2021: £154,094) calculated under FRS102 in respect of the notional funding deficit on the defined benefit pension plan for non-teaching staff. The Directors believe that this notional funding calculation, which can vary between surplus and deficit, depending on the assumptions used at each year end, has no material effect on the Company's cash flows in the short term and that in the longer term its effects are manageable out of future income.

The Company's unrestricted reserves are substantially represented by tangible fixed assets and are not readily available for spending. Excluding the FRS102 pension reserve and revaluation reserve above, the general unrestricted reserves were £55,602,955 (2021: £53,514,496), of which £54,970,327 (2021: £54,674,413) is represented by fixed assets.

The deficit on free reserves at 31 August 2022 of £632,629 (2021: deficit £1,987,416) is consistent with the longer term Development Plan cash flows, which are updated and reviewed by the Directors on a regular basis. Whilst the Directors consider that higher positive free reserves would be desirable, they recognise the demands of capital expenditure to equip the group with up to date facilities and to maintain the high standard of educational services provided. Therefore achieving the desired positive free reserves level remains a longer term objective. The policy is managed prudently by ensuring that sufficient liquid assets are available.

Investment policy and objectives

The Company's Articles of Association empower it to invest and deal with the monies of the Company not immediately required as it thinks fit.

Composition fee funds for the Stowe group of schools are held under trust and administered by Stowe School Limited.

FUTURE PLANS

The key objectives for the group for the following year are consistent with those stated above, with particular emphasis on:

- 2022 targets for A2: 80% A*B grades; for GCSE: 55% 7-9 grades
- All Prep School children being accepted into their first choice of senior schools
- Developing and consolidating the themes of the Learning Power Approach and Change Makers
- Working with SHPT to complete the restoration of the State Dining Room
- Generating, through the Campaign for Stowe, money towards bursaries (including Change 100) and scholarships and for specific projects, including Design, Technology and Engineering and sports facilities
- Continued integration of SHS and WHS into the Stowe group of schools

Principal Risks and Uncertainties

The Governing Body is responsible for the management of the risks faced by the group and reviews the major risks and measures for mitigation as part of an annual process. The major risks are considered to be those that would prevent the group from carrying out its charitable objects permanently. Individual committees are responsible for reviewing and monitoring the management of risk in their particular area. The Governors are satisfied that the mitigation of the currently identified major risks, detailed below, has been or is being addressed as follows:

Failure to govern effectively	Governing Body, Nomination & Remuneration Committee
Failure to deliver educational objectives	Education and Prep School Committee
Failure to safeguard pupil welfare	Governing Body, Education, Prep School and Estates Committees
Regulatory non-compliance	All Committees
Fire in Stowe House / Prep Schools	Estates Committee
Impact of economic and political climate	Governing Body and Finance Committee
Major fraud or financial mismanagement	Finance Committee
Major operational failure	Governing Body and All Committees
Reputational risk	Governing Body and All Committees
Temporary closure of the Schools	Governing Body and Finance Committee

In assessing the risks, the impact on group activity, disruption, injury or property damage, loss of income, reputation, management focus, missed opportunity and strategic direction change are all considered. Risks are recorded in a register and assessed as to their impact and likelihood of materialising, with the register including controls and mitigation plans. Risks are classed as key, medium concern or manageable. The risk register is updated termly by the ELT and reviewed by Committees at least annually.

Auditors

Saffery Champness LLP has expressed their willingness to remain in office as auditors of the Company.

This report, including the Strategic Report, was approved by the Board on 17 March 2023.

Michael Porter, Company Secretary

Opinion

We have audited the financial statements of Stowe School Limited for the year ended 31 August 2022, which comprise the statement of financial activities, balance sheet, cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).
In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 August 2022 and of its incoming resources and application of resources, including its 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 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 charitable company 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 trustees' 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 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. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees (who are also 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 to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Further the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

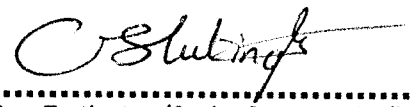
Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas, which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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



Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date: 31 March 2023

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 31 August 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 £	2021 £
Income from:					
Charitable activities					
School fees receivable	1	36,529,460	-	36,529,460	28,896,512
Ancillary trading income	2	1,745,407	-	1,745,407	1,190,761
Other trading activities					
Non-ancillary trading income (covenants)	12	385,735	-	385,735	141,778
Other activities	3	29,364	-	29,364	23,583
Investments					
Bank and other interest	4	31,516	58,485	90,001	29,197
Voluntary sources					
Grants and donations	5a	1,729,400	240	1,729,640	912,812
Charitable acquisition donations	5b	-	-	-	3,973,058
Total incoming resources		40,450,882	58,725	40,509,607	35,167,701
Expenditure on:					
Raising funds					
Financing costs	7	77,981	4,468	82,449	95,739
Fundraising and development		575,742	-	575,742	516,566
Total deductible costs		653,723	4,468	658,191	612,305
Charitable activities					
Education		37,693,412	-	37,693,412	29,954,533
Total expenditure	6	38,347,135	4,468	38,351,603	30,566,838
		2,103,747	54,257	2,158,004	4,600,863
Net Investment (losses)/gains	16	-	(81,824)	(81,824)	96,221
Net income		2,103,747	(27,567)	2,076,180	4,697,084
Other recognised gains and losses:					
Actuarial gains on defined benefit pension schemes	22	110,252	-	110,252	208
Net movement in funds		2,213,999	(27,567)	2,186,432	4,697,292
Reconciliation of funds:					
Total funds brought forward	18	53,360,402	426,729	53,787,131	49,089,839
Total funds carried forward	18	55,574,401	399,162	55,973,563	53,787,131

All operations of the Company continued throughout both years and no operations were discontinued in either year. In 2021, the Prep Schools' operations were acquired by means of Charitable Mergers, whereby the Prep Schools' assets are included as charitable donations net of costs and the Prep Schools' results are included for the eight months from January 2021. All recognised gains and losses during the year are included within SoFA. The accompanying notes are an integral part of this SoFA.

Balance Sheet

As at 31 August 2022

	Notes	2022	2021
		£	£
Fixed assets			
Tangible assets	9	54,970,327	54,674,413
Investment in subsidiary undertakings	11	164,200	164,200
Composition fee fund investments	16	2,329,801	2,404,700
		57,464,328	57,243,313
Current assets			
Stocks	13	269,382	178,280
Property held for sale	5b)	-	221,667
Debtors	14	11,623,721	9,401,683
Cash and deposits		10,557,342	11,070,241
		22,450,445	20,871,871
Creditors: amounts falling due within one year	15	(22,711,534)	(22,804,765)
Net current liabilities		(261,089)	(1,932,894)
Total assets less current liabilities		57,203,239	55,310,419
Long-term liabilities			
Creditors payable after one year			
Composition fees	16	(1,124,602)	(1,339,266)
Other creditors	17	(76,519)	(29,928)
		(1,201,121)	(1,369,194)
Net assets and liabilities excluding pension liability		56,002,118	53,941,225
Defined benefit pension scheme liability	22	(28,555)	(154,094)
Net assets		55,973,563	53,787,131
The funds of the charity			
Unrestricted funds:			
General reserve		55,602,956	53,514,496
Pension reserve	22	(28,555)	(154,094)
		55,574,401	53,360,402
Restricted funds:			
General reserve	18	189,014	188,794
Revaluation reserve	18	210,148	237,935
		399,162	426,729
Total funds	18	55,973,563	53,787,131

Balance Sheet (continued)

As at 31 August 2022

The financial statements on pages 20 to 42 were approved by the board of Trustees on 17 March 2023 and signed on their behalf by:



Simon Creedy Smith
Trustee



Simon Cuerden
Trustee

Company number 187251

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

Cash Flow Statement

For the year ended 31 August 2022

	Notes	2022	2021
		£	£
Net cash inflow from operating activities	20	770,306	5,305,479
Cashflows from investing activities			
Interest received		60,939	52,780
Additions to composition fee investments		(867,797)	(778,237)
Realisation of composition fee investments		930,290	1,063,844
Donations and grants received		1,727,203	381,923
Cash acquired on charitable acquisitions		-	660,994
Merger costs		-	(752,562)
Payments for tangible fixed assets		(3,143,130)	(3,315,184)
Proceeds from sale of tangible fixed assets		9,290	-
Net cash outflow from investing activities		(1,283,205)	(2,686,442)
Change in cash and cash equivalents in the reporting year		(512,899)	2,619,037
Cash and cash equivalents at the beginning of the reporting year		11,070,241	8,451,204
Cash and cash equivalents at the end of the reporting year		10,557,342	11,070,241
Net cash movement	21	(512,899)	2,619,037

Accounting policies

The accounts have been prepared in accordance with Accounting and Reporting by Charities: the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), Charities SORP (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Stowe School Limited meets the definition of a public benefit entity under FRS102. The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

The accounts include a Statement of Financial Activities (SoFA) rather than a profit and loss account. The financial information is presented for Stowe School Limited as an individual undertaking and not for the group. The Directors have taken advantage of the SORP and of the Companies Act 2006 (S405(2)) exemption not to prepare group financial statements as they consider the effects of any changes would not be material to the financial statements of Stowe School Limited.

Having reviewed the funding facilities available to the Company, together with the expected ongoing demand for places and the Company's future projected cash flows, the Directors have a reasonable expectation that the Company has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. The functional currency is pounds sterling.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

a) Income and expenditure

School fees and operating expenses are included in the financial statements on an accruals basis. Registration fees are credited to income in the year in which they are received. All income and expenditure included in the financial statements is from continuing operations.

b) Investment income

Investment income is principally from bank balances and is accounted for on an accruals basis.

c) Income from voluntary sources

Income from voluntary sources (donations) is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Company is considered probable. Donations are accounted for as unrestricted income and credited to General Funds, as they relate to specific in year projects, and Trustees do not consider setting up separate restricted funds for each project.

Donations of tangible assets are capitalised at the estimated value as at the date of donation. Other donations are accounted for within the SoFA.

Donations from charitable mergers are accounted for within the SoFA as the fair value of net assets donated less any relevant merger costs incurred.

d) Grants

Grants are credited to income when receivable, irrespective of when the related expenditure is incurred.

e) 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 of the underlying assets, as

appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates. Repairs and maintenance expenditure is charged as an operating expense in the year in which it is incurred.

f) Governance costs

Governance costs are those incurred in complying with statutory requirements and governance matters.

g) Tangible assets and depreciation

Expenditure relating to the acquisition of and extensions to freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less depreciation. The Directors are aware that the realisable value is considerably greater than the original cost less depreciation.

Tangible assets are stated at cost less accumulated depreciation and any provision for impairment. Depreciation is provided on tangible assets other than land and historic buildings (the cost of which is not significant) on the first full month of use, so as to write off their cost by equal instalments over the expected useful lives of the assets concerned. The estimated useful lives are considered to be as follows:

Astroturf facility	10 years	Central heating	20 years
Technology equipment	4 to 10 years	Freehold buildings	15 to 50 years
Furniture, fixtures and fittings	5 to 25 years	Motor vehicles	4 to 7 years
Plant and equipment	5 to 25 years	Property improvements	5 to 50 years

Assets costing under £1,000 are not capitalised.

Land and buildings are reviewed annually for impairment. Assets in the course of construction are not depreciated until they are brought into use.

h) Heritage assets

Stowe School acquired Stowe House in 1923; the House is leased to SHPT with a coterminous leaseback to Stowe School for 99 years effective from 1 January 2000. The House is occupied by the School as an operational asset. Stowe House is included in the balance sheet at cost. The School considers that its owned paintings, statues and busts on display and in archive are operational assets.

i) Investments and Investment properties

Investments are shown at market value, less any provision for diminution in value. Gains and losses are included in the SoFA. Investments in subsidiary undertakings are shown at cost, less any provision for permanent diminution in value.

j) Stocks

Stocks are stated at the lower of cost and net realisable value.

k) Debtors

Debtors in respect of school fees are recognised at the point of issuing invoices for the following term. If the pupil withdraws before the start of term, the fees are still due for settlement.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accounting policies *(continued)*

l) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term, highly liquid investments with a short maturity of one year or less from the date of acquisition or opening of the deposit account or similar account.

m) Deferred income

Deferred income represents income after scholarships, bursaries and discounts awarded for the first term of the following academic year and therefore relates to the following financial year.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Operating leases

Assets held under operating leases are not capitalised. The costs associated with hire rental are charged directly to income as they arise.

p) Pensions

Stowe School's professional teaching staff are members of a Superannuation Scheme operated by the Department for Education. This is a multi-employer defined benefit scheme and individual schools are not able to identify their share of the underlying assets and liabilities of the scheme.

Other staff are members of a defined contribution scheme or a multi-employer defined benefit scheme. The amount charged to the SoFA in respect of pension costs is the contribution 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.

q) Composition fees

Composition fees represent payments in advance in respect of school fees for pupils, present and future, and, in respect of Stowe School only, are deposited with Stowe School Limited, as Trustee, for investment. A transfer to the SoFA is made each term in respect of school fees which are then due.

r) Support costs

Support costs are administration and other costs incurred in supporting the charitable activities.

s) Critical accounting judgement and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised where the revision affects only that year, or in the year of the revision and future years where the revision affects both current and future years.

The key judgement in these accounts relates to the fair values applied at the date of acquisition.

1 School fees receivable

	2022 £	2021 £
Gross school fees	40,286,115	32,029,564
Less: Scholarships, bursaries and allowances	(3,756,655)	(3,133,052)
	36,529,460	28,896,512

Due to the impact of COVID-19 last year, the fees for the Lent term in all three schools for the period of the lockdown were reduced to compensate for pupils not being able to use the facilities at the schools. Pupils were taught through the Stowe Distance Learning Programme and other virtual learning platforms.

2 Ancillary trading income

	2022 £	2021 £
Pupil extras	809,941	834,290
Registration fees	159,629	146,091
Rental income	138,632	109,286
Other income	637,205	101,094
	1,745,407	1,190,761

3 Other activities

	2022 £	2021 £
Interest on overdue accounts	29,364	23,583

4 Bank and other interest

	2022 £	2021 £
Interest and dividends on composition fee investments (note 16)	27,706	27,463
Bank interest receivable	29,253	294
Net present value movement on composition fee investment	30,720	-
Interest from SEL loan	2,322	1,440
	90,001	29,197

5a) Grants and donations

	2022 £	2021 £
Donations	1,727,203	381,923
Government furlough scheme	2,437	530,889
	1,729,640	912,812

5b) Charitable acquisition donations (Previous year)

Charitable acquisition donations represent the assets received from the Prep Schools in January 2021 at fair value, less relevant costs. The breakdown is as follows:

	SHS	WHS	Total
	£	£	£
Fixed assets	1,774,629	3,430,679	5,205,308
Cash	153,889	507,105	660,994
Net current liabilities	(466,273)	(674,409)	(1,140,682)
Less:			
Acquisition costs	(33,071)	(719,491)	(752,562)
	1,429,174	2,543,884	3,973,058

The acquisition costs for WHS include £647,386, in respect of breaking and repaying the mortgage on a property belonging to WHS. Included in net current liabilities for SHS was a surplus residential property held for sale at £221,667, which was sold in the current year.

6 Analysis of total expenditure

	Staff costs	Other costs	Depreciation	2022
	£	£	£	£
Expenditure on raising funds				
Financing costs (note 7)	-	82,449	-	82,449
Fundraising and development	459,947	115,795	-	575,742
Total costs of generating funds	459,947	198,244	-	658,191
Charitable activities				
Teaching	15,117,121	1,769,200	457,830	17,344,151
Welfare	3,424,414	2,613,035	135,506	6,172,955
Premises repairs and maintenance	2,051,247	5,323,542	2,167,149	9,541,938
Support costs and governance	2,416,573	2,131,450	86,345	4,634,368
Total charitable expenditure	23,009,355	11,837,227	2,846,830	37,693,412
Total expenditure	23,469,302	12,035,471	2,846,830	38,351,603

	Staff costs £	Other costs £	Depreciation £	2021 £
Expenditure on raising funds				
Financing costs (note 7)	0	95,739	0	95,739
Fundraising and development	425,805	90,761	0	516,566
Total costs of generating funds	425,805	186,500	0	612,305
Charitable activities				
Teaching	12,441,938	1,085,835	478,704	14,006,476
Welfare	3,270,960	1,601,178	65,834	4,937,971
Premises repairs and maintenance	1,951,446	3,802,131	1,987,466	7,741,043
Support costs and governance	1,986,788	1,193,748	88,505	3,269,041
Total charitable expenditure	19,651,132	7,682,892	2,620,509	29,954,533
Total expenditure	20,076,937	7,869,391	2,620,509	30,566,838

Governance included in support costs:

	2022 £	2021 £
Remuneration paid to auditors for audit services	37,366	35,967
Directors – travel and subsistence costs	7,018	2,687
Other governance costs	5,729	4,367
	50,113	43,021

The Directors and Company Secretary did not receive any emoluments during the year (2021: £nil) and none received retirement or other benefits from the School. Travel and subsistence expenses were claimed by 22 (2021: 17) individuals, who were reimbursed directly or indirectly.

In addition to the above audit remuneration, the auditors performed other services with fees totalling £4,640 (2021: £2,760).

7 Financing costs

	2022	2021
	£	£
Commitment fee on rolling credit facility	35,000	35,000
Investment charges on composition fees investments (note 16)	4,389	49,305
Bank charges	43,060	11,434
	82,449	95,739

8 Staff costs

Total staff costs were:	2022 £	2021 £
Salaries and wages	19,204,740	16,580,771
Social security costs	1,904,325	1,539,402
Other pension costs	2,360,237	2,006,938
	23,469,302	20,127,111

The aggregate employee remuneration and benefits of the key management personnel were:	1,601,827	1,343,579

The total staff costs above include payments relating to departing staff of £60,958 (2021: £58,816). The aggregate employee remuneration figures for 2022 include a full year for the Prep Schools and new members of the key management team.

	2022 Number	2021 Number
The average number of employees of the Company during the financial year was as follows:		
Teaching and teaching support staff	318	305
Visiting music teachers	35	45
Establishment and administrative staff	381	384
	734	734
The average FTE of employees of the Company during the financial year was as follows:		
Teaching and teaching support staff	258	252
Visiting music teachers	9	15
Establishment and administrative staff	260	279
	527	546
The number of staff in pension schemes was as follows:		
Money purchase schemes	469	459
Teachers' pensions scheme	121	121
	590	580

The staging date for pension auto enrolment was October 2013 and the most recent re-enrolment date was 1 November 2022, which required staff who opted out to elect to be enrolled or opt out again.

The number of employees whose emoluments exceeded £60,000 were:	2022 Number	2021 Number
£60,001 - £70,000	20	17
£70,001 - £80,000	5	1
£80,001 - £90,000	3	2
£90,001 - £100,000	3	2
£100,001- £110,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
£200,001 - £210,000	1	1
£280,001 - £290,000	1	1

Stowe School Limited's pension contributions for the above 35 (2021: 25) employees totalled £422,249 (2021: £276,534), divided between Teachers' Pensions £325,696 (2021: £242,056) and other schemes £96,554 (2021: £34,498).

The emoluments of the highest paid employee reflect the fact that employer pension contributions of 16.48% of salary to the Teachers' Pensions Scheme ceased with effect from 31 May 2016, at which time the salary was increased by an amount equivalent to the contributions foregone.

9 Tangible fixed assets

	Freehold Property £	Property Improvements £	Plant & Equipment £	Computer Equipment £	Furniture, Fixtures & Fittings £	Motor Vehicles £	Total £
Cost							
1 September 2021	32,299,314	37,264,339	2,588,959	2,063,025	4,262,466	799,324	79,277,427
Reclassification	-	-	(3,738)	-	3,738	-	-
Additions	492,299	2,110,272	139,358	68,958	138,633	193,610	3,143,130
Disposals	-	-	(54,610)	(395,366)	(166,928)	(18,082)	(634,986)
31 August 2022	32,791,613	39,374,611	2,669,969	1,736,617	4,237,909	974,852	81,785,571
Depreciation							
1 September 2021	5,531,763	11,719,185	2,112,677	1,712,975	3,029,011	497,403	24,603,014
Reclassification	-	-	(2,244)	-	2,244	-	-
Charge for Year	653,329	1,519,410	125,617	149,097	255,731	143,645	2,846,829
Disposals	-	-	(54,223)	(395,366)	(166,928)	(18,082)	(634,599)
31 August 2022	6,185,092	13,238,595	2,181,827	1,466,706	3,120,058	622,966	26,815,244
Net Book Value							
31 August 2022	26,606,521	26,136,016	488,142	269,911	1,117,851	351,886	54,970,327
1 September 2021	26,767,551	25,545,154	476,282	350,050	1,233,455	301,921	54,674,413

The assets acquired from the Prep Schools are included at their fair value as at January 2021, when the Prep Schools were acquired by means of charitable mergers.

Within additions, £990,971 (2021: £866,427) of assets are under construction, most notably the Design, Technology and Engineering building and the Menagerie. £1,542,462 (2021: £233,508) of donations and grants were used to fund capital additions in the year.

10 Capital commitments

There was £342,783 of capital expenditure authorised and contracted for at the balance sheet date (2021: £412,338).

11 Investment in subsidiary undertakings

	2022 £	2021 £
Stowe Enterprises Limited - shares at cost	100	100
Stowe Enterprises Limited - interest bearing loan	164,000	164,000
Stowe School Developments Limited – shares at cost	100	100
	164,200	164,200

For additional information refer to Note 12 – Related party transactions.

12 Related party transactions

Stowe School Limited owns the whole of the issued ordinary share capital of Stowe Enterprises Limited (SEL), a company registered in England. Stowe School Limited allows SEL to make available the facilities of the School for use by the public and to operate the School shop.

SEL prepares its annual accounts to 31 December, an accounting date which the Directors of SEL consider to be appropriate for administrative reasons. The taxable profits of SEL are donated to the School each year.

The last audited accounts of SEL were for the year ended 31 December 2021. The following information is disclosed in respect of SEL:

	31 December 2021	31 December 2020
	£	£
Turnover	1,311,266	835,129
Expenditure	(925,531)	(693,351)
Profit for the financial year	385,735	141,778
Donated to the school	(385,735)	(141,778)
Result for the year	-	-
Balance of capital and reserves	404,183	160,226

Stowe School Limited recharged costs to SEL during the year of £465,707 (2021: £304,641). SEL received income from the School for purchases made in the School shop during the year of £111,963 (2021: £65,908). At the year end the amount owed by SEL to the School was £163,911 (2021: £78,412).

The total taxable profits donated to the Company were:	2022	2021
	£	£
SEL	385,735	141,778

As part of the acquisition in January 2021 of WHS, WHS's trading company, WHS Trading Limited (WHT), was transferred to become a subsidiary of SEL. No results of WHT are recorded for the above SEL figures.

During the year to 31 July 2011 the Company acquired the whole of the issued ordinary share capital of Stowe School Developments Limited (SSDL), a company registered in England. The company had turnover of £50,000 (2020: £nil) and made a profit before tax of £42,533 (2020: loss £40,212) in the year to 31 December 2021. At the year end the amount owed by SSDL to the Company was £39,832 (2021: £41,730).

SSDL owns the whole of the issued share capital of Stowe UAE Limited and Stowe China Limited. Stowe UAE received no income in the year to 31 December 2021 (2020: £nil). At the year end the amount owed by Stowe UAE to the Company was £3,412 (2021: £3,399). Stowe China received no income in the year to 31 December 2021 (2020: £nil). At the year end the amount owed to the Company by Stowe China was £569 (2021: £526).

Last year, Stowe Qatar, a dormant company, was dissolved and £3,311 owed by the subsidiary to its parent was written off.

A company controlled by Mr R Greaves, a Trustee, and his family provided supplies to the Company totalling £1,769 (2021 - £648 from January 2021, when he became a Trustee). This company supplied WHS before the acquisition of the Prep Schools.

13 Stocks

	2022 £	2021 £
Raw materials and consumables	269,382	178,280

The replacement cost of stocks is not considered to be materially different from their historical cost.

14 Debtors

	2022 £	2021 £
Debtors in respect of school fees	10,192,287	8,450,187
Other debtors	183,328	74,688
Prepayments and accrued income	1,040,382	752,740
Amounts owed by subsidiary undertakings (note 12)	207,724	124,068
	11,623,721	9,401,683

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Deferred income	12,784,430	12,515,078
School fees paid on account	1,549,439	1,418,713
Deposits paid on account	3,409,564	3,485,483
Trade creditors	1,364,094	2,074,931
Other creditors	739,138	589,246
Taxation and social security	483,128	414,636
Accruals	1,386,690	1,479,179
Current portion of Composition fees (note 16)	995,051	827,499
	22,711,534	22,804,765

Deferred income represents income relating to the next financial year (see note 14 – Debtors in respect of school fees).

16 Composition fee fund investments

Composition fees represent fees paid by parents to the Stowe group of schools up to the equivalent of five years' fees in advance and are held separately from the general funds of the company, with Stowe School Limited as Trustee. The Directors have delegated the day to day management of the investments to Evelyn Partners Investment Management LLP (formerly Smith & Williamson Investment Management LLP).

	2022	2021
	£	£
Market value at 1 September	2,404,700	2,594,087
Composition fees received and invested	699,969	755,309
Composition fees received in error	69,418	-
Cash in transit from group	144,511	-
Net income arising reinvested	23,317	22,927
Applied to school fees	(930,290)	(1,063,844)
Investment (loss)/profit during the year	(81,824)	96,221
Market value at 31 August	2,329,801	2,404,700
Historical cost at 31 August	2,157,207	2,141,964

Listed investments:	£	£
UK Fixed Interest:		
I Shares III Plc	788,097	1,054,196
Sanlam SHT	395,559	-
Smith & Williamson Investment Funds	-	528,835
	1,183,656	1,583,031
UK Equities: J P Morgan Asset Management Ltd	398,612	539,126
	1,582,268	2,122,157
Client Money	20,363	4,963
Total Investments	1,602,631	2,127,120
Cash at Bank	582,659	277,580
Cash in Transit from the group	144,511	-
Total Composition fee fund investments	2,329,801	2,404,700

Assuming pupils remain at the relevant school, advance fees will be applied as follows:

	£	£
Greater than five years	43,348	126,646
Between two and five years	412,419	573,439
Between one and two years	668,835	639,181
	1,124,602	1,339,266
In one year or less	995,051	827,500
Net present value	2,119,653	2,166,766

17 Other creditors due in more than one year

	2022	2021
	£	£
Allied Schools Agency pension deficit (see note 22)	622	17,651
Other (less than 2 years)	75,897	12,277
	76,519	29,928

18 The funds of the Charity

	Unrestricted general funds	Composition fee restricted funds	Stowe Harvard restricted funds	Other restricted funds	Total restricted funds	Total funds
	£	£	£	£	£	£
At 1 September 2021	53,360,402	237,935	86,139	102,655	426,729	53,787,131
Net movement in funds	2,213,999	(27,787)	60	160	(27,567)	2,186,432
At 31 August 2022	55,574,401	210,148	86,199	102,815	399,162	55,973,563

Analysis of net assets

	£	£	£	£	£	£
Tangible fixed assets	54,970,327	-	-	-	-	54,970,327
Investments	164,200	2,329,801	-	-	2,329,801	2,494,001
Current assets	22,261,431	-	86,199	102,815	189,014	22,450,445
Creditors amounts falling due within one year	(21,716,483)	(995,051)	-	-	(995,051)	(22,711,534)
Creditors payable after one year	(76,519)	(1,124,602)	-	-	(1,124,602)	(1,201,121)
Provisions	(28,555)	-	-	-	-	(28,555)
At 31 August 2022	55,574,401	210,148	86,199	102,815	399,162	55,973,563

Unrestricted funds

Within the Unrestricted funds is a pension reserve of £28,555 (2021: £154,094) relating to a defined benefit scheme provision (see note 22). Donations of £16,138 (2021: £62,981) were received for the Prep Schools during the year.

Restricted funds (Composition and Stowe Harvard)

Within the Restricted funds is £86,199 (2021: £86,139) relating to the Stowe Harvard Fund, whose funds are to be used towards the costs of the Stowe Harvard Fellowship and a revaluation reserve of £210,148 (2021: £237,935) which reflects the difference between the market value of the composition fee investments and the net present value of future fee commitments at 31 August 2022 (see note 16).

An analysis of the Funds of the Charity for last year can be found at note 25.

Other Restricted Funds
These represent the following restricted funds at WHS:

	2022	2021
	£	£
Prize fund	38	38
Bursary fund	38,232	38,072
Gifts fund	1,751	1,751
Development fund	62,794	62,794
	102,815	102,655

19 Operating leases

Other Assets - Total commitments relating to operating leases:

	2022	2021
	£	£
Less than one year	161,913	148,042
Between two and five years	240,626	188,317

During the year £162,189 (2021: £145,640) was spent on operating leases.

Property Assets – Total commitments relating to operating leases:

Stowe House:

The house has been leased to SHPT, with a coterminous leaseback to Stowe School Ltd for 99 years, effective from 1 January 2000 (no break clauses). The arrangements were confirmed under Charity Order 0149530D dated 10 November 1999.

The lease charge represents the rent payable to SHPT for the School's occupation of Stowe House. The lease charge is reviewed every five years (next review 2023); the charge for the year is £155,162 (2021: £155,162).

The total minimum lease payments remaining on this lease are £7.6 million, over the remaining 76 years.

National Trust:

An agreement was made on 29 March 1990 between the Company and the National Trust to lease, surrender and develop various premises and land at Stowe, Buckinghamshire for 190 years.

The lease charge represents the rent payable to the National Trust for the School's occupation of certain properties. The lease charge is reviewed every five years. The charge for the year is £14,603 (2021: 13,830). Following a rent review, this increased to £15,602 per annum from March 2022.

The total minimum lease payments remaining on this lease at the current rate of charge are £2.5 million, over the remaining 158 years. The exact amount payable depends on the properties used by the School.

SHS:

An agreement was made on 5 January 2021 between SHS and its landlord to lease various parts of the Prep School for 27 years, with payments starting from 1 September 2021. The charge for the year was £69,019.

The total minimum lease payments remaining on these leases are £1.4 million, over the remaining periods of the leases. The exact amount payable depends in part on pupil numbers.

SHS also rents one residential property. The lease payment for the year was £24,900 (eight months to 31 August 2021 - £32,250).

20 Reconciliation of net movement in funds to net cash inflow from operating activities

	2022 £	2021 £
Net income	2,076,180	4,697,083
Donations received	(1,727,203)	(381,923)
Fair value of assets on acquisition	-	(3,973,058)
Interest received	(60,939)	(52,780)
Operating surplus for the year	288,038	289,322
Depreciation charges	2,846,830	2,620,510
Loss on disposal of fixed assets	(8,903)	-
Unrealised loss/(gain) arising on revaluation of investments	81,824	(96,221)
(Increase)/decrease in stocks	(91,102)	25,797
Increase in debtors	(2,069,789)	(863,661)
(Decrease)/increase in creditors	(261,305)	3,371,519
Decrease in provision	(15,287)	(41,787)
Net cash inflow from operating activities	770,306	5,305,479

21 Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash and cash equivalents			
Cash	11,070,241	(512,899)	10,557,342
	11,070,241	(512,899)	10,557,342

22 Pensions Schemes

Teachers' Pensions

Stowe School participates in the Teachers' Pensions Scheme (the TPS) for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,291,539 (2021: £1,208,739) and at the year-end £150,238 (2021: £142,646) was accrued in respect of employer contributions to this scheme.

The TPS is an unfunded, multi-employer defined benefits pension scheme governed by the Teachers' Pensions Scheme Regulations 2014. 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 following scheme valuations undertaken by the Government Actuary's Department.

The latest actuarial valuation was completed in 2018, which determined the opening balance of the cost cap fund and also provided an analysis of the cost cap as required by the Public Service Pensions Act 2013. The employers contribution rate for the TPS increased to 23.60% from 1 September 2019 and the employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

Support Staff Pensions

Stowe School's support staff have the opportunity to join either the Pensions Trust Growth Plan Series 4, the Pensions Trust Flexible Retirement Plan or a Standard Life Group Personal Pension Scheme. These schemes are defined contribution schemes.

The School also participates in a Pensions Trust multi-employer scheme (i.e. all employers that employed active members before 1 October 2001) which provides benefits to some 638 non-associated participating employers; the Growth Plan Series 1, 2 and 3 are defined benefit schemes in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pension Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Because Series 3 liabilities do not contribute towards the deficit (as investments are matched to liabilities) the Trustee of the scheme has agreed that employers who have only ever had involvement with Series 3 were not required to pay any additional contributions from 1 April 2013.

The scheme is classified as a 'last–man standing arrangement'. Therefore, the Company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m, resulting in a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions: from 1 April 2022 to 31 January 2025 - £3,312,000 per annum (payable monthly).

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions: from 1 April 2019 to 30 September 2025 - £11,243,000 per annum (payable monthly and increasing by 3% on each 1 April).

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

The additional contributions required from Stowe School Limited from 1 April 2013 were agreed at £49,507 per annum (rising by inflation annually) for 10 years. The additional contributions made in the year totalled £30,675 (2021: £42,830).

Where the scheme is in deficit and where the Company has agreed to a deficit funding arrangement, the Company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using an appropriate discount rate. The unwinding of the discount rate is recognised as a finance cost.

Prep Schools

All academic and support staff at the Prep Schools participate in defined contribution pension schemes. The pension charge for the year includes contributions to these schemes of £619,293 (2021: 8 months £287,110).

Net present value of provision

	2022 £	2021 £
Net present value of provision	28,555	154,094

Reconciliation of opening and closing provision

	2022 £	2021 £
Provision at start of year	154,094	196,177
Unwinding of the discount factor (interest expense)	877	955
Deficit contribution paid	(30,675)	(42,830)
Re-measurements – impact of any change in assumptions	(1,278)	(208)
Re-measurements – amendments to the contribution schedule	(94,463)	-
Provision at end of year	28,555	154,094

SoFA impact

	2022 £	2021 £
Interest expense	877	955
Re-measurements – impact of any change in assumptions	(1,278)	(208)
Costs recognised in SoFA	30,675	42,830
Re-measurements – amendments to the contribution schedule	(94,463)	-
Impact at end of the year	(64,189)	43,577

23 Legal charges

The Company renewed a Revolving Credit Facility (RCF) for five years, from June 2022. The RCF is secured by legal charges on Stowe School's domestic properties.

24 Statement of Financial Activities (incorporating an income and expenditure account) for prior year

	Notes	Unrestricted funds £	Restricted funds £	2021 £
Income from:				
Charitable activities				
School fees receivable	1	28,896,512	-	28,896,512
Ancillary trading income	2	1,190,761	-	1,190,761
Other trading activities				
Non-ancillary trading income (covenants)	12	141,778	-	141,778
Other activities	3	23,583	-	23,583
Investments				
Bank and other interest	4	1,725	27,472	29,197
Voluntary sources				
Grants and donations	5a	900,980	11,832	912,812
Charitable acquisition donations	5b	3,874,553	98,505	3,973,058
Total incoming resources		35,029,892	137,809	35,167,701
Expenditure on:				
Raising funds				
Financing costs	7	46,421	49,318	95,739
Fundraising and development		516,566	-	516,566
Total deductible costs		562,987	49,318	612,305
Charitable activities				
Education		29,954,533	-	29,954,533
Total expenditure		30,517,520	49,318	30,566,838
		4,512,372	88,491	4,600,863
Net investment gains	16	-	96,221	96,221
Net income		4,512,372	184,712	4,697,084
Other recognised gains and losses:				
Actuarial gains on defined benefit pension schemes	22	208	-	208
Net movement in funds		4,512,580	184,712	4,697,292
Reconciliation of funds:				
Total funds brought forward		48,847,822	242,017	49,089,839
Total funds carried forward	18	53,360,402	426,729	53,787,131

25 The funds of the Charity for prior year

	Unrestricted general funds	Composition fee restricted funds	Stowe Harvard restricted funds	Other restricted funds	Total restricted funds	Total funds
	£	£	£	£	£	£
At 1 September 2020	48,847,822	163,555	78,462	-	242,017	49,089,839
Net movement in funds	4,512,580	74,380	7,677	102,655	184,712	4,697,292
At 31 August 2021	53,360,402	237,935	86,139	102,655	426,729	53,787,131

Analysis of net assets

	£	£	£	£	£	£
Tangible fixed assets	54,674,413	-	-	-	-	54,674,413
Investments	164,200	2,404,700	-	-	2,404,700	2,568,900
Current assets	20,683,077	-	86,139	102,655	188,794	20,871,871
Creditors amounts falling due within one year	(21,977,266)	(827,499)	-	-	(827,499)	(22,804,765)
Creditors payable after one year	(29,928)	(1,339,266)	-	-	(1,339,266)	(1,369,194)
Provisions	(154,094)	-	-	-	-	(154,094)
At 31 August 2021	53,360,402	237,935	86,139	102,655	426,729	53,787,131

STOWE SCHOOL LIMITED

England & Wales - Charity number 310639

Accounts

Trustees' report

For the year ended 31 August 2021

Stowe School Limited

(Limited by Guarantee)

Financial statements 31 August 2021

together with Trustees' and Auditor's reports

Registered number: 187251

Charity number: 310639

Directors

Simon Charles Creedy Smith BA, FCA
The Reverend Canon Peter Michael Ackroyd MA, MBA, MA, PhD
Jonathan Michael Arundell Bewes BA, FCA
Patrick Bradshaw BA
Her Honour Judge Rebecca Brown BA
Julie Christine Brunskill BSc, RICS
Elizabeth de Burgh Sidley BA, FRICS
Rupert Fordham BA (Cantab)
John Philip Cardain Frost BSc, MRICS
Richard Greaves BA
Joanne Elizabeth Hastie-Smith
Sunjeewa Jayawardena BSc, MBA
Andrea Karen Johnson BSc, PGCE
Mairi Johnstone LLB, DipLP, BSc, MBA, GradCG
Catriona Helen Lloyd MA (Cantab)
Alexander Muirhead
Andrew Reekes MA, MReS
Vanessa Stanley BSc (Eng) ACGI, M Ed
Lady Stringer BSc, MB, BS, LRCP, MRCS
Christopher John Tate BA, MIMC

Company Secretary

Michael Porter BA, MSc

Registered and Principal office

Stowe School
Stowe
Buckingham
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Independent Auditors

Saffery Champness LLP
71 Queen Victoria Street
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EC4V 4BE

Bankers

Barclays Bank Plc
Wytham Court
11 West Way
Oxford OX2 0JB

Financial Statements

The Directors, who are also referred to as Governors and who are also Charity Trustees as defined in the Charities Act 2011, present their annual report and audited financial statements for the year ended 31 August 2021.

The financial statements comply with the Companies Act 2006, Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102).

Statement of Directors' responsibilities

The Directors are responsible for preparing the Trustees' Report, including the Strategic Report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing these financial statements, the Directors are required to:

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

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Directors are aware, there is no relevant audit information of which the charitable company's auditors are unaware and the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company is limited by guarantee and governed by the provisions in the Articles of Association adopted by Special Resolution on 6 October 2020; these replaced the Memorandum and Articles of Association, dated 20 January 1923 (as altered by Special Resolution on 25 September 1951). Each of the seven Members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities.

Stowe School Limited is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On 26 September 2013, the Allied Schools signed a new Management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency Limited to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT.

Charitable Status

The company is a registered charity with registered charity number 310639.

Governing Body

The Directors constitute the Governing Body and are elected by the Governing Body, except that two Directors are nominated by the MMT if the total does not exceed twelve, three if the number exceeds twelve but does not exceed eighteen and four if the number exceeds eighteen. The Directors nominated by the MMT are The Reverend Peter Ackroyd, Mr Bewes, Mrs Hastie-Smith and Mrs Johnstone.

The Directors of the company serving since 1 September 2020 were as follows:

Simon Charles Creedy Smith BA, FCA
The Reverend Canon Peter Michael Ackroyd MA, MBA, MA, PhD
Jonathan Michael Arundell Bewes BA, FCA
Patrick Bradshaw BA (appointed 5 January 2021)
Her Honour Judge Rebecca Brown BA (appointed 5 January 2021)
Julie Christine Brunskill BSc, RICS
Elizabeth de Burgh Sidley BA, FRICS
David Watson Cheyne MA (Cantab) (resigned 18 June 2021)
Rupert Fordham BA (Cantab) (appointed 5 January 2021)
John Philip Cardain Frost BSc MRICS
Professor Guy Goodwin FMedSci (resigned 1 September 2021)
Richard Greaves BA (appointed 5 January 2021)
Joanne Elizabeth Hastie-Smith
Sunjeewa Jayawardena BSc, MBA (appointed 5 January 2021)
Mairi Johnstone LLB, DipLP, BSc, MBA, GradCG (appointed 23 February 2021)
Andrea Karen Johnson BSc, PGCE
Catriona Helen Lloyd MA (Cantab)
Alexander Muirhead (appointed 5 January 2021)
Elizabeth Philips OBE, BA, MA, AKC (resigned 18 June 2021)
Andrew Reekes MA, MReS (appointed 5 December 2020)
Vanessa Stanley BSc (Eng) ACGI, M Ed
Lady Stringer BSc, MB, BS, LRCP, MRCS
Christopher John Tate BA, MIMC

In accordance with the Articles of Association, Mr J Bewes, Miss E de Burgh Sidley, Mr J Frost, Mr R Greaves, Mrs J Hastie-Smith, Mrs C Lloyd and Mr C Tate retire by rotation and being eligible offer themselves for re-election.

Induction and Training of Directors

When new Directors are appointed, care is taken to ensure that the appropriate skills and experience relevant to the Governing Body are represented. Each new Director is provided with an information pack and a list of relevant training courses, some of which they are expected to attend. They are inducted into the workings of Stowe School Limited through a visit programme, discussion and an introductory pack. All Directors receive information on governor training update courses.

Governance

The Directors are responsible for the overall management and control of Stowe School Limited and meet four times a year. The work of implementing most of their policies is carried out by committees appointed by the Directors for that purpose (Executive; Education; Estates; Finance; Marketing & Admissions, Nomination & Remuneration and Prep School), which usually meet in the weeks preceding meetings of the full Governing Body. These committees perform detailed reviews within their areas of responsibility. The day to day running of Stowe School Limited is delegated to the Head of Stowe School and the Executive Leadership Team (ELT), who are considered the key management personnel of the charity.

Head of Stowe School	Dr Anthony Wallersteiner
Senior Deputy Head	Mark Wellington
Deputy Head Pastoral	Liam Copley
Deputy Head Academic	Dr Julie Potter
Designated Safeguarding Lead (DSL)	Michael Rickner
Finance	Mark Greaves
Operations & Estates	Mark Kerrigan
Strategic Development & Fundraising	Colin Dudgeon
Marketing and Admissions	Tori Roddy
Head of People	Jaime Chahal
Head of Swanbourne House	Jane Thorpe
Head of Winchester House	Antonia Lee

The Head and members of the ELT attend meetings of the above committees, as appropriate.

Key Management Personnel Remuneration

The pay of the Head of Stowe School is reviewed annually by the Nomination & Remuneration Committee. The pay of the remaining members of the ELT is reviewed annually by the Head and agreed by the Nomination & Remuneration Committee. Pay is subject to performance and market forces.

All Directors give freely of their time and no Director remuneration was paid in the year. Details of Directors' expenses and related party transactions are disclosed in the financial statements.

Directors are required to disclose all relevant interests in accordance with our policy and withdraw from decisions where a conflict of interest arises.

The Stowe Group of Schools

On 5 January 2021, the mergers of Swanbourne House School ("SHS") and Winchester House School ("WHS") (together "the Prep Schools") with Stowe School was completed. Stowe School has taken on all the assets and liabilities of both preparatory schools. Both schools have a long tradition of sending pupils to Stowe School. The Stowe group of schools now offers an educational pathway for over 1,400 children from 3-18 years old. It allows member schools to benefit from a wealth of shared expertise and enables both preparatory schools to benefit from the many facilities and opportunities that the Stowe group provides. It also provides opportunities for sharing strategic leadership, resources for professional development and ideas as well as delivering cost efficiencies across the group. Six new Governors, three from each preparatory school, were appointed to the Governing Body at the time of the mergers.

Group Structure and Relationships

Stowe School Limited now comprises the assets and liabilities of all three schools in one charitable body with one set of Governors. These financial statements are the accounts for the group and comprise a full year for Stowe School and eight months from January 2021 for the Prep Schools.

Stowe School Limited has a wholly owned non-charitable trading subsidiary, Stowe Enterprises Limited, which operates the School shop and makes available the facilities of the School to the public and various organisations for events, educational and leisure purposes. Stowe Enterprises Limited now owns the trading subsidiary of Winchester House School and operates across the Stowe group of schools.

Stowe School Limited, in conjunction with its partners on the Stowe site, being The National Trust and The Stowe House Preservation Trust Limited, assists in the restoration of Stowe (Stowe House and Stowe Landscape Garden) and the improvement of the visitor experience. Stowe House is open to the public on over 200 days in a normal year.

Stowe School Limited works closely with The Stowe School Foundation (SSF), a separate charity. The Trustees of SSF can apply the capital and income of the trust, both for the provision of educational resource and facilities at the School and for scholarships and bursaries, as well as the provision of any other financial support to Stowe School Limited as the Trustees may from time to time decide. SSF has three ex officio Trustees, between two and six nominated Trustees, appointed by Stowe School Limited, and up to four co-opted Trustees appointed by the Trustees.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charity's objects and aims

The primary objects of the charity as set out in its Articles of Association are to provide education in accordance with the Protestant principles of the Church of England. The main aim of the charity is to provide public benefit through the use of the Stowe group of schools for the provision of education (which includes an understanding of culture and heritage) to its pupils.

To achieve this aim the charity seeks to maintain the Stowe group of schools' reputation as a centre of excellence in education, culture and heritage at a local, regional and national level by:

- maintaining and promoting the Stowe group of schools as one of Britain's best, national co-educational group of boarding schools for fee-paying and supported pupils, offering a combination of high academic standards and outstanding pastoral care, with first class facilities and infrastructure that provide an efficient and cost effective education;
- delivering a rich provision in sport, music, art, drama and other activities in an inspiring, sustainable environment; and
- working in partnership with The National Trust and The Stowe House Preservation Trust to make the internationally significant Stowe landscaped Gardens and Mansion accessible to members of the public, as a means of widening access and sharing the heritage and history of Stowe with a diverse audience, which in turn contributes to achieving the charity's primary object of education.

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education, when reviewing the future aims and objectives.

Strategies and objectives for the year

The main strategies and objectives for the charity to achieve the aims have included:

Strategies for Education

- Promote a supportive, secure and nurturing environment that places a high premium on the emotional, physical and mental well-being of every Stoic by providing the highest standards of pastoral care and a culture of responsibility, tolerance, attachment and inclusiveness with equality of opportunity for all.

- Promote the highest standards of teaching in the curriculum as well as fostering curiosity, love of subject, wider reading, creativity, intellectual risk-taking and the pursuit of individual or specialised talents in the belief that all pupils have the capacity to respond to and benefit from greater stretching and higher expectations.

- Steady recruitment to maintain a full school with a pupil roll of up to 900 pupils at Stowe School with applications exceeding capacity and an appropriate balance between UK and overseas students, whilst safeguarding Stowe as a co-educational, predominantly boarding school.

- Steady recruitment for the Prep Schools with a pupil roll of over 600 pupils.

Main objectives for the year

- 2021 targets for A levels: 75% A*B grades; for GCSE: 50% 7-9 or A*A grades.

- Developing the theme of Change Makers to maintain the group's reputation for innovation by building on previous themes such as Growth Mindset, Marginal Gains, Effective Teaching and Learning and the Learning Power Approach. The group emphasises character virtues such as grit, resilience, determination and perseverance.

- For the Prep Schools to achieve entry to pupils' first choice of a wide range of secondary schools and a wide range of scholarships and exhibitions to Senior Schools.

Strategies for Sport, Music, Art and Drama

- Provide a rich diet of cultural activities that mixes classroom and academic achievement with personal cultural development through sport, music, art and drama supported by a wide range of activities such as concerts, plays, exhibitions, lectures, trips and weekend activities.

- Promote the belief that ability comes in many forms and that pupils need to be supported to discover and enjoy success no matter where their talents lie.

Main objectives for the year

- Maintaining a wide variety of sport, music, art and drama available to all.

- Developing a cultural programme to attract pupils to drama and musical productions, in support of the curriculum.

Strategies for Heritage and Restoration

- Participate, through an effective partnership with The National Trust and The Stowe House Preservation Trust, in the heritage restoration of Stowe while protecting the interests of the School.

Main objectives for the year

- Working with The Stowe House Preservation Trust to plan the restoration of the State Dining Room.

- Completing the restoration of the Temple Room (the State Drawing Room).

Strategies for Public Benefit

The following strategies are designed to ensure that Public Benefit remains intrinsic to all of the Charity's activities:

- Promote scholarships and bursaries to allow access for pupils from all backgrounds.
- Promote participation with State Schools.
- Provide access to Stowe's heritage, in partnership with The National Trust and The Stowe House Preservation Trust.
- Promote good citizenship through participation in external activities and initiatives.
- Provide access to school facilities to the local community.
- Provide access for the public to music, art, sport, drama and science activities at Stowe.

Main objectives for the year

- Progressing educational initiatives with Silverstone UTC, local State Schools and the University of Buckingham.
- Promoting participation in Service@Stowe, CCF, Duke of Edinburgh Award scheme and 'green team'.
- Providing high level bursaries to deserving applicants who would otherwise not be able to attend Stowe School.

Strategies for Fundraising

- Build and sustain the Campaign for Stowe to generate funds each year to augment operating surpluses and to enable the steady implementation of the Development Plan and of Change 100.

Main objectives for the year

- Generating, through the Campaign for Stowe, funds of a minimum of £2 million per annum towards bursaries and scholarships; planning future fundraising initiatives in the areas of Sport and other masterplans..
- Continued pursuit of Change 100 – Stowe's ambitious mission to generate an endowment of £100 million that will provide means-tested bursarial support to change the lives of talented and deserving children from much less-advantaged backgrounds,, whose world can be transformed through an education at Stowe. The aim of Change 100 is to provide full-funding for 100 pupils at the School, every year in perpetuity.
- Fundraising for specific projects for the Prep Schools.

The remainder of the Trustees' Report also constitutes the Strategic Report for the purposes of the Companies Act 2006.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The principal activity of the Company continued to be the provision of education in a boarding and day school for pupils aged 3 to 18. This academic year Stowe School averaged 842 (2020: 821) pupils. The Prep Schools averaged 548 pupils in the eight months to 31 August 2021.

The year ended 31 August 2021 was influenced by COVID-19 resulting in the closure of all three schools during the lent term and the implementation of the successful Stowe Distance Learning programme and other virtual learning platforms.

The merger with and integration of the Prep Schools in January 2021 was a major achievement in the year.

Public Benefit

Scholarships and bursaries are promoted in recruitment literature, on Stowe School's website and through advertising. Scholarships at Stowe School are awarded at entry at 13+ and 16+ for academic, musical, artistic, sporting or all round merit.

Scholarships at Stowe School are awarded with a fixed remission of fees of between 5% and 25%. Scholarships may be supplemented by means-tested bursaries.

Bursaries are awarded on the basis of financial need and principally to those pupils who for financial reasons might not be able to come to the Stowe group of schools or who might not be able to remain to complete their education. Bursary awards are made on the basis of full financial disclosure and are reviewable annually. At least two fully funded places are available each year, subject to financial need - during 2021 there were 9 (2020: 6) fully funded places at Stowe School.

Community programmes operated by staff and pupils are encouraged, with emphasis on the elderly and disabled and on widening support to local schools and the local community. Covid-19 restricted the ambition of the normal outreach programme, and programme of drama and music productions open to the local community but monies were raised for outside charities.

The School's partnership with Silverstone UTC, announced in July 2017, continues to flourish and to provide enhanced educational and co-curricular opportunities for pupils at both educational establishments. The partnership is intended to demonstrate the best that can be achieved by independent and state schools working together. The partnership involves reciprocal governor arrangements, teaching and sharing best practice and facilities.

No StoweEd conference, normally attended by both state and independent schools, was possible this year.

The Head continues to chair Street Child, which works in conflict and post-conflict countries and has helped over 200,000 children to attend schools.

The School invited local clubs to use its sports facilities and equipment at subsidised rates where permissible and encouraged staff to coach sport in the community.

Stowe House attracts the wider and local community to enjoy its heritage, through being open to the public for weddings, corporate, commercial and charitable events, although less events than normal were allowed to take place over the summer and Stowe House remained closed for long periods over the summer because of the pandemic.

Fee Support

Stowe School, together with SSF and other outside Trusts, supported 306 (2020: 230) pupils, through the provision of scholarships and bursaries during the year.

Stowe School and SSF allocated £2,034,773 (2020: £1,930,763) being 7.7% (2020: 7.9%) of fee income, to scholarships and bursaries. Included in this total are means-tested bursaries, awarded in addition to scholarships, which allow access for pupils from all backgrounds, with 80 (2020: 84) pupils receiving such awards. 9 (2020: 6) of these benefited from a full remission of fees. External trusts also provided funds of £17,453 (2020: £33,489) towards individual pupils' fees.

The Prep Schools continue to offer bursaries and allowances totalling £557,045.

Education

Academic Standards

This summer's A Level results saw Stoics achieving 87% A*B grades (2020: 77%). 143 grades were awarded at A* (2020: 81). The GCSE results saw Stoics achieving 56% at grade 7 or above at GCSE level.

The Prep Schools had all their top year leavers accepted into their first choice of a wide range of senior schools and SHS exceeded their PSB objectives with 100% achieving Level 5 in eight or more subjects, 95% at Level 6 and 20% at Level 7. SHS achieved 8 scholarship and exhibition awards to senior schools, while WHS achieved 12.

Pastoral Care

The group is committed to safeguarding and promoting the welfare of pupils and expects all staff and volunteers to share in this commitment. The Designated Safeguarding Lead (DSL) for Stowe School is Michael Rickner, who is supported by Louise Springall, School Counsellor, as the Deputy DSL, and there are DSLs at both Prep Schools.

The group's policy for Safeguarding and Child Protection accords with the requirements of the relevant Safeguarding Children Board. It applies to all school employees, governors and to any volunteers working in the School.

There are processes of safeguarding induction and training in place, involving staff, governors, volunteers and contractors, which aim to ensure that this policy and safeguarding procedures are known and understood by those within the School community.

A programme of continuous improvements to the boarding houses in all three schools is expected to continue next year.

Culture - Sport, Music and Drama and other activities

The group maintained its reputation in a wide range of sports and other extra-curricular activities, with pupils encouraged to take part in school, county and national competitions. Full details of Stowe School's sporting and extra-curricular achievements can be found on the Stowe website: *www.stowe.co.uk*. There are links from there to the Prep School websites.

The arts and sciences programme, which normally features strongly in the calendar, was restricted this year because of Covid-19 reducing the number of Prep School science events, music concerts and drama productions.

Heritage/Restoration

On 7 March 2018 Stowe School Limited agreed the Asset Exchange with The National Trust. This exchange of various leasehold interests in land and buildings is enabling The National Trust to restore the Western Garden to its 18th Century condition and Stowe School has built a replacement golf course and will use the Home Farm development in the future.

Stowe House was open to the public less than normal during the year because of Covid-19. The School provides support on the historical archives and supports The Stowe House Preservation Trust Limited.

Stowe School has worked with The Stowe House Preservation Trust as it continues to develop future plans. The Stowe House Preservation Trust continues to plan to restore the State Dining Room and continues to seek funding to complete the future phases of the restoration project. Rather than beginning this project as originally planned, the decision was taken to renovate the Temple Room (the State Drawing Room).

Fundraising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their fundraising activities. Stowe School is supported by SSF while the Prep Schools carry out their own fundraising. The charity does not carry out any fundraising activity in order to raise funds from the general public. The charity does not work directly with commercial sponsors or engage professional fundraisers. The Trustees are not aware of any complaints made in respect of fundraising during the year.

The focus of SSF, supported by Stowe School, has continued to be on the generation of voluntary funding from alumni, patrons of the School and supporters of independent education. During the SSF year to 31 July 2021, funds of some £2.9 million (2020: £3.3 million) were raised. These included £250k towards the Sixth Form Centre, £143k for general facilities and projects and £2.5m of endowment and capital funds for scholarships and bursaries to support those who might not be able to attend or remain at Stowe. Charitable donations of cash and assets and grants totalling £295,760 (2020:

£238,565) were received by Stowe School during the year. The costs of the Campaign Office of £516,566 (2020: £525,128) were borne by the School.

The intention going forward is that SSF will change its charitable objects so that it supports both Stowe School and the Prep Schools.

SECTION 172 (1) STATEMENT

The Stowe group of schools ("the group") depends on the trust and confidence of its stakeholders to operate sustainably in the long term. The welfare of the group's pupils is of primary concern and the group seeks to put their interests at the forefront of everything it does. The group invests in its employees and supports the communities in which it operates.

The group seeks to generate appropriate operating surpluses to maintain its investment in both scholarships and bursaries and in its facilities.

The Trustees of Stowe School Limited have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the School for the benefit of its stakeholders as a whole, having regard to the matters set out in section 172 (1) of the Companies Act 2006. Section 172 considerations are embedded in decision making at Governing Body level and throughout the organisation. The stakeholders, which the Trustees have considered, are set out below.

Having regard to the likely consequences of any decision in the long term

The Governing Body is mindful that its strategic decisions have long-term implications for the business and its stakeholders and these are carefully assessed by the group's various committees and by the Governing Body (see the section on Structure, Governance and Management on pages 3 to 6 of the annual report). This is particularly the case in setting the group's budget for the year when the Board balances the need for affordable education with the capital needs of the business.

Having regard to the interests of the group's employees

The Governing Body has regard to the interests of the School's employees and it recognises the importance of effective employee engagement in the successful functioning of the group. Governors engage with employees both formally through the various Governor committees and informally, for example, through dinners held prior to Governing Body meetings.

The group has a number of effective workforce engagement mechanisms in place:

- Employees are kept informed of performance and strategy through regular briefings from the Head and ELT, including termly training days.
- The Head provides termly updates to the Governing Body on staffing matters and staff matters are discussed at the weekly ELT meeting in term time.
- Employees can channel views through an employee representative body and through annual employee surveys.
- The Pay and Conditions Committee allows pay and reward matters to be discussed and reviewed.

The Governing Body considers that, taken together, these arrangements deliver an effective means of ensuring the Board stays alert to the views of the workforce.

Disabled Employees

The group is committed to equal opportunities for all. It is the policy of the group that no job applicant or employee receives less favourable treatment on the grounds of disability. If an employee becomes disabled during the course of his or her employment, every effort is made to find suitable alternative employment within the group and re-training is given if this is necessary. Stowe School Limited continues to train and encourage the career development of disabled persons in its employment.

Having regard to the need to foster the group's business relationships with customers, suppliers and others

Customers

As a large fee-paying school, the Governing Body regularly reviews the academic and financial performance of the group and its pupils and the affordability of its fee structure. The Heads of each school in the group communicate regularly with both parents and pupils. In addition, pupil and parental surveys are regularly commissioned.

Suppliers

The group deals with hundreds of different suppliers and major contracts are reviewed and put out to tender where appropriate and are signed off by appropriate members of ELT and Governors. The School reports its payment practices every six months. The report to 31 August 2021 showed that 76 per cent of invoices were paid within 30 days and the average time taken to pay invoices was 25 days.

The wider community

The group is very mindful of its responsibilities to the wider community and of its relationships with its partners, including SHPT, the National Trust, the UTC at Silverstone and the Stowe Golf Club members as well as the local community.

Regulators

The group is regulated both by the Government, through Ofsted and ISI, and the Charity Commission. The Governing Body considers its reporting and dealings with the Regulators as of the utmost importance.

Having regard to the impact of the Company's operations on the community and the environment

A summary of its Streamlined Energy and Carbon report is set out below under Environmental Reporting.

Having regard to the desirability of the Company maintaining a reputation for high standards of business conduct

Corporate governance

Details of the Company's corporate governance are set out on pages 3 to 6 of the annual report.

Political donations

No donations were made for political purposes (2020: £nil).

ENVIRONMENTAL REPORTING

Under the Energy and Carbon Report Regulations 2018, the Company is required to report on its environmental impacts. The key environmental impacts for the Company are gas, kerosene and electricity use across the site and the use of business and personal vehicles. Energy usage has been calculated using consumption in the year. Transport mileage has been estimated from recorded mileage for group vehicles and from mileage claims for personal vehicles.

The group considers energy efficiency as part of its evaluation of projects. The Company has continued to replace lights with LED fittings.

Comparison year on year is affected by Covid-19 and the merger with the Prep Schools from 1 January 2021.

UK Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021

Scope 1 and 2 GHG emission data

	Tonnes CO_2e					
Emissions from	**2021 location-based**	2020 location-based	Variance location-based	**2021 market-based**	2020 market-based	Variance market-based
Scope 1 (Fuel combustion in buildings)	**229**	0	0%	**229**	0	0%
Scope 1 (Fuel combustion in vehicles)	**32**	19	65%	**32**	19	65%
Scope 1 (Fuel combustion in mobile and static plant)	1,909	1,799	6%	1,909	1,799	6%
Scope 2 (Electricity)	668	591	13%	97	64	50%
Total	2,838	2,409		2,266	1,882	

Company's chosen intensity metric: tCO_2e/Pupil

	2021 location-based	2020 location-based	**2021 market-based**	2020 market-based	2021 Location vs Market
Emissions reported per unit of throughput	2.483	2.943	1.969	2.301	26%

Scope 3 Global GHG emission data for period:

Emission from	2021	2020	Variance
Business travel (air, rail and vehicles)	5	7	-33%

Underlying energy data for period

Energy use (kWh)	2021	2020	Variance
Electricity	3,145,973	2,536,632	24%
Natural Gas	1,252,770	0	0%
Transport Fuel	152,585	108,023	41%
Mobile and Static Plant Fuel	7,886,152	7,434,918	6%
Total	12,437,481	10,079,572	23%

Market-based emissions include procured green energy. As shown above, Stowe School procured green electricity, which reduced their scope 2 emissions by 571 TCO2e and resulted in an intensity metric of 1.969 TCO2e per pupil.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Results

The financial results for the year were impacted again by COVID-19 and the loss of income mentioned below was compensated by the reduction in expenditure and the Government's Furlough Scheme. The bigger impact on the financial results were the charitable mergers with the Prep Schools and the £3.97m of net assets acquired as a result, net of merger costs. The Prep School results include 8 months' figures from January 2021, making comparisons with last year less meaningful.

The net income for the year was £4,697,084 (2020: £223,395), after including voluntary income of £3,973,058 (the vast majority of which was non-cash) arising from the transfer of assets of the Prep Schools (2020: £nil) and of £912,812 other voluntary income (2020: £1,876,738). £530,889 (2020: £1,612,372) of the other voluntary income was from the Government's Furlough Scheme used to reimburse staff costs and £233,508 (2020: £218,096) came from SSF and was used for the development of new facilities and enhancement of existing ones.

Investment gains of £96,221 (2020: losses £111,634) have been transferred to the Restricted Funds, which reflects the net movement in the composition fee fund.

Actuarial gains on defined benefit pension schemes resulted in a transfer of £208 (2020: loss £1,797) to the unrestricted General Fund in relation to the pension deficit re-measurement due to changes in assumptions.

This resulted in £4,512,580 (2020: £343,884) being allocated to the unrestricted General Fund and a profit of £184,711 (2020: loss £122,286) to the Restricted Fund, which includes £98,505 of restricted funds resulting from the mergers with the Prep Schools.

School fees receivable increased from £22,101,879 in 2020 to £28,896,512 in 2021. Of these, some £5 million relate to the Prep Schools for the eight months since completion of the mergers. School fees receivable for the year were severely reduced by the reductions offered as a consequence of the Government-imposed lockdown in the Lent Term.

Resources expended during the year were £30,566,838 (2020: £24,997,310). This is before taking into account the receipt of the Government's Furlough Scheme grant. £6.1 million of this increase relates to the Prep Schools expenditure. Resources expended for Stowe School only decreased by 4.7% on 2020. In addition, the group has invested £3.3 million (2020: £535,330) in capital expenditure, of which £3.1 million was for Stowe School and £0.2 million was for the Prep Schools.

Cash and bank balances at 31 August 2021 stood at £11,070,241 (2020: £8,451,204). The increase resulted from the reduction in budgeted capital expenditure after the lockdown. The Company entered into a Revolving Credit Facility (RCF) for 5 years, from 16 June 2017; there had been no drawdown on the RCF as at 31 August 2021 and plans to extend the RCF for a further 5 years are being actively pursued.

Total funds at 31 August 2021 were £53,787,131 (2020: £49,089,839) of which £53,360,402 (2020: £48,847,822) were unrestricted. Of the total funds, £3.5 million related to the Prep Schools.

The financial results for the year are reported in the Statement of Financial Activities.

Through its subsidiary, Stowe Enterprises Limited (SEL), Stowe School Limited makes available its sporting and other amenities for use by the public. SEL produced a turnover for the year ended 31 December 2020 of £835,129 (2019: £1,919,466) and a profit before donation of £141,778 (2019: £610,564). The results were adversely affected by Covid-19.

Consolidated group financial statements have not been prepared as it is considered that they would be of no real value, in view of the insignificant overall effect of including the results of SEL.

Reserves Policy

The financial statements show that at 31 August 2021, the unrestricted funds totalled £53,360,402 (2020: £48,847,822) and restricted funds £426,729 (2020: £242,017).

Total unrestricted reserves include a funding deficit of £154,094 (2020: £196,177) calculated under FRS102 in respect of the notional funding deficit on the defined benefit pension plan for non-teaching staff. The Directors believe that this notional funding calculation, which can vary between surplus and deficit, depending on the assumptions used at each year end, has no material effect on the Company's cash flows in the short term and that in the longer term its effects are manageable out of future income.

The Company's unrestricted reserves are substantially represented by tangible fixed assets and are not readily available for spending. Excluding the FRS102 pension reserve and revaluation reserve above, the general unrestricted reserves were £53,514,496 (2020: £49,043,999), of which £54,674,413 (2020: £48,774,432) is represented by fixed assets.

The deficit on free reserves at 31 August 2021 of £1,987,416 (2020: surplus £269,567) is consistent with the longer term Development Plan cash flows, which are updated and reviewed by Directors on a regular basis. The change from surplus to deficit is mainly the result of the charitable mergers. Whilst the Directors consider that higher positive free reserves would be desirable, they recognise the demands of capital expenditure to equip the group with up to date facilities and to maintain the high standard of educational services provided. Therefore achieving the desired positive free reserves level remains a longer term objective. The policy is managed prudently by ensuring that sufficient liquid assets are available.

Investment policy and objectives

The Company's Articles of Association empower it to invest and deal with the monies of the Company not immediately required as it thinks fit.

Composition fee funds for Stowe School only (not the Prep Schools) are held under trust and administered by Stowe School Limited.

FUTURE PLANS

The key objectives for the group for the following year are consistent with those stated above, with particular emphasis on:

- 2022 targets for A2: 80% A*B grades; for GCSE: 55% 7-9 grades
- All Prep School children being accepted into their first choice of senior schools
- Developing the themes of the Learning Power Approach and Change Makers
- Working with The Stowe House Preservation Trust to plan for the restoration of the State Dining Room
- Generating, through the Campaign for Stowe, money towards bursaries (including Change 100) and scholarships and for specific projects, including Design, Technology and Engineering and sports facilities
- Continued integration of Swanbourne House and Winchester House Schools into the Stowe group of schools.

Principal Risks and Uncertainties

The Governing Body is responsible for the management of the risks faced by the group and reviews the major risks and measures for mitigation as part of an annual process. The major risks are considered to be those that would prevent the group from carrying out its charitable objects permanently. Individual committees are responsible for reviewing and monitoring the management of risk in their particular area. The Governors are satisfied that the mitigation of the currently identified major risks, detailed below, has been or is being addressed as follows:

Failure to govern effectively	Governing Body, Nomination & Remuneration Committee
Failure to deliver educational objectives	Education and Prep School Committee
Failure to safeguard pupil welfare	Governing Body, Education and Estates Committees
Regulatory non-compliance	All Committees
Fire in Stowe House / Prep Schools	Estates Committee
Impact of economic and political climate	Governing Body and Finance Committee
Major fraud or financial mismanagement	Finance Committee
Major operational failure	Governing Body and All Committees
Reputational risk	Governing Body and All Committees
Temporary closure of the Schools	Governing Body and Finance Committee

In assessing the risks, the impact on group activity, disruption, injury or property damage, loss of income, reputation, management focus, missed opportunity and strategic direction change are all considered. Risks are recorded in a register, the controls and mitigation plans considered and assessed as to their impact and likelihood of materialising. Risks are classed as key, medium concern or manageable. The risk register is updated termly by the ELT and reviewed by Committees at least annually.

Auditors

Saffery Champness LLP has expressed their willingness to remain in office as auditors of the Company.

This report, including the Strategic Report, was approved by the Board on 18 March 2022.

Michael Porter, Company Secretary

Opinion

We have audited the financial statements of Stowe School Limited for the year ended 31 August 2021, which comprise the statement of financial activities, balance sheet, cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 August 2021 and of its incoming resources and application of resources, including its 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 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 charitable company 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 trustees' 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 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. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees (who are also 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 to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Further the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

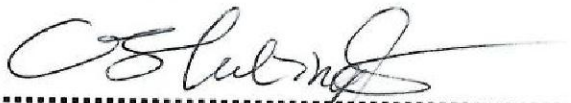
Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas, which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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



Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date: 8 April 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 31 August 2021

	Notes	General Fund £	Restricted Funds £	2021 £	2020 £
Income from:					
Charitable Activities					
School fees receivable	1	28,896,512	-	28,896,512	22,101,879
Ancillary trading income	2	1,190,761	-	1,190,761	643,162
Other trading activities					
Non-ancillary trading income (covenants)	12	141,778	-	141,778	610,564
Other activities	3	23,583	-	23,583	17,151
Investments					
Bank and other interest	4	1,725	27,472	29,197	82,845
Voluntary sources					
Grants and donations	5a	900,980	11,832	912,812	1,876,738
Charitable acquisition donations	5b	3,874,553	98,505	3,973,058	-
Total incoming resources		35,029,892	137,809	35,167,701	25,332,339
Expenditure on:					
Raising funds					
Financing costs	7	46,421	49,318	95,739	111,803
Fundraising and Development		516,566	-	516,566	525,128
Total deductible costs		562,987	49,318	612,305	636,931
Charitable activities					
Education		29,954,533	-	29,954,533	24,360,379
Total expenditure	6	30,517,520	49,318	30,566,838	24,997,310
		4,512,372	88,491	4,600,863	335,029
Net investment gains/(losses)	16	-	96,221	96,221	(111,634)
Net income		4,512,372	184,712	4,697,084	223,395
Other recognised gains and losses:					
Actuarial gains/(loss) on defined benefit pension schemes	22	208	-	208	(1,797)
Net movement in funds		4,512,580	184,712	4,697,292	221,598
Reconciliation of funds:					
Total funds brought forward	18	48,847,822	242,017	49,089,839	48,868,241
Total funds carried forward	18	53,360,402	426,729	53,787,131	49,089,839

All operations of the Company continued throughout both years and no operations were discontinued in either year. In 2021, the Prep Schools' operations were acquired by means of Charitable Mergers, whereby the Prep Schools' assets are included as charitable donations net of costs and the Prep Schools' results are included for the eight months from January 2021. All recognised gains and losses during the year are included within the Statement of Financial Activities. The accompanying notes are an integral part of this Statement of Financial Activities.

Balance sheet

As at 31 August 2021

	Notes	2021	2020
		£	£
Fixed Assets			
Tangible assets	9	54,674,413	48,774,432
Investment in subsidiary undertakings	11	164,200	164,300
Composition fee fund investments	16	2,404,700	2,594,087
		57,243,313	51,532,819
Current Assets			
Stocks	13	178,280	204,077
Property held for sale	5b)	221,667	-
Debtors	14	9,401,683	7,199,716
Cash and deposits		11,070,241	8,451,204
		20,871,871	15,854,997
Creditors: amounts falling due within one year	15	(22,804,765)	(16,677,908)
Net Current Liabilities		(1,932,894)	(822,911)
Total Assets less Current Liabilities		55,310,419	50,709,908
Long-term Liabilities			
Creditors payable after one year			
Composition fees	16	(1,339,266)	(1,399,231)
Other creditors	17	(29,928)	(24,661)
		(1,369,194)	(1,423,892)
Net assets and liabilities excluding pension liability		53,941,225	49,286,016
Defined benefit pension scheme liability	22	(154,094)	(196,177)
Net assets		53,787,131	49,089,839
The funds of the charity			
Unrestricted funds:			
General reserve		53,514,496	49,043,999
Pension reserve	22	(154,094)	(196,177)
		53,360,402	48,847,822
Restricted funds			
General reserve	18	188,794	78,462
Revaluation reserve	18	237,935	163,555
		426,729	242,017
Total funds	18	53,787,131	49,089,839

Balance sheet (continued)

As at 31 August 2021

The financial statements on pages 20 to 42 were approved by the board of Trustees on 18 March 2022 and signed on their behalf by:

Simon Creedy Smith
Trustee

Jonathan Bewes
Trustee

Company number 187251

The accompanying notes are an integral part of this balance sheet.

Cash flow statement

For the year ended 31 August 2021

	Notes	2021	2020
		£	£
Net cash inflow from operating activities	20	5,305,479	3,018,703
Cashflows from investing activities			
Interest received		52,780	44,583
Additions to composition fee investments		(778,237)	(495,366)
Realisation of composition fee investments		1,063,844	1,339,897
Donations and grants received		381,923	264,366
Cash acquired on charitable acquisitions		660,994	-
Merger costs		(752,562)	-
Payments for tangible fixed assets		(3,315,184)	(1,291,287)
Proceeds from sale of tangible fixed assets		-	12,440
Net cash outflow from investing activities		(2,686,442)	(125,367)
Change in cash and cash equivalents in the reporting year		2,619,037	2,893,336
Cash and cash equivalents at the beginning of the reporting year		8,451,204	5,557,868
Cash and cash equivalents at the end of the reporting year		11,070,241	8,451,204
Net cash movement	21	2,619,037	2,893,336

Accounting policies

The accounts have been prepared in accordance with Accounting and Reporting by Charities: the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102), Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Stowe School Limited meets the definition of a public benefit entity under FRS102. The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

The accounts include a Statement of Financial Activities (SoFA) rather than a profit and loss account. The financial information is presented for Stowe School Limited as an individual undertaking and not for the group. The Directors have taken advantage of the SORP and of the Companies Act 2006 (S405(2)) exemption not to prepare group financial statements as they consider the effects of any changes would not be material to the financial statements of Stowe School Limited.

Having reviewed the funding facilities available to the Company, together with the expected ongoing demand for places and the Company's future projected cash flows, the Directors have a reasonable expectation that the Company has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. The functional currency is pounds sterling.

The following accounting policies have been applied consistently in dealing with items, which are considered material in relation to the Company's financial statements.

a) Income and expenditure

School fees and operating expenses are included in the financial statements on an accruals basis. Registration fees are credited to income in the year in which they are received. All income and expenditure included in the financial statements is from continuing operations.

b) Investment income

Investment income is principally from bank balances and is accounted for on an accruals basis.

c) Income from voluntary sources

Income from voluntary sources (donations) is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Company is considered probable. Donations are accounted for as unrestricted income and credited to General Funds, as they relate to specific in year projects, and Trustees do not consider setting up separate restricted funds for each project.

Donations of tangible assets are capitalised at the estimated value as at the date of donation. Other donations are accounted for within the SoFA.

Donations from charitable mergers are accounted for within the SoFA as the fair value of net assets donated less any relevant merger costs incurred.

d) Grants

Grants are credited to income when receivable, irrespective of when the related expenditure is incurred.

e) 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 of the underlying assets, as

appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates. Repairs and maintenance expenditure is charged as an operating expense in the year in which it is incurred.

f) Governance costs

Governance costs are those incurred in complying with statutory requirements and governance matters.

g) Tangible assets and depreciation

Expenditure relating to the acquisition of and extensions to freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less depreciation. The Directors are aware that the realisable value is considerably greater than the original cost less depreciation.

Tangible assets are stated at cost less accumulated depreciation and any provision for impairment. Depreciation is provided on tangible assets other than land and historic buildings (the cost of which is not significant) on the first full month of use, so as to write off their cost by equal instalments over the expected useful lives of the assets concerned. The estimated useful lives are considered to be as follows:

Astroturf facility	10 years	Central heating	20 years
Technology equipment	4 to 10 years	Freehold buildings	15 to 50 years
Furniture, fixtures and fittings	5 to 25 years	Motor vehicles	4 to 7 years
Plant and equipment	5 to 25 years	Property improvements	5 to 50 years

Assets costing under £1,000 are not capitalised.

Land and buildings are reviewed annually for impairment. Assets in the course of construction are not depreciated until they are brought into use.

h) Heritage assets

Stowe School acquired Stowe House in 1923; the House is leased to the Stowe House Preservation Trust with a coterminous leaseback to Stowe School for 99 years effective from 1 January 2000. The House is occupied by the School as an operational asset. Stowe House is included in the balance sheet at cost. The School considers that its owned paintings, statues and busts on display and in archive are operational assets.

i) Investments and investment properties

Investments are shown at market value, less any provision for diminution in value. Gains and losses are included in the SoFA. Investments in subsidiary undertakings are shown at cost, less any provision for permanent diminution in value.

j) Stocks

Stocks are stated at the lower of cost and net realisable value.

k) Debtors

Debtors in respect of school fees are recognised at the point of issuing invoices for the following term. If the pupil withdraws before the start of term, the fees are still due for settlement.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accounting policies *(continued)*

l) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term, highly liquid investments with a short maturity of one year or less from the date of acquisition or opening of the deposit account or similar account.

m) Deferred income

Deferred income represents income after scholarships, bursaries and discounts awarded for the first term of the following academic year and therefore relates to the following financial year.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Operating leases

Assets held under operating leases are not capitalised. The costs associated with hire rental are charged directly to income as they arise.

p) Pensions

Stowe School's professional teaching staff are members of a Superannuation Scheme operated by the Department for Education. This is a multi-employer defined benefit scheme and individual schools are not able to identify their share of the underlying assets and liabilities of the scheme.

Other staff are members of a defined contribution scheme or a multi-employer defined benefit scheme. The amount charged to the statement of financial activities in respect of pension costs is the contribution 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.

q) Composition fees

Composition fees represent payments in advance in respect of school fees for pupils, present and future, and, in respect of Stowe School only, are deposited with Stowe School Limited, as Trustee, for investment. A transfer to the SoFA is made each term in respect of school fees which are then due.

r) Support costs

Support costs are administration and other costs incurred in supporting the charitable activities.

s) Critical accounting judgement and key sources of estimation uncertainty

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised where the revision affects only that year, or in the year of the revision and future years where the revision affects both current and future years.

The key judgement in these accounts relates to the fair values applied at the date of acquisition.

1 School fees receivable

	2021 £	2020 £
Gross school fees	32,029,564	24,468,357
Less: Scholarships, bursaries and allowances	(3,133,052)	(2,366,478)
	28,896,512	22,101,879

Due to the impact of COVID-19, the fees for the Lent term in all three schools for the period of the lockdown were reduced to compensate for the pupils not being able to use the facilities at the schools. Pupils were taught through the Stowe Distance Learning Programme and other virtual learning platforms.

2 Ancillary trading income

	2021 £	2020 £
Pupil extras	834,290	330,892
Registration fees	146,091	115,893
Rental income	109,286	66,848
Other income	101,094	129,529
	1,190,761	643,162

3 Other activities

	2021 £	2020 £
Interest on overdue accounts	23,583	17,151

4 Bank and other interest

	2021 £	2020 £
Interest and dividends on Composition fee investments (note 16)	27,463	55,412
Bank interest receivable	294	24,553
Interest from SEL on school shop stock loan	1,440	2,880
	29,197	82,845

5b) Charitable acquisition donations

5a) Grants and Donations

	2021 £	2020 £
Donations	381,923	264,366
Government Furlough Scheme	530,889	1,612,372
	912,812	1,876,738

Charitable acquisition donations represent the assets received from the Prep Schools in January 2021 at fair value, less relevant costs. The breakdown is as follows:

	SHS	WHS	Total
	£	£	£
Fixed assets	1,774,629	3,430,679	5,205,308
Cash	153,889	507,105	660,994
Net current liabilities	(466,273)	(674,409)	(1,140,682)
Less:			
Acquisition costs	(33,071)	(719,491)	(752,562)
	1,429,174	2,543,884	3,973,058

The acquisition costs for WHS include £647,386, in respect of breaking and repaying the mortgage on a property belonging to WHS.

Included in net current liabilities for SHS is a surplus residential property held for sale at £221,667 which was sold post year end.

6 Analysis of total expenditure

	Staff Costs	Other Costs	Depreciation	2021
	£	£	£	£
Expenditure on raising funds				
Financing costs (Note 7)	-	95,739	-	95,739
Fundraising and Development	425,805	90,761	-	516,566
Total costs of generating funds	425,805	186,500	-	612,305
Charitable activities				
Teaching	12,441,938	1,085,835	478,704	14,006,476
Welfare	3,270,960	1,601,178	65,834	4,937,971
Premises repairs and maintenance	1,951,446	3,802,131	1,987,466	7,741,043
Support costs and governance	1,986,788	1,193,748	88,505	3,269,041
Total charitable expenditure	19,651,132	7,682,892	2,620,509	29,954,533
Total expenditure	20,076,937	7,869,391	2,620,509	30,566,838

	Staff Costs £	Other Costs £	Depreciation £	2020 £
Expenditure on raising funds				
Financing costs (Note 7)	-	111,803	-	111,803
Fundraising and Development	447,550	77,578	-	525,128
Total costs of generating funds	447,550	189,381	-	636,931
Charitable activities				
Teaching	9,562,820	955,620	509,529	11,027,969
Welfare	2,768,542	1,096,396	67,344	3,932,282
Premises repairs and maintenance	1,688,127	3,043,893	1,852,775	6,584,795
Support costs and governance	1,511,239	1,192,644	111,450	2,815,333
Total charitable expenditure	15,530,728	6,288,553	2,541,098	24,360,379
Total expenditure	15,978,278	6,477,934	2,541,098	24,997,310

Governance included in support costs:

	2021 £	2020 £
Remuneration paid to auditors for audit services	35,967	19,500
Directors – travel and subsistence costs	2,687	6,855
Other governance costs	4,367	7,231
	43,021	33,586

The Directors and Company Secretary did not receive any emoluments during the year (2020: £nil) and none received retirement or other benefits from the School. Travel expenses were claimed by 17 (2020: 14) individuals, who were reimbursed directly or indirectly £2,687 (2020: £6,855).

In addition to the above audit remuneration, the auditors performed services totalling £2,760 (2020: £60,000).

7 Financing costs

	2021 £	2020 £
Commitment fee on rolling credit facility	35,000	35,096
Movement in present value of Composition fees and admin fees (note 16)	49,305	66,183
Bank charges	11,434	8,467
Pension Scheme financing costs	-	2,057
	95,739	111,803

8 Staff costs

Total staff costs were:	2021 £	2020 £
Salaries and wages	16,580,771	13,043,394
Social security costs	1,539,402	1,259,392
Other pension costs	2,006,938	1,675,492
	20,127,111	15,978,278

The aggregate employee remuneration and benefits of the key management personnel were:	1,343,579	1,217,818

The total staff costs above include payments relating to leaving staff of £58,816 (2020: £60,880).

	2021 Number	2020 Number
The average number of employees of the company during the financial year was as follows:		
Teaching and teaching support staff	305	169
Visiting music teachers	45	30
Establishment and administrative staff	384	318
	735	517
The average FTE of employees of the company during the financial year was as follows:		
Teaching and teaching support staff	252	146
Visiting music teachers	15	6
Establishment and administrative staff	279	220
	546	372
The number of staff in pension schemes was as follows:		
Money Purchase	459	302
Teachers' Pensions	121	122
	580	424

The Staging date for pension auto enrolment was October 2013 and the most recent re-enrolment date was 1 November 2019, which required staff who opted out to elect to be enrolled or opt out again. The next re-enrolment date is 1 November 2022.

The number of employees whose emoluments exceeded £60,000 were:	2021 Number	2020 Number
£60,001 - £70,000	17	16
£70,001 - £80,000	1	2
£80,001 - £90,000	2	3
£90,001 - £100,000	2	2
£130,001 - £140,000	1	1
£200,001 - £210,000	1	-
£210,001 - £220,000	-	1
£270,001 - £280,000	-	1
£280,001 - £290,000	1	-

Stowe School Limited's pension contributions for the above 25 (2020: 26) employees totalled £276,534 (2020: £297,951), divided between Teachers' Pensions £242,056 (2020: £263,453) and other schemes £34,498 (2020: £34,498).

The emoluments of the highest paid employee reflect the fact that employer pension contributions of 16.48% of salary to the Teachers' Pensions Scheme ceased with effect from 31 May 2016, at which time the salary was increased by an amount equivalent to the contributions foregone.

9 Tangible fixed assets

	Freehold Property £	Property Improvements £	Plant & Equipment £	Computer Equipment £	Furniture, Fixtures & Fittings £	Motor Vehicles £	Total £
Cost							
1 September 2020	29,050,380	32,615,268	2,339,856	2,076,400	4,100,682	695,176	70,877,762
Fair value on acquisition	2,514,124	2,511,562	123,003	1,800	33,164	21,655	5,205,308
Additions	734,810	2,137,509	126,100	48,758	128,620	139,386	3,315,183
Disposals	-	-	-	- 63,933	-	- 56,893	- 120,826
31 August 2021	32,299,314	37,264,339	2,588,959	2,063,025	4,262,466	799,324	79,277,427
Depreciation							
1 September 2020	4,887,051	10,369,844	1,990,966	1,629,787	2,763,613	462,069	22,103,330
Charge for Year	644,712	1,349,341	121,711	147,121	265,398	92,227	2,620,510
Disposals				- 63,933		- 56,893	- 120,826
31 August 2021	5,531,763	11,719,185	2,112,677	1,712,975	3,029,011	497,403	24,603,014
Net Book Value							
31 August 2021	26,767,551	25,545,154	476,282	350,050	1,233,455	301,921	54,674,413
1 September 2020	24,163,329	22,245,424	348,890	446,613	1,337,069	233,107	48,774,432

The assets acquired from the Prep Schools are included at their fair value as at January 2021, when the Prep Schools were acquired by means of charitable mergers.

Within additions, £866,427 (2020: £169,347) of assets are under construction, most notably the Design, Technology and Engineering building and the Golf Clubhouse.

£233,508 (2020: £218,096) of donations and grants in the cash flow statement were used to fund capital additions in the year.

10 Capital commitments

There was £412,338 of capital expenditure authorised and contracted for at the balance sheet date (2020: £170,318).

11 Investment in subsidiary undertakings

	2021 £	2020 £
Stowe Enterprises Limited - shares at cost	100	100
Stowe Enterprises Limited - interest bearing loan	164,000	164,000
Stowe School Developments Limited – shares at cost	100	100
Stowe Qatar Limited – shares at cost	-	100
	164,200	164,300

Stowe Qatar Limited was dissolved during the year.

For additional information refer to Note 12 – Related party transactions.

12 Related party transactions

Stowe School Limited owns the whole of the issued ordinary share capital of Stowe Enterprises Limited ("SEL"), a company registered in England. Stowe School Limited allows SEL to make available the facilities of the School for use by the public and to operate the School shop.

SEL prepares its annual accounts to 31 December, an accounting date which the directors consider to be appropriate for administrative reasons. The taxable profits of SEL are donated to the School each year, 2021: £141,778 (2020: £610,564).

The last audited accounts of SEL were for the year ended 31 December 2020. The following information is disclosed in respect of SEL:

	31 December 2020	31 December 2019
	£	£
Turnover	835,129	1,919,466
Expenditure	(693,351)	(1,308,902)
Profit for the financial year	141,778	610,564
Donated to the school	(141,778)	(610,564)
Result for the year	-	-
Balance of capital and reserves	160,226	629,012

Stowe School Limited recharged costs to SEL during the year of £304,641 (2020: £221,221). As a result of COVID-19, SEL were unable to undertake any commercial activities from March 2020 onwards. As a consequence less costs were incurred. SEL received income from the School for purchases made in the School shop during the year of £65,908 (2020: £80,544). At the year end the amount owed by SEL to the School was £78,412 (2020: £45,312).

The total taxable profits donated to the Company were:	2021	2020
	£	£
Stowe Enterprises Limited (SEL)	141,778	610,564

As part of the acquisition in January 2021 of WHS, WHS' trading company, WHS Trading Limited, was transferred to become a subsidiary of SEL. No results of WHS Trading Limited are recorded for 2020 in the above SEL figures.

During the year to 31 July 2011 the Company acquired the whole of the issued ordinary share capital of Stowe School Developments Limited ("SSDL"), a company registered in England. The company had no turnover (2019: £10,000) and made a loss before tax of £40,212 (2020: profit £2,969) in the year to 31 December 2020. At the year end the amount owed by SSDL to the Company was £41,730 (2020: £11,885).

SSDL owns the whole of the issued share capital of Stowe UAE Limited and Stowe China Limited. Stowe UAE received no income in the year to 31 December 2020 (2020: £nil). At the year end the amount owed by Stowe UAE to the Company was £3,399 (2020: £3,399). Stowe China received no income in the year to 31 December 2020 (2020: £nil). At the year end the amount owed to the Company by Stowe China was £526 (2020: £513).

During the year, Stowe Qatar, a dormant company, was dissolved and £3,311 owed by the subsidiary to its parent was written off.

A company controlled by Mr R Greaves, a Trustee, and his family provided supplies to the group totalling £648 from January 2021, when he became a Trustee. This company supplied WHS before the acquisition of the Prep Schools.

13 Stocks

	2021 £	2020 £
Raw materials and consumables	178,280	204,077

The replacement cost of stocks is not considered to be materially different from their historical cost.

14 Debtors

	2021 £	2020 £
Debtors in respect of School fees	8,450,187	6,419,102
Other debtors	74,688	61,183
Prepayments and accrued income	752,740	654,973
Amounts owed by subsidiary undertakings (note 12)	124,068	64,458
	9,401,683	7,199,716

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Deferred income	12,515,078	8,835,338
School fees paid on account	1,418,713	1,566,834
Deposits paid on account	3,485,483	3,141,941
Trade creditors	2,074,931	464,756
Other creditors	589,246	363,530
Taxation and social security	414,636	320,833
Accruals	1,479,179	953,375
Current portion of Composition fees (note 16)	827,499	1,031,301
	22,804,765	16,677,908

Deferred income represents income relating to the next financial year (see Note 14 – Debtors in respect of School fees).

16 Composition fee fund investments

Composition fees represent fees paid by parents to Stowe School only up to the equivalent of five years' fees in advance and are held separately from the general funds of the School, with Stowe School Limited as Trustee. The Directors have delegated the day to day management of the investments to Smith & Williamson Investment Management LLP.

The movement on the composition fee fund was:	2021	2020
	£	£
Market value at 1 September	2,594,087	3,550,296
Composition fees received and invested	755,309	446,264
Composition fees transferred or refunded	-	-
Net income arising reinvested	22,927	49,058
Applied to school fees	(1,063,844)	(1,339,897)
Investment profit/(loss) during the year	96,221	(111,634)
Market Value at 31 August	2,404,700	2,594,087
Historical Cost at 31 August	2,141,964	2,400,756

Investments comprise:		
Listed investments:	£	£
UK Fixed interest:		
I Shares III Plc	1,054,196	1,223,734
Smith & Williamson Investment Funds	528,835	620,275
	1,583,031	1,844,009
UK Equities: J P Morgan Asset Management Ltd	539,126	654,206
	2,122,157	2,498,215
Client Money	4,963	44,756
Total investments	2,127,120	2,542,971
Cash at Bank	277,580	51,116
Total Composition fee fund investments	2,404,700	2,594,087

Assuming pupils remain at the School, advance fees will be applied as follows:

	£	£
Greater than five years	126,646	81,602
Between two and five years	573,439	702,757
Between one and two years	639,181	614,872
	1,399,266	1,399,231
In one year or less	827,500	1,031,301
Net Present Value	2,166,766	2,430,532

17 Other Creditors due in more than one year

	2021	2020
	£	£
Allied Schools Agency pension deficit (see Note 22)	17,651	24,661
Other (less than 2 years)	12,277	-
	29,928	24,661

18 The funds of the Charity

	Unrestricted General Fund	Composition Fee Restricted Fund	Stowe Harvard Restricted Fund	Other Restricted Funds	Total Restricted Funds	Total Funds
	£	£	£	£	£	£
At 1 September 2020	48,847,822	163,555	78,462	-	340,522	49,089,839
Net movement in funds	4,512,580	74,380	7,677	102,655	86,207	4,697,292
At 31 August 2021	53,360,402	237,935	86,139	102,655	426,729	53,787,131

Analysis of Net Assets

	£	£	£	£	£	£
Tangible Fixed Assets	54,674,413	-	-	-	-	54,674,413
Investments	164,200	2,404,700	-	-	2,404,700	2,568,900
Current Assets	20,683,077	-	86,139	102,655	188,794	20,871,871
Creditors amounts falling due within one year	(21,977,266)	(827,499)	-	-	(827,499)	(22,804,765)
Creditors payable after one year	(29,928)	(1,339,266)	-	-	(1,339,266)	(1,369,194)
Provisions	(154,094)	-	-	-	-	(154,094)
At 31 August 2021	53,360,402	237,935	86,139	102,655	426,729	53,787,131

Unrestricted Funds

Within the Unrestricted Funds is a pension reserve of £154,094 (2020: (£196,177)) relating to a defined benefit scheme provision (see Note 22). Donations of £62,981 were received for the Prep Schools during the year. These were fully spent during the year and are included in unrestricted funds in the above table.

Restricted Funds (Composition and Stowe Harvard)

Within the Restricted Funds is £86,139 (2020: £78,462) relating to the Stowe Harvard Fund, whose funds are to be used towards the costs of the Stowe Harvard Fellowship and a revaluation reserve of £177,965 (2020: £163,555) which reflects the difference between the market value of the composition fee investments and the net present value of future fee commitments at 31 August 2021 (see Note 16).

An analysis of the Funds of the Charity for last year can be found at Note 25.

Other Restricted Funds
These represent the following restricted funds at WHS:

	£
Prize Fund	38
Bursary Fund	38,072
Gifts Fund	1,751
Development Fund	62,794
Total	102,655

19 Operating leases

Other Assets - Total commitments relating to operating leases:

	2021	2020
	£	£
Less than one year	148,042	108,461
Between two and five years	188,317	148,841

During the year £145,640 (2020: £136,091) was spent on operating leases.

Property Assets – Total commitments relating to operating leases:

Stowe House:

The house has been leased to The Stowe House Preservation Trust Ltd, a coterminous leaseback to Stowe School Ltd for 99 years, effective from 1 January 2000 (no break clauses). The arrangements were confirmed under Charity Order 0149530D dated 10 November 1999.

The lease charge represents the rent payable to The Stowe House Preservation Trust Ltd for the School's occupation of Stowe House. The lease charge is reviewed every five years (next review 2023); the charge for the year is £155,162 (2020: £155,162).

The total minimum lease payments remaining on this lease are £7.7 million, over the remaining 77 years.

National Trust:

An agreement was made on 29 March 1990 between both parties to lease, surrender and develop various premises and land at Stowe, Buckinghamshire for 190 years.

The lease charge represents the rent payable to the National Trust for the School's occupation of certain properties. The lease charge is reviewed every five years. The charge for the year is £13,830 (2020: 13,830).

The total minimum lease payments remaining on this lease at the current rate of charge are £2.2 million, over the remaining 159 years. The exact amount payable depends on the properties used by the School.

SHS:

An agreement was made on 5 January 2021 between SHS and its landlord to lease various parts of the Prep School for 27 years with payments starting from 1 September 2021.

The total minimum lease payments remaining on these leases are £1.4 million, over the remaining periods of the leases. The exact amount payable depends in part on pupil numbers.

SHS also rents two properties. The leases total £32,250 per annum and the charge for the eight months to 31 August 2021 is £16,400.

20 Reconciliation of net movement in funds to net cash inflow from operating activities

	2021 £	2020 £
Net income	4,697,083	223,395
Donations received	(381,923)	(264,366)
Fair value of assets on acquisition	(3,973,058)	-
Interest received	(52,780)	(44,583)
Operating surplus / loss for the year	289,322	(85,554)
Depreciation charges	2,620,510	2,541,098
Profit/(Loss) on disposal of fixed assets	-	5,825
Unrealised loss/(gain) arising on revaluation of investments	(96,221)	111,634
Decrease in stocks	25,797	28,979
(Increase) in debtors	(863,661)	(6,209,531)
Increase in creditors	3,371,509	6,667,835
(Decrease) in provision	(41,787)	(41,583)
Net cash inflow from operating activities	5,305,479	3,018,703

21 Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash and cash equivalents			
Cash	8,451,204	2,619,037	11,070,241
	8,451,204	2,619,037	11,070,241

22 Pensions Schemes

Teachers' Pensions

Stowe 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 £1,208,739 (2020: £1,071,093) and at the year-end £142,646 (2020: £101,310) was accrued in respect of employer contributions to this scheme.

The TPS is an unfunded, multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme Regulations 2014. 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 following scheme valuations undertaken by the Government Actuary's Department.

The latest actuarial valuation was completed in 2018, which determined the opening balance of the cost cap fund and also provided an analysis of the cost cap as required by the Public Service Pensions Act 2013. The employers contribution

rate for the TPS increased to 23.6% from 1 September 2019 and the employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

Both SHS and WHS have exited the TPS and teachers of both schools contribute to their respective schools' support staff pension schemes. SHS exited in 2021 and the pension charge includes £78,715 in respect of contributions payable until May 2021.

Support Staff Pensions

Stowe School's support staff have the opportunity to join either the Pensions Trust Growth Plan Series 4, the Pensions Trust Flexible Retirement Plan or a Standard Life Group Personal Pension Scheme. These Schemes are defined contribution schemes.

The School also participates in a Pensions Trust multi-employer scheme (i.e. all employers that employed active members before 1 October 2001) which provides benefits to some 950 non-associated participating employers; the Growth Plan Series 1, 2 and 3 are defined benefit schemes in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pension Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Because Series 3 liabilities do not contribute towards the deficit (as investments are matched to liabilities) the Trustee has agreed that employers who have only ever had involvement with Series 3 were not required to pay any additional contributions from 1 April 2013.

The scheme is classified as a 'last–man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m, resulting in a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions: from 1 April 2019 to 31 January 2025 - £11,243,000 per annum (payable monthly and increasing by 3% on each 1 April).

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions in the scheme as follows:

Deficit contributions: from 1 April 2016 to 30 September 2025 - £12,945,440 per annum (payable monthly and increasing by 3% on each 1 April) and from 1 April 2016 to 30 September 2028 - £54,560 per annum (payable monthly and increasing by 3% on each 1 April).

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

The additional contributions required from Stowe School Limited from 1 April 2013 were agreed at £49,507 per annum (rising by inflation annually) for 10 years. The additional contributions made in the year totalled £42,830 (2020: £41,583).

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement, the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction

contributions payable under the agreement that relates to the deficit. The present value is calculated using an appropriate discount rate. The unwinding of the discount rate is recognised as a finance cost.

Prep Schools

Apart from the contributions to TPS mentioned above, all academic and support staff at the Prep Schools participate in defined contribution pension schemes. The pension charge for the year includes contributions to these schemes of £287,110 (2020: £nil)

Net present value of Provision

	2021 £	2020 £
Net present value of provision	154,094	196,177

Reconciliation of opening and closing Provision

	2021 £	2020 £
Provision at start of year	196,177	233,906
Unwinding of the discount factor (interest expense)	955	2,057
Deficit contribution paid	(42,830)	(41,583)
Re-measurements – impact of any change in assumptions	(208)	1,797
Re-measurements – amendments to the contribution schedule	-	-
Provision at end of year	154,094	196,177

Income and Expenditure Impact

	2021 £	2020 £
Interest expense	955	2,057
Re-measurements – impact of any change in assumptions	(208)	1,797
Costs recognised in income and expenditure account	42,830	41,583
Re-measurements – amendments to the contribution schedule	-	-
Impact at end of the year	43,577	45,437

23 Legal Charges

The Company entered into a Revolving Credit Facility (RCF) for five years, from 16 June 2017. The RCF is secured by legal charges on Stowe School's domestic properties. Discussions to renew the RCF for a further 5 years are on-going and revised terms have been received.

24 Statement of Financial Activities (incorporating an income and expenditure account) for prior year

	Notes	General Fund £	Restricted Funds £	2020 £
Income from:				
Charitable Activities				
School fees receivable	1	22,101,879	-	22,101,879
Ancillary trading income	2	643,162	-	643,162
Other trading activities				
Non-ancillary trading income (covenants)	12	610,564	-	610,564
Other activities	3	17,151	-	17,151
Investments				
Bank and other interest	4	27,314	55,531	82,845
Voluntary sources				
Grants and donations	5	1,876,738	-	1,876,738
Total incoming resources		25,276,808	55,531	25,332,339
Expenditure on:				
Raising funds				
Financing costs	7	45,620	66,183	111,803
Fundraising and Development		525,128	-	525,128
Total deductible costs		570,748	66,183	636,931
Charitable activities				
Education		24,360,379	-	24,360,379
Total expenditure	6	24,931,127	66,183	24,997,310
		345,681	(10,652)	335,029
Net investment losses		-	(111,634)	(111,634)
Net income		345,681	(122,286)	223,395
Other recognised gains and losses:				
Actuarial (loss)/gains on defined benefit pension schemes	22	(1,797)	-	(1,797)
Net movement in funds		343,884	(122,286)	221,598
Reconciliation of funds:				
Total funds brought forward	18	48,503,938	364,303	48,868,241
Total funds carried forward	18	48,847,822	242,017	49,089,839

25 The funds of the Charity for prior year

	Unrestricted General Fund	Composition Fee Restricted Fund	Stowe Harvard Restricted Fund	Total Restricted Funds	Total Funds
	£	£	£	£	£
At 1 September 2019	48,503,938	285,960	78,343	364,303	48,868,241
Net movement in funds	343,884	(122,405)	119	(122,286)	221,598
At 31 August 2020	48,847,822	163,555	78,462	242,017	49,089,839

Analysis of Net Assets

	£	£	£	£	£
Tangible Fixed Assets	48,774,432	-	-	-	48,774,432
Investments	164,300	2,594,087	-	2,594,087	2,758,387
Current Assets	15,776,535	-	78,462	78,462	15,854,997
Creditors amounts falling due within one year	(15,646,607)	(1,031,301)	-	(1,031,301)	(16,677,908)
Creditors payable after one year	(24,661)	(1,399,231)	-	(1,399,231)	(1,423,892)
Provisions	(196,177)	-	-	-	(196,177)
At 31 August 2020	48,847,822	163,555	78,462	242,017	49,089,839

STOWE SCHOOL LIMITED

England & Wales - Charity number 310639

Accounts

Trustees' report

For the year ended 31 August 2020

Stowe School Limited

(Limited by Guarantee)

Financial statements 31 August 2020

together with Trustees' and Auditor's reports

Registered number: 187251

Charity number: 310639

Directors

Simon Charles Creedy Smith BA, FCA
The Reverend Canon Peter Michael Ackroyd MA, MBA, MA, PhD
Jonathan Michael Arundell Bewes BA, FCA
Patrick Bradshaw BA
Her Honour Judge Rebecca Brown BA
Julie Christine Brunskill
Elizabeth de Burgh Sidley BA, FRICS
David Watson Cheyne MA (Cantab)
Rupert Fordham BA (Cantab)
John Philip Cardain Frost BSc, MRICS
Professor Guy Goodwin FMed Sci
Richard Greaves BA
Joanne Elizabeth Hastie-Smith
Sunjeewa Jayawardena BSc, MBA
Andrea Karen Johnson BSc, PGCE
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Alexander Muirhead
Elizabeth Philips OBE, BA, MA, AKC
Andrew Reekes MA, MReS
Vanessa Stanley BSc (Eng) ACGI, M Ed
Lady Stringer BSc, MB, BS, LRCP, MRCS
Christopher John Tate BA, MIMC

Company Secretary

Michael Porter BA, MSc

Registered and Principal office

Stowe School
Stowe
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Independent Auditors

Saffery Champness LLP
71 Queen Victoria Street
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EC4V 4BE

Bankers

Barclays Bank Plc
Wytham Court
11 West Way
Oxford OX2 0JB

Financial Statements

The Directors, who are also referred to as Governors and are also Charity Trustees as defined in the Charities Act 2011, present their annual report and audited financial statements for the year ended 31 August 2020.

The financial statements comply with the Companies Act 2006, Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102).

Statement of Directors' responsibilities

The Directors are responsible for preparing the Trustees' Report, including the Strategic Report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing these financial statements, the Directors are required to:

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

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Directors are aware, there is no relevant audit information of which the charitable company's auditors are unaware and the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company is limited by guarantee and governed by the provisions in the Articles of Association adopted by Special Resolution on 6 October 2020; these replaced the Memorandum and Articles of Association, dated 20 January 1923 (as altered by Special Resolution on 25 September 1951). Each of the seven Members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities.

Stowe School Limited is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On 26 September 2013, the Allied Schools signed a new Management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency Limited to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT.

Charitable Status

The company, also referred to as Stowe School, is a registered charity with registered charity number 310639.

Governing Body

The Directors constitute the Governing Body and are elected by the Governing Body, except that two Directors are nominated by the MMT if the total does not exceed twelve, three if the number exceeds twelve but does not exceed eighteen and four if the number exceeds eighteen. The Directors nominated by the MMT are The Reverend Peter Ackroyd, Mr Bewes, Mrs Hastie-Smith and Mrs Johnstone.

The Directors of the company serving since 1 September 2019 were as follows:

Simon Charles Creedy Smith BA, FCA
The Reverend Canon Peter Michael Ackroyd MA, MBA, MA, PhD
Jonathan Michael Arundell Bewes BA, FCA
Patrick Bradshaw BA (appointed 5 January 2021)
Her Honour Judge Rebecca Brown BA (appointed 5 January 2021)
Julie Christine Brunskill
Elizabeth de Burgh Sidley BA, FRICS
Admiral Sir James Michael Burnell-Nugent KCB, CBE, MA (Cantab) (resigned 13 March 2020)
David Watson Cheyne MA (Cantab)
Juliet Ursula Colman BA (Hons), DIP ARCH RIBA (resigned 7 December 2019)
Rupert Fordham BA (Cantab) (appointed 5 January 2021)
John Philip Cardain Frost BSc MRICS
Professor Guy Goodwin FMedSci
Richard Greaves BA (appointed 5 January 2021)
Joanne Elizabeth Hastie-Smith
Sunjeewa Jayawardena BSc, MBA (appointed 5 January 2021)
Mairi Johnstone LLB, DipLP, BSc, MBA, GradCG (appointed 23 February 2021)
Andrea Karen Johnson BSc, PGCE
Catriona Helen Lloyd MA (Cantab)
Alexander Muirhead (appointed 5 January 2021)
Elizabeth Philips OBE, BA, MA, AKC
Andrew Reekes MA, MReS (appointed 5 December 2020)
Vanessa Stanley BSc (Eng) ACGI, M Ed
Lady Stringer BSc, MB, BS, LRCP, MRCS
Christopher John Tate BA, MIMC

In accordance with the Articles of Association, Rev. Ackroyd, Ms J Brunskill, Mr D Cheyne, Mr S Creedy Smith, Mrs A Johnson, Mrs V Stanley and Lady J Stringer retire by rotation and being eligible offer themselves for re-election.

Induction and Training of Directors

When new Directors are appointed, care is taken to ensure that the appropriate skills and experience relevant to the Governing Body are represented. Each new Director is provided with an information pack and a list of relevant training courses, some of which they are expected to attend. They are inducted into the workings of Stowe School Limited through a visit programme, discussion and an introductory pack. All Directors receive information on governor training update courses.

Governance

The Directors are responsible for the overall management and control of Stowe School Limited and meet three times a year. The work of implementing most of their policies is carried out by committees appointed by the Directors for that purpose (Executive; Education; Estates; Finance; Nomination & Remuneration), which usually meet in the weeks preceding meetings of the full Governing Body. These committees perform detailed reviews within their areas of responsibility. The day to day running of Stowe School Limited is delegated to the Head and the Executive Leadership Team (ELT), who are considered the key management personnel of the charity.

Head	Dr A K Wallersteiner MA (Cantab), PhD
Senior Deputy Head	Mark Wellington BSc
Deputy Head Pastoral	Liam Copley BA, MEd
Deputy Head Academic	Dr Julie Potter BA (Oxon), MPhil, PhD
Designated Safeguarding Lead (DSL)	Michael Rickner BA, MSc (Oxon)
Finance	Mark Greaves BA, ACA
Operations & Estates	Mark Kerrigan
Strategic Development & Fundraising	Colin Dudgeon BA (Oxon)
Marketing and Admissions	Tori Roddy BSc, MSc

The Head and members of the ELT attend meetings of the above committees, as appropriate. From September 2019 Mark Wellington was appointed Senior Deputy Head and in April 2020 Michael Rickner was appointed DSL, as a result of Crispin Robinson retiring at the end of the year. The Deputy Head Pastoral role was reassigned to Liam Copley in April 2020.

With the formation of the Stowe group (see below), Emma Goldsmith and Jane Thorpe, Heads of Winchester House School and Swanbourne House School respectively, now attend as members of ELT. Two additional committees, Admissions & Marketing and Prep Schools, have now been established.

Key Management Personnel Remuneration

The pay of the Head is reviewed annually by the Nomination & Remuneration Committee. The pay of the remaining members of the ELT is reviewed annually by the Head. Pay is subject to performance and market forces, using a performance and pay matrix.

All Directors give freely of their time and no Director remuneration was paid in the year. Details of Directors' expenses and related party transactions are disclosed in the financial statements.

Directors are required to disclose all relevant interests in accordance with our policy and withdraw from decisions where a conflict of interest arises.

The Stowe Group of Schools

On 2 November 2020, the formation of the Stowe group of schools was announced. On 5 January 2021, the mergers of Swanbourne House School and Winchester House School with Stowe was completed. Stowe has taken on all the assets and liabilities of both preparatory schools. Both schools have a long tradition of sending pupils to Stowe. The Stowe group of schools now offers an educational pathway for over 1,400 children from 3-18 years old. It will allow member schools to benefit from a wealth of shared expertise and will enable both schools to benefit from the many facilities and

opportunities that Stowe provides. It will also provide opportunities for sharing strategic leadership, resources for professional development and

ideas as well as delivering cost efficiencies across the Group. Six new Governors, three from each preparatory school, have been appointed to the Governing Body.

Group Structure and Relationships

Stowe School Limited now comprises the assets and liabilities of all three schools in one charitable body with one set of Governors. These financial statements are the accounts for the School only and not for the Group.

Stowe School Limited has a wholly owned non charitable trading subsidiary, Stowe Enterprises Limited, which operates the School shop and makes available the facilities of the School to the public and various organisations for events, educational and leisure purposes. Stowe Enterprises Limited now owns the trading subsidiary of Winchester House School and will operate across the Stowe group of schools.

Stowe School Limited, in conjunction with its partners on the Stowe site, being The National Trust and The Stowe House Preservation Trust Limited, assists in the restoration of Stowe (Stowe House and Stowe Landscape Garden) and the improvement of the visitor experience. Stowe House is open to the public on over 200 days in a normal year.

Stowe School Limited works closely with The Stowe School Foundation (SSF), a separate charity. The Trustees of SSF can apply the capital and income of the trust, both for the provision of educational resource and facilities at the School and for scholarships and bursaries, as well as the provision of any other financial support to Stowe School Limited as the Trustees may from time to time decide. SSF has three ex officio Trustees, between two and six nominated Trustees, appointed by Stowe School Limited, and up to four co-opted Trustees appointed by the Trustees.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charity's objects and aims

The primary objects of the charity as set out in its Articles of Association is to provide education in accordance with the Protestant principles of the Church of England. The main aim of the charity is to provide public benefit through the use of the Stowe group of schools for the provision of education (which includes an understanding of culture and heritage) to its pupils.

To achieve this aim the charity seeks to maintain the Stowe group of schools' reputation as a centre of excellence in education, culture and heritage at a local, regional and national level by:

- maintaining and promoting the Stowe group of schools as one of Britain's best, national co-educational boarding schools for fee-paying and supported pupils, offering a combination of high academic standards and outstanding pastoral care, with first class facilities and infrastructure that provide an efficient and cost effective education;

- delivering a rich provision in sport, music, art, drama and other activities in an inspiring, sustainable environment; and

- working in partnership with The National Trust and The Stowe House Preservation Trust to make the internationally significant Stowe landscaped Gardens and Mansion accessible to members of the public, as a means of widening access and sharing the heritage and history of Stowe with a diverse audience, which in turn contributes to achieving the charity's primary object of education.

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education, when reviewing the future aims and objectives.

Strategies and objectives for the year

The main strategies and objectives for the School to achieve the aims have included:

Strategies for Education

- Promote a supportive, secure and nurturing environment which places a high premium on the emotional, physical and mental well-being of each and every Stoic by providing the highest standards of pastoral care and a culture of responsibility, tolerance, attachment and inclusiveness with equality of opportunity for all.

- Promote the highest standards of teaching in the curriculum as well as fostering curiosity, love of subject, wider reading, creativity, intellectual risk-taking and the pursuit of individual or specialised talents in the belief that all pupils have the capacity to respond to and benefit from greater stretching and higher expectations.

- Steady recruitment to maintain a full school with a pupil roll of up to 900 pupils with applications exceeding capacity and an appropriate balance between UK and overseas students, whilst safeguarding Stowe as a co-educational, predominantly boarding school.

Main objectives for the year

- 2020 targets for A2: 70% A*B grades; for GCSE: 40% 9-7 or A*A grades.

- Developing the theme of the Learning Power Approach to maintain the School's reputation for innovation by building on previous themes such as Growth Mindset, Marginal Gains and Effective Teaching and Learning. The School emphasises character virtues such as grit, resilience, determination and perseverance.

Strategies for Sport, Music, Art and Drama

- Provide a rich diet of cultural activities for Stoics that mixes classroom and academic achievement with personal cultural development through sport, music, art and drama supported by a wide range of activities such as concerts, plays, exhibitions, lectures, trips and weekend activities.

- Promote the belief that ability comes in many forms and that Stoics need to be supported to discover and enjoy success no matter where their talents lie.

Main objectives for the year

- Maintaining a wide variety of sport, music, art and drama available to all.

- Developing a cultural programme to attract pupils to drama and musical productions, in support of the curriculum.

Strategies for Heritage and Restoration

- Participate, through an effective partnership with The National Trust and The Stowe House Preservation Trust, in the heritage restoration of Stowe while protecting the interests of the School.

Main objectives for the year

- Working with The Stowe House Preservation Trust to plan the restoration of the State Dining Room.

- Preparing a replacement golf course to allow The National Trust to restore the Western Garden to its 18th Century condition.

Strategies for Public Benefit

The following strategies are designed to ensure that Public Benefit remains intrinsic to all of the Charity's activities:

- Promote scholarships and bursaries to allow access for pupils from all backgrounds.
- Promote participation with State Schools.
- Provide access to Stowe's heritage, in partnership with The National Trust and The Stowe House Preservation Trust.
- Promote good citizenship through participation in external activities and initiatives.
- Provide access to school facilities to the local community.
- Provide access for the public to music, art, sport, drama and science activities at Stowe.

Main objectives for the year

- Progressing educational initiatives with Silverstone UTC, local State Schools and the University of Buckingham.
- Promoting participation in Service@Stowe, CCF, Duke of Edinburgh Award scheme and 'green team'.
- Providing high level bursaries to deserving applicants who would otherwise not be able to attend Stowe.

Strategies for Fundraising

- Build and sustain the Campaign for Stowe to generate funds each year to augment operating surpluses and to enable the steady implementation of the Development Plan.

Main objectives for the year

- Generating, through the Campaign for Stowe, funds of a minimum of £2 million per annum towards bursaries and scholarships; planning future fundraising initiatives in the areas of Design, Technology and Engineering and Sport.
- The launch of Change 100 – Stowe's ambitious mission to change the lives of talented and deserving children, whose world can be transformed through an education at Stowe.

The remainder of the Trustees' Report also constitutes the Strategic Report for the purposes of the Companies Act 2006.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The principal activity of the company continued to be the provision of education in a boarding and day school for pupils aged 13 to 18. This academic year the School averaged 821 (2019: 803) pupils.

The year ended 31 August 2020 was heavily influenced by COVID-19 resulting in the closure of the School during the summer term and the implementation of the successful Stowe Distance Learning programme at short notice. The influence of the pandemic and the impact on the activities permitted at the School affected the attainment of many of the annual objectives. The financial results of the School were impacted negatively by the decision to reduce the summer term boarding fees by 53% and positively by the provision of the Government's Furlough Scheme and the reduction of costs and capital expenditure in the year.

Public Benefit

Scholarships and bursaries are promoted in recruitment literature, on the School's website and through advertising. Scholarships at the School are awarded at entry at 13+ and 16+ for academic, musical, artistic, sporting or all round merit.

Scholarships at the School are awarded with a fixed remission of fees of between 5% and 25%. Scholarships may be supplemented by means tested bursaries.

Bursaries are awarded on the basis of financial need and principally to those pupils who for financial reasons might not be able to come to Stowe or who might not be able to remain at Stowe to complete their education. Bursary awards are made on the basis of full financial disclosure and are reviewable annually. At least two fully funded places are available each year, subject to financial need - during 2020 there were 6 (2019: 3) fully funded places.

Community programmes operated by staff and pupils are encouraged, with emphasis on the elderly and disabled and on widening support to local schools and the local community. Pupils undertake a variety of fund raising activities for specific charities and good causes. During the year pupils and staff raised some £14,491 towards various charities, including Blythswood School (Romania) and Street Child. Other amounts were raised during lockdown by the pupils themselves for a variety of deserving causes.

During the year Service@Stowe continued successfully until lockdown in March 2020, with Stoics undertaking a variety of services, including Duke of Edinburgh, First Aid Training, green projects, paper recycling and other community services, which included a Christmas party for senior citizens. The School continued to support the local community, including invitations to drama and music productions, and local community groups were invited to host events in the Roxburgh Hall and Ugland Auditorium. No repetition of 'Service in Action', two days of community service, was possible this year as a result of the pandemic. Pupils were encouraged to participate actively in local initiatives in their own home communities.

The School's partnership with Silverstone UTC, announced in July 2017, continues to flourish and to provide enhanced educational and co-curricular opportunities for pupils at both educational establishments. The partnership is intended to demonstrate the best that can be achieved by independent and state schools working together. The partnership involves reciprocal governor arrangements, teaching and sharing best practice and facilities.

The School hosted the fifth StoweEd conference, attended by both state and independent schools. The School also hosted joint events with other local schools in the areas of music and sport. The School has supported local schools on various educational matters during the year, including inviting them to talks, workshops and theatre performances, and a number of the School's senior staff serve as governors. A number of Stowe teaching staff undertook interview practice with state school A level pupils preparing for Oxbridge.

The Head continues to chair Street Child. The Charity works in conflict and post-conflict countries and has helped over 200,000 children to attend schools.

The School invited local clubs to use its sports facilities and equipment at subsidised rates and encouraged staff to coach sport in the community. Local amateur groups had subsidised access to the Roxburgh Theatre and The Ugland Auditorium.

Stowe House attracts the wider and local community to enjoy its heritage, through being open to the public for weddings, corporate, commercial and charitable events, although no such events were allowed to take place over the summer and Stowe House remained closed for the summer because of the pandemic.

Fee Support

Stowe School Limited, together with SSF and other outside Trusts, supported 230 (2019: 220) pupils, through the provision of scholarships and bursaries during the year.

The School and SSF allocated £1,930,763 (2019: £1,930,859) being 7.9% (2019: 6.8%) of fee income, to scholarships and bursaries. Included in this total are means-tested bursaries awarded in addition to scholarships, which allow access for pupils from all backgrounds, with 84 (2019: 79) pupils receiving such awards. 6 (2019: 3) of these benefited from a full remission of fees. External trusts also provided funds of £33,489 (2019: £24,208) towards individual pupils' fees.

Education

Academic Standards

This summer's A Level results saw Stoics achieving 77% A*B grades (2019: 68%). 81 grades were awarded at A* (2019: 48). The GCSE results saw Stoics achieving 53% at grade 7 or above at GCSE level in the new 9-1 specifications. 69% of leavers were accepted by their first choice university.

Of the sixth formers who took the Extended Project Qualification, 74% were awarded A*A and 94% A*B.

The year saw a school-wide focus on the Learning Power Approach. This approach aims to develop pupils to be confident and capable learners, who, both in and out of school, are ready, willing and able to learn for themselves, either alone or with others.

Pastoral Care

The School is committed to safeguarding and promoting the welfare of pupils and expects all staff and volunteers to share in this commitment. The Designated Safeguarding Lead (DSL) is Michael Rickner and he is supported by Louise Springall, School Counsellor, as the Deputy DSL.

Stowe School's policy for Safeguarding and Child Protection accords with the requirements of the Buckinghamshire Safeguarding Children Board. It applies to all school employees, governors and to any volunteers working in the School.

There are processes of safeguarding induction and training in place, involving staff, governors, volunteers and contractors, which aim to ensure that this policy and safeguarding procedures are known and understood by those within the School community. The School underwent a successful ISI inspection in December 2018.

A programme of continuous improvements to the boarding houses is expected to continue next year.

Culture - Sport, Music and Drama and other activities

The School maintained its reputation in a wide range of sports and other extra-curricular activities, with pupils encouraged to take part in school, county and national competitions. Full details of the School's sporting and extra-curricular achievements can be found on the Stowe website: *www.stowe.co.uk*.

The arts and sciences featured strongly in the calendar; there were a number of prep school science events, numerous music concerts and drama productions. The School ran a full range of arts activities and events for the benefit of pupils and of the public, through Stowe Enterprises Limited until the outbreak of the pandemic.

Heritage/Restoration

On 7 March 2018 the School agreed the Asset Exchange with The National Trust. This exchange of various leasehold interests in land and buildings will enable The National Trust to restore the Western Garden to its 18th Century condition and the School has built a replacement golf course and will use the Home Farm development in the future.

Stowe House was open to the public on 130 days during the year. The School provides support on the historical archives and supports The Stowe House Preservation Trust Limited.

The School has worked with The Stowe House Preservation Trust as it continues to develop future plans. The Stowe House Preservation Trust continues to plan to restore the State Dining Room and continues to seek funding to complete the

future phases of the restoration project. Rather than beginning this project as originally planned, the decision was taken to renovate the Temple Room (the State Drawing Room).

Fundraising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their fundraising activities. The School is supported by SSF. It does not carry out any fundraising activity in order to raise funds from the general public. The School does not work directly with commercial sponsors or engage professional fundraisers. The Trustees are not aware of any complaints made in respect of fundraising during the year.

The focus of SSF, supported by the School, has continued to be on the generation of voluntary funding from alumni, patrons of the School and supporters of independent education. During the SSF year to 31 July 2020 funds of some £3.3 million (2019: £3.7 million) were raised. These included £445k towards the new Design, Technology and Engineering building, £180k towards the new Golf Course, £1.06m for general facilities projects and £1.6m of endowment and capital funds for scholarships and bursaries to support those who might not be able to attend or remain at Stowe. Charitable donations of cash and assets and grants totalling £238,565 (2019: £243,051) were received by the School during the year. The costs of the Campaign Office of £525,128 (2019: £511,162) were borne by the School.

SECTION 172 (1) STATEMENT

The School depends on the trust and confidence of its stakeholders to operate sustainably in the long term. The welfare of the School's pupils is of primary concern and the School seeks to put their interests at the forefront of everything it does. The School invests in its employees and supports the communities in which it operates. The School seeks to generate appropriate operating surpluses to maintain the School's investment in both scholarships and bursaries and in its facilities.

The Trustees of Stowe School Limited have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the School for the benefit of its stakeholders as a whole, having regard to the matters set out in section 172 (1) of the Companies Act 2006. Section 172 considerations are embedded in decision making at Governing Body level and throughout the organisation. The stakeholders which the Trustees have considered are set out below.

Having regard to the likely consequences of any decision in the long term

The Governing Body is mindful that its strategic decisions have long-term implications for the business and its stakeholders and these are carefully assessed by the School's various committees and by the Governing Body (see the section on Structure, Governance and Management on pages 3 to 5 of the annual report). This is particularly the case in setting the School's budget for the year when the Board balances the need for affordable education with the capital needs of the business.

Having regard to the interests of the School's employees

The Governing Body has regard to the interests of the School's employees and it recognises the importance of effective employee engagement in the successful functioning of the School. Governors engage with employees both formally through the various Governor committees and informally through dinners held prior to Governing Body meetings.

The School has a number of effective workforce engagement mechanisms in place:

- Employees are kept informed of performance and strategy through regular briefings from the Head and ELT, including termly training days.
- The Head provides termly updates to the Governing Body on staffing matters and staff matters are discussed at the weekly ELT meeting in term time.
- Employees can channel views through an employee representative body and through annual employee surveys.
- The Pay and Conditions Committee allows pay and reward matters to be discussed and reviewed.

The Governing Body considers that, taken together, these arrangements deliver an effective means of ensuring the Board stays alert to the views of the workforce.

Having regard to the need to foster the School's business relationships with customers, suppliers and others

Customers

As a large fee-paying school, the Governing Body regularly reviews the academic and financial performance of the School and its pupils and the affordability of its fee structure. The Head communicates regularly with both parents and pupils. In addition, pupil and parental surveys are regularly commissioned.

Suppliers

The School deals with hundreds of different suppliers and major contracts are reviewed and put out to tender where appropriate and are signed off by appropriate members of ELT and Governors. The School reports its payment practices every six months. The report to 31 August 2020 showed that 69 per cent of invoices were paid within 30 days and the average time taken to pay invoices was 29 days.

The wider community

The School is very mindful of its responsibilities to the wider community and of its relationships with its partners, including SHPT, the National Trust, the UTC at Silverstone and the Stowe Golf Club members as well as the local community.

Regulators

The School is regulated both by the Government and the Charity Commission. The Governing Body considers its reporting and dealings with the Regulators as of the utmost importance.

Having regard to the impact of the Company's operations on the community and the environment

A summary of its Streamlined Energy and Carbon report is set out below under Environmental Reporting.

Having regard to the desirability of the School maintaining a reputation for high standards of business conduct

Corporate governance

Details of the School's corporate governance are set out on pages 3 to 5 of the annual report.

Political donations

No donations were made for political purposes (2019: £nil).

ENVIRONMENTAL REPORTING

Under the Energy and Carbon Report Regulations 2018, the School is required to report on its environmental impacts. The key environmental impacts for the School are gas, kerosene and electricity use across the site and the use of business and personal vehicles. Energy usage has been calculated using consumption in the year. Transport mileage has been estimated from recorded mileage for School vehicles and from mileage claims for personal vehicles.

The School considers energy efficiency as part of its evaluation of projects. While COVID-19 and lockdown reduced the number of projects undertaken and consumption, the School shut down all non-essential systems during lockdown and has continued to replace lights with LED fittings. In October 2019, the School changed to procure green electricity, which has reduced its emissions.

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020

Energy consumption used to calculate emissions (kwh)	10,082,084
Energy consumption breakdown (kwh)	
Electricity usage (scope 2)	2,536,863
LPG usage (scope 1)	1,136,228
Kerosene usage (scope 1)	6,188,410
Gas usage (scope 1)	140,774
Transport (scope 1)	79,809

Emissions	Location-Based TCO2e	Market-Based TCO2e
Scope 1	1,818	1,818
Scope 2	615	81
Total	**2,433**	**1,899**
TCO2e per pupil	**2.964**	**2.314**

Market-based emissions include procured green energy. As mentioned above, Stowe School procured green electricity from October 2019 which reduced their scope 2 emissions by 534 TCO2e and resulted in an intensity metric of 2.314 TCO2e per pupil.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Results

The financial results for the year were heavily impacted by COVID-19 and the loss of income mentioned above was compensated by the reduction in expenditure and the Government's Furlough Scheme. The result for the year is considerably worse than originally budgeted as a result.

The net income for the year was £223,395 (2019: £2,593,040), after including voluntary income of £1,876,738 (2019: £243,051); £1,612,372 (2019: £nil) of the voluntary income was from the Government's Furlough Scheme used to reimburse staff costs and £218,096 (2019: £205,849) from SSF and was used for the development of new facilities and enhancement of existing ones.

Investment losses of £111,634 (2019: losses £7,783) have been transferred to the Restricted Funds, which reflects the net movement in the composition fee fund.

Actuarial loss on defined benefit pension schemes resulted in a transfer of £1,797 (2019: gains £119,000) to the unrestricted General Fund in relation to the pension deficit re-measurement due to changes in assumptions.

This resulted in £343,884 (2019: £2,767,651) being allocated to the unrestricted General Fund and a loss of £122,286 (2019: loss £55,611) to the Restricted Fund, which includes £119 (2019: £151) to the Stowe Harvard Restricted Fund, which is used towards the costs of the Stowe Harvard Fellowship.

School fees receivable decreased from £25,994,763 in 2019 to £22,101,879 in 2020, as a result of COVID-19, when the Summer term fee invoices were reduced to reflect the closure of the School and the application of the distance learning programme.

Resources expended during the year were £24,997,310 (2019: £24,818,057). This is before taking into account the receipt of the Government's Furlough Scheme grant. Resources expended increased by 0.7% on 2019. In addition, the School has invested £535,330 (2019: £5,341,789) in capital expenditure, most notably on Design, Technology and Engineering and the Golf Course.

Cash and bank balances at 31 August 2020 stood at £8,451,204 (2019: £5,557,868). The increase resulted from the reduction in budgeted capital expenditure after the lockdown. The School entered into a Revolving Credit Facility (RCF) for 5 years, from 16 June 2017; there had been no drawdown on the RCF as at 31 August 2020.

Total funds at 31 August 2020 were £49,089,839 (2019: £48,868,241) of which £48,847,822 (2019: £48,503,938) were unrestricted.

The financial results for the year are dealt with in the Statement of Financial Activities.

Through its subsidiary, Stowe Enterprises Limited (SEL), Stowe School Limited makes available its sporting and other amenities for use by the public. SEL produced a turnover for the year ended 31 December 2019 of £1,919,466 (2018: £1,611,311) and a profit before donation of £610,564 (2018: £399,779).

Group financial statements have not been prepared as it is considered that they would be of no real value, in view of the insignificant overall effect of including the results of SEL.

Reserves Policy

The financial statements show that at 31 August 2020, the unrestricted funds totalled £48,847,822 (2019: £48,503,938) and restricted funds £242,017 (2019: £364,303).

Total unrestricted reserves include a funding deficit of £196,177 (2019: £233,906) calculated under FRS102 in respect of the notional funding deficit on the defined benefit pension plan for non-teaching staff. The Directors believe that this notional funding calculation, which can vary between surplus and deficit, depending on the assumptions used at each year end, has no material effect on the School's cash flows in the short term and that in the longer term its effects are manageable out of future income.

The company's unrestricted reserves are substantially represented by tangible fixed assets and are not readily available for spending. Excluding the FRS102 pension reserve and revaluation reserve above, the general unrestricted reserves were £49,043,999 (2019: £48,737,844), of which £48,774,432 (2019: £50,798,465) is represented by fixed assets.

The surplus on free reserves at 31 August 2020 of £269,567 (2019: deficit £2,060,621) is consistent with the longer term Development Plan cash flows, which are updated and reviewed by Directors on a regular basis. Whilst the Directors consider that higher positive free reserves would be desirable, they recognise the demands of capital expenditure to equip the School with up to date facilities and to maintain the high standard of educational services provided. Therefore achieving the desired positive free reserves level remains a longer term objective. The policy is managed prudently by ensuring that sufficient liquid assets are available.

Investment policy and objectives

The company's Articles of Association empower it to invest and deal with the monies of the company not immediately required as it thinks fit.

Composition fee funds are held under trust and administered by Stowe School Limited.

Disabled Employees

The School is committed to equal opportunities for all. It is the policy of the School that no job applicant or employee receives less favourable treatment on the grounds of disability. If an employee becomes disabled during the course of his or her employment, every effort is made to find suitable alternative employment within the School and re-training is given if this is necessary. Stowe School Limited continues to train and encourage the career development of disabled persons in its employment.

POST BALANCE SHEET EVENT

The formation of the Stowe group of schools mentioned above occurred on 5 January 2021 and is expected to increase Stowe School Limited's net assets. The results of the two preparatory schools are not included in the results for the year to 31 August 2020.

FUTURE PLANS

The key objectives for the following year are consistent with those stated above, with particular emphasis on:

- 2021 targets for A2: 75% A*B grades; for GCSE: 50% 9-7 grades
- Developing the theme of the Learning Power Approach and Change Makers
- Working with The Stowe House Preservation Trust to plan for the restoration of the State Dining Room
- Generating, through the Campaign for Stowe, money towards bursaries (including Change 100) and scholarships and for specific projects, including Design, Technology and Engineering and sports facilities
- Integration of Swanbourne House and Winchester House Schools into the Stowe group of schools.

Principal Risks and Uncertainties

The Governing Body is responsible for the management of the risks faced by the School and reviews the major risks and measures for mitigation as part of an annual process. The major risks are considered to be those that would prevent the School from carrying out its charitable objects permanently. Individual committees are responsible for reviewing and monitoring the management of risk in their particular area. The Governors are satisfied that the mitigation of the currently identified major risks, detailed below, has been or is being addressed as follows:

Failure to govern effectively	Governing Body, Nomination & Remuneration Committee
Failure to deliver educational objectives	Education Committee
Failure to safeguard pupil welfare	Governing Body, Education and Estates Committees
Regulatory non-compliance	All Committees
Fire in Stowe House	Estates Committee
Impact of economic and political climate	Governing Body and Finance Committee
Major fraud or financial mismanagement	Finance Committee
Major operational failure	Governing Body and All Committees
Reputational risk	Governing Body and All Committees
Temporary closure of the School	Governing Body and Finance Committee

In assessing the risks, the impact on school activity, disruption, injury or property damage, loss of income, reputation, management focus, missed opportunity and strategic direction change are all considered. Risks are recorded in a register, the controls and mitigation plans considered and assessed as to their impact and likelihood of materialising. Risks are classed as key, medium concern or manageable. The risk register is updated termly by the ELT and reviewed by Committees at least annually.

Auditors

Saffery Champness LLP has expressed their willingness to remain in office as auditors of the School.

This report, including the Strategic Report, was approved by the Board on 19 March 2021.

Michael Porter, Company Secretary

Independent Auditor's report to the Members

Opinion

We have audited the financial statements of Stowe School for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of 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 charitable company's state of affairs as at 31 August 2020 and of its incoming resources and application of resources, including its 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 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 charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report including the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees (who are also 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 to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

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

A further description of our responsibilities 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.

Use of our report

This report is made solely to the charitable company's trustees and 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 trustees and members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trustees, 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.



Cara Turtington (Senior Statutory Auditor)
For and on behalf of

Saffery Champness LLP
Chartered Accountants
71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 1 April 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 31 August 2020

	Notes	General Fund £	Restricted Funds £	2020 £	2019 £
Income from:					
Charitable Activities					
School fees receivable	1	22,101,879	-	22,101,879	25,994,763
Ancillary trading income	2	643,162	-	643,162	722,469
Other trading activities					
Non-ancillary trading income (covenants)	12	610,564	-	610,564	399,779
Other activities	3	17,151	-	17,151	13,635
Investments					
Bank and other interest	4	27,314	55,531	82,845	45,183
Voluntary sources					
Grants and donations	5	1,876,738	-	1,876,738	243,051
Total incoming resources		25,276,808	55,531	25,332,339	27,418,880
Expenditure on:					
Raising funds					
Financing costs	7	45,620	66,183	111,803	99,290
Fundraising and Development		525,128	-	525,128	511,162
Total deductible costs		570,748	66,183	636,931	610,452
Charitable activities					
Education		24,360,379	-	24,360,379	24,207,605
Total expenditure	6	24,931,127	66,183	24,997,310	24,818,057
		345,681	(10,652)	335,029	2,600,823
Net Investment losses		-	(111,634)	(111,634)	(7,783)
Net income		345,681	(122,286)	223,395	2,593,040
Other recognised gains and losses:					
Actuarial (loss)/gains on defined benefit pension schemes	22	(1,797)	-	(1,797)	119,000
Net movement in funds		343,884	(122,286)	221,598	2,712,040
Reconciliation of funds:					
Total funds brought forward	18	48,503,938	364,303	48,868,241	46,156,201
Total funds carried forward	18	48,847,822	242,017	49,089,839	48,868,241

All operations of the company continued throughout both years and no operations were acquired or discontinued in either year. All recognised gains and losses during the year are included with the Statement of Financial Activities. The accompanying notes are an integral part of this Statement of Financial Activities.

Balance sheet

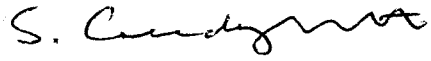
As at 31 August 2020

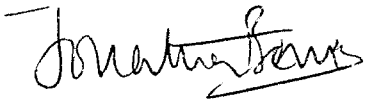
	Notes	2020	2019
		£	£
Fixed Assets			
Tangible assets	9	48,774,432	50,798,465
Investment in subsidiary undertakings	11	164,300	164,300
Composition fee fund investments	16	2,594,087	3,550,296
		51,532,819	54,513,061
Current Assets			
Stocks	13	204,077	233,056
Debtors	14	7,199,716	990,185
Cash and deposits		8,451,204	5,557,868
		15,854,997	6,781,109
Creditors: amounts falling due within one year	15	(16,677,908)	(10,147,223)
Net Current Liabilities		(822,911)	(3,366,114)
Total Assets less Current Liabilities		50,709,908	51,146,947
Long-term Liabilities			
Creditors payable after one year			
Composition fees	16	(1,399,231)	(2,013,334)
Other creditors	17	(24,661)	(31,466)
		(1,423,892)	(2,044,800)
Net assets and liabilities excluding pension liability		49,286,016	49,102,147
Defined benefit pension scheme liability	22	(196,177)	(233,906)
Net assets		49,089,839	48,868,241
The funds of the charity			
Unrestricted funds:			
General reserve		49,043,999	48,737,844
Pension reserve	22	(196,177)	(233,906)
		48,847,822	48,503,938
Restricted funds			
General reserve	18	78,462	78,343
Revaluation reserve	18	163,555	285,960
		242,017	364,303
Total funds	18	49,089,839	48,868,241

Balance sheet (continued)

As at 31 August 2020

The financial statements on pages 19 to 40 were approved by the board of Trustees on 19 March 2021 and signed on their behalf by:





Simon Creedy Smith
Trustee

Jonathan Bewes
Trustee

Company number 187251

The accompanying notes are an integral part of this balance sheet.

Cash flow statement

For the year ended 31 August 2020

	Notes	2020	2019
		£	£
Net cash inflow from operating activities	20	3,018,703	5,288,684
Cashflows from investing activities			
Interest received		44,583	56,437
Additions to composition fee investments		(495,366)	(1,245,398)
Realisation of composition fee investments		1,339,897	1,243,311
Transfer or refunds of composition fee investments		-	2,931
Donations and grants received		264,366	243,051
Payments for tangible fixed assets		(1,291,287)	(5,655,329)
Proceeds from sale of tangible fixed assets		12,440	3,638
Net cash outflow from investing activities		(125,367)	(5,351,360)
Change in cash and cash equivalents in the reporting year		2,893,336	(62,675)
Cash and cash equivalents at the beginning of the reporting year		5,557,868	5,620,543
Cash and cash equivalents at the end of the reporting year		8,451,204	5,557,868
Net cash movement	21	2,893,336	(62,675)

Accounting policies

The accounts have been prepared in accordance with Accounting and Reporting by Charities: the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102), Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Stowe School Limited meets the definition of a public benefit entity under FRS102. The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

The accounts include a Statement of Financial Activities (SoFA) rather than a profit and loss account. The financial information is presented for Stowe School Limited as an individual undertaking and not for the group. The Directors have taken advantage of the SORP and of the Companies Act 2006 (S405(2)) exemption not to prepare group financial statements as they consider the effects of any changes would not be material to the financial statements of Stowe School Limited.

Having reviewed the funding facilities available to the School, together with the expected ongoing demand for places and the School's future projected cash flows, the Directors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. The functional currency is pounds sterling.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

a) Income and expenditure

School fees and operating expenses are included in the financial statements on an accruals basis. Registration fees are credited to income in the year in which they are received. All income and expenditure included in the financial statements is from continuing operations.

b) Investment income

Investment income is principally from bank balances and is accounted for on an accruals basis.

c) Income from voluntary sources

Income from voluntary sources (donations) is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Donations are accounted for as unrestricted income and credited to General Funds, as they relate to specific in year projects, and Trustees do not consider setting up separate restricted funds for each project.

Donations of tangible assets are capitalised at the estimated value as at the date of donation. Other donations are accounted for within the SoFA.

d) Grants

Grants are credited to income when receivable, irrespective of when the related expenditure is incurred.

e) 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 of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates. Repairs and maintenance expenditure is charged as an operating expense in the year in which it is incurred.

Accounting policies *(continued)*

f) Governance costs

Governance costs are those incurred in complying with statutory requirements and governance matters.

g) Tangible assets and depreciation

Expenditure relating to the acquisition of and extensions to freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less depreciation. The Directors are aware that the realisable value is considerably greater than the original cost less depreciation.

Tangible assets are stated at cost less accumulated depreciation and any provision for impairment. Depreciation is provided on tangible assets other than land and historic buildings (the cost of which is not significant) on the first full month of use, so as to write off their cost by equal instalments over the expected useful lives of the assets concerned. The estimated useful lives are considered to be as follows:

Astroturf facility	10 years	Central heating	20 years
Technology equipment	4 to 10 years	Freehold buildings	15 to 50 years
Furniture, fixtures and fittings	5 to 25 years	Motor vehicles	4 to 7 years
Plant and equipment	5 to 25 years	Property improvements	5 to 50 years

Assets costing under £1,000 and property improvements costing less than £30,000 are not capitalised.

Land and buildings are reviewed annually for impairment. Assets in the course of construction are not depreciated until they are brought into use.

h) Heritage assets

The School acquired Stowe House in 1923; the House is leased to the Stowe House Preservation Trust with a coterminous leaseback to Stowe School for 99 years effective from 1 January 2000. The House is occupied by the School as an operational asset. Stowe House is included in the balance sheet at cost. The School considers that its owned paintings, statues and busts on display and in archive are operational assets.

i) Investments and Investment properties

Investments are shown at market value, less any provision for diminution in value. Gains and losses are included in the SoFA. Investments in subsidiary undertakings are shown at cost, less any provision for permanent diminution in value.

j) Stocks

Stocks are stated at the lower of cost and net realisable value.

k) Debtors

Debtors in respect of school fees are recognised at the point of issuing invoices for the following term. If the pupil withdraws before the start of term, the fees are still due for settlement.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accounting policies *(continued)*

l) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of one year or less from the date of acquisition or opening of the deposit account or similar account.

m) Deferred income

Deferred income represents income after scholarships, bursaries and discounts awarded for the first term of the following academic year and therefore relates to the following financial year.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Operating leases

Assets held under operating leases are not capitalised. The costs associated with hire rental are charged directly to income as they arise.

p) Pensions

Stowe School Limited's professional teaching staff are members of a Superannuation Scheme operated by the Department for Education. This is a multi-employer defined benefit scheme and individual schools are not able to identify their share of the underlying assets and liabilities of the scheme.

Other staff are members of a defined contribution scheme or a multi-employer defined benefit scheme. The amount charged to the statement of financial activities in respect of pension costs is the contribution 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.

q) Composition fees

Composition fees represent payments in advance in respect of school fees for pupils, present and future, and are deposited with Stowe School Limited, as Trustee, for investment. A transfer to the SoFA is made each term in respect of school fees which are then due.

r) Support costs

Support costs are administration and other costs incurred in supporting the charitable activities.

s) Critical accounting judgement and key sources of estimation uncertainty

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised where the revision affects only that year, or in the year of the revision and future years where the revision affects both current and future years.

1 School fees receivable

	2020 £	2019 £
Gross school fees	24,468,357	28,378,856
Less: Scholarships, bursaries and allowances	(2,366,478)	(2,384,093)
	22,101,879	25,994,763

Due to the impact of COVID-19, the fees for the final term were reduced by £4,697,330 to compensate for the pupils not being able to use the facilities at the School. Pupils were taught through the Stowe Distance Learning Programme.

SSF funded scholarships and bursaries of £226,552 (2019: £215,589) resulting in a total funded by the School and the Foundation of £1,930,763 (2019: £1,930,859). In addition, external trusts provided funds of £33,489 (2019: £24,208) towards individual pupils' fees. Both the amounts funded by SSF and external trusts are included in gross school fees.

2 Ancillary trading income

	2020 £	2019 £
Pupil extras	330,892	426,855
Registration fees	115,893	135,675
Rental income	66,848	56,165
Other income	129,529	103,774
	643,162	722,469

3 Other activities

	2020 £	2019 £
Interest on overdue accounts	17,151	13,635

4 Bank and other interest

	2020 £	2019 £
Interest and dividends on Composition fee investments (note 16)	55,412	-
Bank interest receivable	24,553	42,276
Interest from SEL on school shop stock loan	2,880	2,907
	82,845	45,183

5 Grants and Donations

	2020 £	2019 £
Donations	264,366	243,051
Government Furlough Scheme	1,612,372	-
	1,876,738	243,051

6 Analysis of total expenditure

	Staff Costs £	Other Costs £	Depreciation £	2020 £
Expenditure on raising funds				
Financing costs (Note 7)	-	111,803	-	111,803
Fundraising and Development	447,550	77,578	-	525,128
Total costs of generating funds	447,550	189,381	-	636,931
Charitable activities				
Teaching	9,562,820	955,620	509,529	11,027,969
Welfare	2,768,542	1,096,396	67,344	3,932,282
Premises repairs and maintenance	1,688,127	3,043,893	1,852,775	6,584,795
Support costs and governance	1,511,239	1,192,644	111,450	2,815,333
Total charitable expenditure	15,530,728	6,288,553	2,541,098	24,360,379
Total expenditure	15,978,278	6,477,934	2,541,098	24,997,310

	Staff Costs £	Other Costs £	Depreciation £	2019 £
Expenditure on raising funds				
Financing costs (Note 7)	-	99,290	-	99,290
Fundraising and Development	422,559	88,603	-	511,162
Total costs of generating funds	422,559	187,893	-	610,452
Charitable activities				
Teaching	8,540,680	1,292,876	491,189	10,324,745
Welfare	2,740,962	1,206,131	70,360	4,017,453
Premises repairs and maintenance	1,587,375	3,885,582	1,658,152	7,131,109
Support costs and governance	1,382,185	1,266,384	85,729	2,734,298
Total charitable expenditure	14,251,202	7,650,973	2,305,430	24,207,605
Total expenditure	14,673,761	7,838,866	2,305,430	24,818,057

Governance included in support costs:

	2020	2019
	£	£
Remuneration paid to auditors for audit services	19,500	18,943
Directors – travel and subsistence costs	6,855	9,499
Other governance costs	7,231	6,976
	33,586	35,418

The Directors and Company Secretary did not receive any emoluments during the year (2019: £nil) and none received retirement or other benefits from the School. Travel expenses were claimed by 14 (2019: 18) individuals who were reimbursed directly or indirectly £6,855 (2019: £9,499).

In addition to the above audit remuneration, the auditors performed due diligence for the Stowe School merger with Swanbourne House School and Winchester House School totalling £60,000 (For taxation and VAT support 2019: £4,520).

7 Financing costs

	2020	2019
	£	£
Commitment fee on rolling credit facility	35,096	35,000
Movement in present value of Composition fees and admin fees (note 16)	66,183	47,979
Bank charges	8,467	10,311
Pension Scheme financing costs	2,057	6,000
	111,803	99,290

8 Staff costs

Total staff costs were:	2020 £	2019 £
Salaries and wages	13,043,394	12,339,399
Social security costs	1,259,392	1,178,893
Other pension costs	1,675,492	1,155,469
	15,978,278	14,673,761

The aggregate employee remuneration and benefits of the key management personnel were:	1,217,818	1,168,882

The total staff costs above include payments relating to leaving staff of £60,880 (2019: £46,164).

	2020 Number	2019 Number
The average number of employees of the company during the financial year was as follows:		
Teaching and teaching support staff	169	162
Visiting music teachers	30	32
Establishment and administrative staff	318	323
	517	517
The average FTE of employees of the company during the financial year was as follows:		
Teaching and teaching support staff	146	139
Visiting music teachers	6	7
Establishment and administrative staff	220	217
	372	363
The number of staff in pension schemes was as follows:		
Money Purchase	302	299
Teachers' Pensions	122	113
	424	412

The Staging date for pension auto enrolment was October 2013 and the most recent re-enrolment date was 1 November 2019, which required staff who opted out to elect to be enrolled or opt out again. The next re-enrolment date is 1 November 2022.

The number of employees whose emoluments exceeded £60,000 were:	2020 Number	2019 Number
£60,001 - £70,000	16	14
£70,001 - £80,000	2	1
£80,001 - £90,000	3	3
£90,001 - £100,000	2	1
£130,001 - £140,000	1	1
£210,001 - £220,000	1	1
£260,001 - £270,000	-	1
£270,001 - £280,000	1	-

Stowe School Limited's pension contributions for the above 26 (2019: 22) employees totalled £297,951 (2019: £183,986), divided between Teachers' Pensions £263,453 (2019: £159,252) and other schemes £34,498 (2019: £24,734).

The emoluments of the highest paid employee reflect the fact that employer pension contributions of 16.48% of salary to the Teachers' Pensions Scheme ceased with effect from 31 May 2016, at which time the salary was increased by an amount equivalent to the contributions foregone.

9 Tangible fixed assets

	Freehold Property £	Property Improve-ments £	Plant & Equipment £	Computer Equipment £	Furniture, Fixtures & Fittings £	Motor Vehicles £	Total £
Cost							
1 September 2019	28,909,673	32,449,156	2,277,894	2,020,852	4,056,770	654,551	70,368,896
Additions	151,117	170,800	67,505	55,548	43,912	46,448	535,330
Disposals	(10,410)	(4,688)	(5,543)	-	-	(5,823)	(26,464)
31 August 2020	29,050,380	32,615,268	2,339,856	2,076,400	4,100,682	695,176	70,877,762
Depreciation							
1 September 2019	4,242,247	9,158,352	1,875,784	1,467,092	2,458,595	368,361	19,570,431
Charge for Year	644,804	1,211,492	117,558	162,695	305,018	99,531	2,541,098
Disposals	-	-	(2,376)	-	-	(5,823)	(8,199)
31 August 2020	4,887,051	10,369,844	1,990,966	1,629,787	2,763,613	462,069	22,103,330
Net Book Value							
31 August 2020	24,163,329	22,245,424	348,890	446,613	1,337,069	233,107	48,774,432
31 August 2019	24,667,426	23,290,804	402,110	553,760	1,598,175	286,190	50,798,465

Within additions, £169,347 (2019: £369,787) of assets are under construction, most notably the Design, Technology and Engineering building.

£218,096 (2019: £205,849) of donations and grants in the cash flow statement were used to fund capital additions in the year.

10 Capital commitments

There was £170,318 of capital expenditure authorised and contracted for at the balance sheet date (2019: £290,176).

11 Investment in subsidiary undertakings

	2020 £	2019 £
Stowe Enterprises Limited - shares at cost	100	100
Stowe Enterprises Limited - interest bearing loan	164,000	164,000
Stowe School Developments Limited – shares at cost	100	100
Stowe Qatar Limited – shares at cost	100	100
	164,300	164,300

For additional information refer to Note 12 – Related party transactions.

12 Related party transactions

Stowe School Limited owns the whole of the issued ordinary share capital of Stowe Enterprises Limited ("SEL"), a company registered in England. Stowe School Limited allows SEL to make available the facilities of the School for use by the public and to operate the School shop.

SEL prepares its annual accounts to 31 December, an accounting date which the directors consider to be appropriate for administrative reasons. The taxable profits of SEL are donated to the School each year, 2020: £610,564 (2019: £399,779).

The last audited accounts of SEL were for the year ended 31 December 2019. The following information is disclosed in respect of SEL:

	31 December 2019	31 December 2018
	£	£
Turnover	1,919,466	1,611,311
Expenditure	(1,308,902)	(1,211,532)
Profit for the financial year	610,564	399,779
Donated to the school	(610,564)	(399,779)
Result for the year	-	-
Balance of capital and reserves	629,012	418,227

The annual accounts capital and reserves had a prior year adjustment due to a timing change in recognition of gift aid payment, the balance increased by £399,779 to £418,227.

Stowe School Limited recharged costs to SEL during the year of £221,221 (2019: £510,896). As a result of COVID-19, SEL were unable to undertake any commercial activities from March 2020 onwards. As a consequence less costs were incurred. SEL received income from the School for purchases made in the School shop during the year of £80,544 (2019: £69,608). At the year end the amount owed by SEL to the School was £45,312 (2019: £177,734).

The total taxable profits donated to the School were:	2020	2019
	£	£
Stowe Enterprises Limited (SEL)	610,564	399,779

During the year to 31 July 2011 the School acquired the whole of the issued ordinary share capital of Stowe School Developments Limited ("SSDL"), a company registered in England. The company had turnover of £10,000 and made a profit before tax of £2,969 in the year to 31 August 2020. At the year end the amount owed by SSDL to the School was £11,885 (2019: £12,280).

SSDL owns the whole of the issued share capital of Stowe UAE Limited and Stowe China Limited. Stowe UAE received no income in the year to 31 August 2020 (2019: £nil). At the year end the amount owed by Stowe UAE to the School was £3,399 (2019: £3,946). Stowe China received no income in the year to 31 August 2020 (2019: £nil). At the year end the amount owed to the School by Stowe China was £513 (2019: £56).

During the year to 31 August 2014 the School acquired the whole of the issued ordinary share capital of Stowe Qatar Limited, a company registered in England. The company received no income in the year to 31 August 2020 (2019: £nil). At the year end the amount owed by Stowe Qatar to the School was £3,349 (2019: £3,911).

13 Stocks

	2020	2019
	£	£
Raw materials and consumables	204,077	233,056

The replacement cost of stocks is not considered to be materially different from their historical cost.

14 Debtors

	2020	2019
	£	£
Debtors in respect of School fees	6,419,102	325,551
Other debtors	61,183	70,455
Prepayments and accrued income	654,973	396,252
Amounts owed by subsidiary undertakings (note 12)	64,458	197,927
	7,199,716	990,185

The debtors in respect of school fees has increased as a consequence of changing the accounting policy regarding the treatment of deferred income. The above debtors represent debt owed on School fees for the Michaelmas term (see Note 15 – Deferred income) and extras from the Summer term. The prior year estimated debtors comparison would have been £6,447,032 and deferred income of £8,820,714.

15 Creditors: amounts falling due within one year

	2020	2019
	£	£
Deferred income	8,835,338	-
School fees paid on account	1,566,834	3,163,403
Deposits paid on account	3,141,941	2,947,166
Trade creditors	464,756	852,943
Other creditors	363,530	271,547
Taxation and social security	320,833	303,981
Accruals	953,375	1,357,181
Current portion of Composition fees (note 16)	1,031,301	1,251,002
	16,677,908	10,147,223

Deferred income represents income relating to the next financial year (see Note 14 – Debtors in respect of School fees).

16 Composition fee fund investments

Composition fees represent fees paid by parents to the School up to the equivalent of five years' fees in advance and are held separately from the general funds of the School, with Stowe School Limited as Trustee. The Directors have delegated the day to day management of the investments to Smith & Williamson Investment Management LLP.

The movement on the composition fee fund was:	2020	2019
	£	£
Market value at 1 September	3,550,296	3,558,079
Composition fees received and invested	446,264	1,197,458
Composition fees transferred or refunded	-	(2,931)
Net income arising reinvested	49,058	47,939
Applied to school fees	(1,339,897)	(1,243,311)
Investment loss during the year	(111,634)	(6,938)
Market Value at 31 August	2,594,087	3,550,296
Historical Cost at 31 August	2,400,756	3,216,417

Investments comprise:		
Listed investments:	£	£
UK Fixed Interest:		
I Shares III Plc	1,223,734	1,517,530
Smith & Williamson Investment Funds	620,275	761,373
	1,844,009	2,278,903
UK Equities: J P Morgan Asset Management Ltd	654,206	745,397
	2,498,215	3,024,300
Client Money	44,756	9,241
Total Investments	2,542,971	3,033,541
Cash at Bank	51,116	516,755
Total Composition fee fund investments	2,594,087	3,550,296

Assuming pupils remain at the School, advance fees will be applied as follows:		
	£	£
Greater than five years	81,602	118,386
Between two and five years	702,757	1,053,868
Between one and two years	614,872	841,080
	1,399,231	2,013,334
In one year or less	1,031,301	1,251,002
Net Present Value	2,430,532	3,264,336

17 Other Creditors

This represents the School's proportion (29%) of a pension deficit within Allied Schools Agency (see Note 22).

	2020	2019
	£	£
Greater than one year	24,661	31,466
In one year or less	6,725	6,534
	31,386	38,000

18 The funds of the Charity

	Unrestricted General Fund	Composition Fee Restricted Fund	Stowe Harvard Restricted Fund	Total Restricted Funds	Total Funds
	£	£	£	£	£
At 1 September 2019	48,503,938	285,960	78,343	364,303	48,868,241
Net movement in funds	343,884	(122,405)	119	(122,286)	221,598
At 31 August 2020	48,847,822	163,555	78,462	242,017	49,089,839

Analysis of Net Assets

	£	£	£	£	£
Tangible Fixed Assets	48,774,432	-	-	-	48,774,432
Investments	164,300	2,594,087	-	2,594,087	2,758,387
Current Assets	15,776,535	-	78,462	78,462	15,854,997
Creditors amounts falling due within one year	(15,646,607)	(1,031,301)	-	(1,031,301)	(16,677,908)
Creditors payable after one year	(24,661)	(1,399,231)	-	(1,399,231)	(1,423,892)
Provisions	(196,177)	-	-	-	(196,177)
At 31 August 2020	48,847,822	163,555	78,462	242,017	49,089,839

Unrestricted Funds
Within the Unrestricted Funds is a pension reserve of (£196,177) (2019: (£233,906)) relating to a defined benefit scheme provision (see Note 22).

Restricted Funds (Composition and Stowe Harvard)
Within the Restricted Funds is £78,462 (2019: £78,343) relating to the Stowe Harvard Fund, whose funds are to be used towards the costs of the Stowe Harvard Fellowship and a revaluation reserve of £163,555 (2019: £285,960) which reflects the difference between the market value of the composition fee investments and the net present value of future fee commitments at 31 August 2020 (see Note 16).

An analysis of the Funds of the Charity for last year can be found at Note 25.

19 Operating leases

Other Assets - Total commitments relating to operating leases:

	2020	2019
	£	£
Less than one year	108,461	131,090
Between two and five years	148,841	228,199
Over five years	-	10,410

During the year £136,091 (2019: £149,328) was spent on operating leases.

Property Assets – Total commitments relating to operating leases:

Stowe House:

The house has been leased to The Stowe House Preservation Trust Ltd, a coterminous leaseback to Stowe School Ltd for 99 years, effective from 1 January 2000 (no break clauses). The arrangements were confirmed under Charity Order 0149530D dated 10 November 1999.

The lease charge represents the rent payable to The Stowe House Preservation Trust Ltd for the School's occupation of Stowe House. The lease charge is reviewed every five years (next review 2023); the charge for the year is £155,162 (2019: £155,162).

The total minimum lease payments remaining on this lease are £7.8 million, over the remaining 78 years.

National Trust:

An agreement was made on 29 March 1990 between both parties to lease, surrender and develop various premises and land at Stowe, Buckinghamshire for 190 years.

The lease charge represents the rent payable to the National Trust for the School's occupation of certain properties. The lease charge is reviewed every five years (next review 2020). The charge for the year is £13,830 (2019: 13,830).

The total minimum lease payments remaining on this lease at the current rate of charge are £2.2 million, over the remaining 160 years. The exact amount payable depends on the properties used by the School.

Other:

The School had a lease over a residential property, which was a one year rental. The charge for the year is nil as the lease ceased in May 2019 (2019: £9,600).

20 Reconciliation of net movement in funds to net cash inflow from operating activities

	2020 £	2019 £
Net income	223,395	2,593,040
Donations received	(264,366)	(243,051)
Interest received	(44,583)	(58,818)
Operating surplus for the year	(85,554)	2,291,171
Depreciation charges	2,541,098	2,305,430
Profit/(Loss) on disposal of fixed assets	5,825	125,873
Unrealised loss/(gain) arising on revaluation of investments	111,634	7,783
Decrease in stocks	28,979	2,470
(Increase) in debtors	(6,209,531)	(33,982)
Decrease in creditors	6,667,835	638,154
(Decrease) in provision	(41,583)	(48,215)
Net cash inflow from operating activities	3,018,703	5,288,684

21 Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash and cash equivalents			
Cash	5,557,868	2,893,336	8,451,204
	5,557,868	2,893,336	8,451,204

22 Pensions Schemes

Teachers' Pensions

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 £1,071,093 (2019: £805,317) and at the year-end £101,310 (2019: £66,259) was accrued in respect of employer contributions to this scheme.

The TPS is an unfunded, multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme Regulations 2014. 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 following scheme valuations undertaken by the Government Actuary's Department.

The latest actuarial valuation was completed in 2018, which determined the opening balance of the cost cap fund and also provided an analysis of the cost cap as required by the Public Service Pensions Act 2013. The employers contribution rate for the TPS increased to 23.6% from 1 September 2019 and the employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

Support Staff Pensions

The School's support staff have the opportunity to join either the Pensions Trust Growth Plan Series 4, the Pensions Trust Flexible Retirement Plan or a Standard Life Group Personal Pension Scheme. These Schemes are defined contribution schemes.

The School also participates in a Pensions Trust multi-employer scheme (i.e. all employers that employed active members before 1 October 2001) which provides benefits to some 950 non associated participating employers; the Growth Plan Series 1, 2 and 3 are defined benefit schemes in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pension Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Because Series 3 liabilities do not contribute towards the deficit (as investments are matched to liabilities) the Trustee has agreed that employers who have only ever had involvement with Series 3 were not required to pay any additional contributions from 1 April 2013.

The scheme is classified as a 'last–man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m, resulting in a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions: from 1 April 2019 to 31 January 2025 - £11,243,000 per annum (payable monthly and increasing by 3% on each 1 April).

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions in the scheme as follows:

Deficit contributions: from 1 April 2016 to 30 September 2025 - £12,945,440 per annum (payable monthly and increasing by 3% on each 1 April) and from 1 April 2016 to 30 September 2028 - £54,560 per annum (payable monthly and increasing by 3% on each 1 April).

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

The additional contributions required from Stowe School Limited from 1 April 2013 were agreed at £49,507 per annum (rising by inflation annually) for 10 years. The additional contributions made in the year totalled £41,583 (2019: £48,215).

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement, the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using an appropriate discount rate. The unwinding of the discount rate is recognised as a finance cost.

Net present value of Provision

	2020 £	2019 £
Net present value of provision	196,177	233,906

Reconciliation of opening and closing Provision

	2020 £	2019 £
Provision at start of year	233,906	395,121
Unwinding of the discount factor (interest expense)	2,057	6,000
Deficit contribution paid	(41,583)	(48,215)
Re-measurements – impact of any change in assumptions	1,797	4,000
Re-measurements – amendments to the contribution schedule	-	(123,000)
Provision at end of year	196,177	233,906

Income and Expenditure Impact

	2020 £	2019 £
Interest expense	2,057	6,000
Re-measurements – impact of any change in assumptions	1,797	4,000
Costs recognised in income and expenditure account	41,583	48,215
Re-measurements – amendments to the contribution schedule	-	(123,000)
Impact at end of the year	45,437	(64,785)

23 Legal Charges

The School entered into a Revolving Credit Facility (RCF) for five years, from 16 June 2017. The RCF is secured by legal charges on the School's domestic properties.

24 Statement of Financial Activities (incorporating an income and expenditure account) for prior year

	Notes	General Fund £	Restricted Funds £	2019 £
Income from:				
Charitable Activities				
School fees receivable	1	25,994,763	-	25,994,763
Ancillary trading income	2	722,469	-	722,469
Other trading activities				
Non-ancillary trading income (covenants)	12	399,779	-	399,779
Other activities	3	13,635	-	13,635
Investments				
Bank and other interest	4	45,032	151	45,183
Voluntary sources				
Grants and donations	5	243,051	-	243,051
Total incoming resources		27,418,729	151	27,418,880
Expenditure on:				
Raising funds				
Financing costs	7	51,311	47,979	99,290
Fundraising and Development		511,162	-	511,162
Total deductible costs		562,473	47,979	610,452
Charitable activities				
Education		24,207,605	-	24,207,605
Total expenditure	6	24,770,078	47,979	24,818,057
		2,648,651	(47,828)	2,600,823
Net Investment (losses)/gains		-	(7,783)	(7,783)
Net income		2,648,651	(55,611)	2,593,040
Other recognised gains and losses:				
Actuarial gains on defined benefit pension schemes	22	119,000	-	119,000
Net movement in funds		2,767,651	(55,611)	2,712,040
Reconciliation of funds:				
Total funds brought forward	18	45,736,287	419,914	46,156,201
Total funds carried forward	18	48,503,938	364,303	48,868,241

25 The funds of the Charity for prior year

	Unrestricted General Fund	Composition Fee Restricted Fund	Stowe Harvard Restricted Fund	Total Restricted Funds	Total Funds
	£	£	£	£	£
At 1 September 2018	45,736,287	341,722	78,192	419,914	46,156,201
Net movement in funds	2,767,651	(55,762)	151	(55,611)	2,712,040
At 31 August 2019	48,503,938	285,960	78,343	364,303	48,868,241

Analysis of Net Assets

	£	£	£	£	£
Tangible Fixed Assets	50,798,465	-	-	-	50,798,465
Investments	164,300	3,550,296	-	3,550,296	3,714,596
Current Assets	6,702,766	-	78,343	78,343	6,781,109
Creditors amounts falling due within one year	(8,896,221)	(1,251,002)	-	(1,251,002)	(10,147,223)
Creditors payable after one year	(31,466)	(2,013,334)	-	(2,013,334)	(2,044,800)
Provisions	(233,906)	-	-	-	(233,906)
At 31 August 2019	48,503,938	285,960	78,343	364,303	48,868,241